

# NARUC 40<sup>th</sup> Western Utility Rate School

May 12-17, 2019 | San Diego, California

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## Program Agenda



### Sunday

4:00-6:00pm

Early Registration

5:00-6:00pm

**Welcome Reception and Registration**

### Monday

7:00-8:00am

**Registration and Full Breakfast**

8:00-8:15am

**Welcome, Introductions, and Instructions**

15 min.

Hon. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee  
Hon. John "Butch" Howard, SC PSC & Chair, NARUC Education Committee  
Cathy Pedemonti, CT PURA & Chair, Staff Subcommittee on Water

8:15-9:00am

**Water Industry Perspective on the Mock Case Issues**

45 min.

James Jenkins, Vice President, Regulatory Services, American Water  
Robert Powelson, Commissioner Emeritus, Executive Director, National Association of Water Companies

9:00-9:30am

**Commissioners: Why we do what we do!**

30 min.

Hon. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee  
Hon. John "Butch" Howard, SC PSC & Chair, NARUC Education Committee  
Erin O'Connell-Diaz, Commissioner Emeritus, President, FutureFWD, Inc.

9:30-9:45am

Morning Break

9:45-10:30am

**The Legal Basis for Public Utility Regulation**

45 min.

Christine Hoover, PA OCA

10:30-10:45 am

Morning Break

10:45-11:30am

**Basics of Rate Setting**

45 min.

John F. Guastella, President, Guastella Associates, Inc.

11:30-12:15pm

**Mock Rate Case Panel: Prefiling Briefing for the Case**

45 min.

Hon. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee  
Utility: Stephen Genzer, Partner, Saul Ewing, Arnstein & Lehr LLP  
Advocate: Christine Hoover, PA OCA  
Staff: Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

12:15-1:30pm

Lunch (on your own)

1:30-2:30pm

**Developing the Rate Base**

60 min.

Stephen Genzer, Partner, Saul Ewing, Arnstein, & Lehr LLP  
Utility: David Spacht, VP, CFO, & Treasurer, Artesian Water Company

2:30-2:45pm

Afternoon break

2:45-3:15pm

**Choosing the Test Year**

30 min.

Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

3:15-3:30pm

**Mock Rate Case: Getting Started**

15 min.

John Tomac, Sr. Dir. Rates and Regulations, Eastern Div., American Water

**3:30-5:00 pm**      **Team Working Session**  
75 min.              Getting Started on the Case

**Tuesday**

**7:00-8:15am**      **Full Breakfast**

**8:15-8:45am**      **Balance Sheets and Income Statements**  
30 min.              John Tomac, Sr. Dir. Rates and Regulations, Eastern Div., American Water

**8:45-9:45am**      **Team Working Session**  
60 min.              Rate Base

9:45-10:00 am      Morning Break

**10:00-11:00am**      **Operating Expenses, Depreciation, Taxes, and Trackers**  
60 min.              Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

11:00-11:15am      Morning Break

**11:15-12:15am**      **Operating Expenses, Depreciation, Taxes, and Trackers (continued)**  
60 min.              Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC

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

**1:30-5:00pm**      **Team Working Session**  
210 min.              Rate Base and Income Statement

**Wednesday**

**7:00-8:15am**      **Full Breakfast**

**8:15-9:30am.**      **Legal Arts: From the cross examination to the settlement conference**  
60 min              Hon. Norm Kennard, PA PUC

9:30-9:45am      Morning Break

**9:45-10:45pm**      **Corporate Finance, Cost of Capital, and Capital Structure**  
60 min.              Tommy Oliver, Executive Director, Rate and Regulatory Affairs  
Roanoke Gas Company  
Discussant: David Spacht, VP, CFO, & Treasurer, Artesian Water Company

10:45-11:00 am      Morning Break

**11:00-12:15pm**      **Corporate Finance (continued)**  
75 min.              Moderator: Tommy Oliver, Executive Director, Rate and Regulatory Affairs  
Roanoke Gas Company, Moderator  
Utility: David Spacht, VP, CFO, & Treasurer, Artesian Water Company

12:15-1:30pm      Lunch (on your own)

**1:30-4:30pm**      **Team Working Session**  
180 min.              Return on Equity

**Thursday**

<b>7:00-8:15am</b>	<b>Full Breakfast</b>
<b>8:15-9:15am</b> 30 min.	<b>Mock Rate Case Team Solution Review</b> Check schedule for group meeting times ( <b>8:15 or 8:45</b> )
<b>9:15-10:15am</b>  60 min.	<b>Trends: In Electric and Gas/ FERC/ Energy Efficiency/Cloud Computing</b> Hon. Brien Sheahan, Chair, Illinois Commerce Commission Brian Chin, Senior Vice President-Strategic Financial Planning, American Water
10:15-10:30	Morning Break
<b>10:30-11:30am</b> 60 min.	<b>Cost of Service &amp; Rate Design</b> David Sheard, Senior Economic Analyst, Ruekert/Mielke
<b>11:30-12:15pm</b> 45 min.	<b>Rate Design Methods</b> Jennie Lingo, Economic Analyst, Florida PSC
12:15-1:30pm	Lunch (on your own)
<b>1:30-5:00pm</b> 210 min.	<b>Team Working Session</b> Rate Design
6:00-8:00pm	Reception and Graduation Celebration Dinner

**Friday**

<b>7:00-8:15am</b>	<b>Full Breakfast</b>
<b>8:15-9:00am</b> 45 min.	<b>Mock Rate Case Panel: Closing Arguments of the Parties</b> Hon. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee Utility: TBD Large Energy Users: Stephen Genzer, Partner, Saul Ewing, Arnstein & Lehr LLP Advocate: Christine Hoover –PA OCA Staff: Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC
<b>9:00-9:15am</b> 15 min.	<b>Analysis and Discussion of Team Solutions</b> Jennie Lingo, Economic Analyst, Florida PSC David Sheard, Senior Economic Analyst, Ruekert/Mielke
<b>9:15-9:45am</b>	<b>Awarding of Program Certificates</b> Cathy Pedemonti, CT PURA & Chair, Staff Subcommittee on Water Hon. Mary-Anna Holden, New Jersey BPU & Chair, NARUC Water Committee Hon. John “Butch” Howard, SC PSC & Chair, NARUC Education Committee
9:30am	Adjourn

**Additional program faculty members:** Kimberly Joyce, Aqua America; Patti Lucarelli, RI PUC; Steve Olea, Arizona CC; Cathy Pedemonti, CT PURA.

*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 or its member commissions.*