

38th Western NARUC Utility Rate School

May 15-19, 2017 | San Diego, California
PROGRAM AGENDA – PRELIMINARY



Sunday

5:30-6:30 pm **Registration & Welcome Reception**
Cosponsored by NARUC and the National Association of Water Companies

Monday

7:00-8:00 am **Registration & Continental Breakfast (*provided each morning*)**

8:00-8:30 am **Welcome, Introductions, and Instructions**
30 min.
Comm. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee
Janice Beecher, Director, Institute of Public Utilities, MSU
Tommy Oliver, Deputy Director, Div. of Utility Accounting & Finance, Virginia SCC

8:30-9:30 am **The Economic Basis for Public Utility Regulation**
60 min.
Janice Beecher, Director, Institute of Public Utilities, MSU

9:30-9:45 am Mid-Morning Break

9:45-10:30 am **The Legal Basis for Public Utility Regulation**
45 min.
Christine Hoover, Sr. Assistant Consumer Advocate, PA OCA

10:30-10:45 am Mid-Morning Break

10:45-11:30 am **Basics of Utility Rate Setting**
45 min.
John F. Guastella, Guastella Associates, Inc.

11:30-12:15 pm **Mock Rate Case Panel: Prefiling Briefing for the Case**
45 min.
Comm. Mary-Anna Holden, New Jersey BPU, NARUC Water Committee
Utility: Walton Hill, Sr. V.P., Regulatory Relations (Retired), Suez North America
Consumer Advocate: Christine Hoover, Sr. Asst. Consumer Advocate, PA OCA
Staff: Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

12:15 -1:30 pm Lunch (on your own)

1:30-1:45 pm **Choosing the Test Year for Revenue Requirements**
15 min.
Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

1:45-3:15 pm **Developing the Rate Base**
90 min.
Stephen Genzer, Partner, Saul Ewing, LLP
David Spacht, VP, CFO, & Treasurer, Artesian Water Company, Discussant
Paul Schulz, Utility Rate Analyst, MT Consumer Counsel

3:15-3:45 pm **Mock Rate Case: Getting Started and Sample Adjustments**
30 min.
John Tomac, Manager, Rates and Regulatory Support, WV American Water

3:45-5:15 pm **Small Group Session**
90 min.
Getting Started on the Case

Tuesday

8:15-8:45 am 30 min.	Balance Sheets and Income Statements ▶⑥ John Tomac, Manager, Rates and Regulatory Support, WV American Water
8:45-9:45 am 60 min.	Small Group Session Rate Base
9:45-10:00 am	Mid-Morning Break
10:00-11:00 am 60 min.	Operating Expenses, Depreciation, Taxes, and Trackers Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC
11:00-11:15 am	Mid-Morning Break
11:15-12:15 am 60 min.	Operating Expenses, Depreciation, Taxes, and Trackers (continued) Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC
12:15 -1:30 pm	Lunch (on your own)
1:45-5:00 pm 195 min.	Small Group Session Rate Base and Income Statement

Wednesday

8:15-9:30 am 75 min.	Industry Perspectives on Current Issues Comm. Mary-Anna Holden, New Jersey BPU, NARUC Water Committee Water: Grace D. Soderberg, Director of State Regulatory Relations, NAWC Electricity: Edison Electric Institute
9:30-9:45 am	Mid-Morning Break
9:45-10:45 am 60 min.	Corporate Finance, Cost of Capital, and Capital Structure Tommy Oliver, Deputy Director, Div. of Utility Accounting & Finance, Virginia SCC David Spacht, VP, CFO, & Treasurer, Artesian Water Company, Discussant
10:45-11:00 am	Mid-Morning Break
11:00-12:15 pm 75 min.	Corporate Finance (continued) Tommy Oliver, Virginia SCC, Moderator Utility: David Spacht, VP, CFO, & Treasurer, Artesian Water Company Consumer Advocate: Paul Schulz, Utility Rate Analyst, MT Consumer Counsel
12:15-1:30 pm	Lunch (on your own)
1:30-5:00 pm 210 min.	Small Group Sessions Return on Equity

Thursday

8:00 and 8:30 am 30 min.	MRC Team Solution Review
9:00-10:15 am 75 min.	Rate Design Theory, Principles, and Concepts Janice Beecher, Director, Institute of Public Utilities, MSU
10:15-10:30 am	Mid-Morning Break

10:30-11:30 am **Cost-Allocation Methods**
60 min. David Sheard, Senior Economic Analyst, Ruekert/Mielke

11:30-11:45 am Mid-Morning Break

11:45-12:45 pm **Rate-Design Methods**
60 min. Jennie Lingo, Economic Analyst, Florida PSC

12:45-2:00 pm Lunch (on your own)

2:00-5:00 pm **Small Group Sessions**
180 min. Rate Design

6:00-8:00 pm Reception and Buffet Dinner

Friday

8:15-8:45 am **Evaluating Regulation and Adaptive Methods**
30 min. Janice Beecher, Director, Institute of Public Utilities, MSU

8:45-9:30 am **Mock Rate Case Panel: Closing Arguments of the Parties** ▶▶
45 min. Comm. Mary-Anna Holden, New Jersey BPU, NARUC Water Committee
Utility: Walton Hill, Sr. V.P., Regulatory Relations (Retired), Suez North America
Industrial Customers: Stephen Genzer, Partner, Saul Ewing, LLP
Consumer Advocate: Christine Hoover, Sr. Asst. Consumer Advocate, PA OCA
Staff: Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

9:30-9:45 am **Analysis and Discussion of Group Solutions**
15 min. Jennie Lingo, Economic Analyst, Florida PSC
David Sheard, Senior Economic Analyst, Ruekert/Mielke

9:45-10:00 am **Awarding of Program Certificates**
Tommy Oliver, Deputy Director, Div. of Utility Accounting & Finance, Virginia SCC
Comm. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee
Comm. John "Butch" Howard, South Carolina PSC, NARUC Education Com.

10:00 am Adjourn

10:15 – 11:15 am **Bonus Session: Special Issues in Rate Design**
60 min. Jennie Lingo, Economic Analyst, Florida PSC

Additional program faculty members: Tonya Baer, Texas OPUC; Sue Daly, OH PUC; Jim Jenkins, American Water; Kim Joyce, Aqua America; Patti Lucarelli, RI PUC; Cathy Pedemonti, CT PURA; Steve Olea, Arizona CC (retired).

Notice: The Mock Rate Case and materials provided at the NARUC Utility Rate School are instructional tools intended only for use by registered attendees of the course. The Utility Rate School is not prescriptive and practitioners are encouraged to consult additional resources on utility ratemaking. The views and opinions of individual program faculty members do not necessarily represent the views, opinions, or policies of NARUC, NARUC member commissions, or the Institute of Public Utilities. Revised 1.13.2017.

Attendee materials: ipu.msu.edu/urs-materials/index.

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