

NARUC Utility Rate School Agenda

All times are set in the Eastern Time Zone

Important Dates



- April 21:** 3:00 – 4:00 Orientation
- April 28:** 3:00 – 3:45 Rate School Basic Accounting (optional)
- May 5:** 4:00 – 4:45 Team Meetings*
- May 10 – 14:** Class and Team Sessions

* This date may change based on team member availability

Monday * May 10

- 10:00 - 10:10 am** 10 min. **Welcome, Introductions, Instructions and What to expect on Monday.**
- 10:10 - 10:55am** 45 min. **Basics of Utility Rate Setting**
John F. Guastella, President, Guastella Associates, Inc.
- 10:55 – 11:10pm Break
- 11:10 - 11:55pm** 45 min. **Financial Statements (formerly Balance Sheets and Income Statements)**
John Tomac, Sr. Dir. Rates and Regulations, Eastern Div., American Water
- 11:55 – 12:10pm Break
- 12:10 -12:45pm** 35 min. **Choosing the Test Year for Revenue Requirements**
Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC
- 12:45 - 1:15pm Lunch Break
- 1:15 – 2:45pm** 90 min. **Developing the Rate Base Part**
Stephen Genzer, Partner, Saul Ewing, Arnstein, & Lehr LLP
David Spacht, VP, CFO, & Treasurer, Artesian Water Company
- 2:45 – 3:00pm Break
- 3:00 – 3:30pm** 30 min. **Mock Rate Case: Getting Started and Sample Adjustments**
John Tomac, Sr. Dir. Rates and Regulations, Eastern Div., American Water
- 3:40 - 5:40pm** 120 min. **Team Working Session**
Getting Started: Rate Base

Tuesday * May 11

- 10:00- 11:30am** 90 min **Team Working Session: Wrapping up Rate Base**
Go directly to Team Links
- 11:30 – 11:45am Break
- 11:45 -12:30pm** 45 min. **Operating Expenses, Depreciation, Taxes, and Trackers**
Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC
- 12:30 – 1:00pm Lunch Break
- 1:00 - 1:45pm** **Operating Expenses, Depreciation, Taxes, and Trackers (continued)**

45 min	Patrick Carr, Deputy Director, Utility Accounting and Finance, Virginia SCC
1:45 -2:00pm	Break
2:00 – 3:00pm	Questions, Review and Prep for Income Statements
3:00 – 3:15pm	Break
3:15 – 5:00pm 105 min.	Team Working Session Income Statement
5:15 – 6:00pm	TUESDAY TRIVIA – TBD

Wednesday * May 12

10:00 – 10:45am	Test Your Knowledge: Interactive Review
10:45 – 11:00am	Break
11:00 - 12:00am 60 min	Corporate Finance, Cost of Capital, and Capital Structure - Part 1 Tommy Oliver, Vice President, Regulatory Affairs and Strategy, Roanoke Gas Company David Spacht, VP, CFO, & Treasurer, Artesian Water Company
12:00 – 12:15pm	Break
12:15 – 1:15pm 60 min.	Corporate Finance, Cost of Capital, and Capital Structure - Part 2 Q & A from Part 1 Tommy Oliver
1:15 – 1:45pm	Lunch break
1:45 – 2:15pm 45 min.	Corporate Finance, Cost of Capital, and Capital Structure - Part 3 David Spacht Q&A from Part 2
2:15 – 2:30pm	Break
2:30 - 3:00pm 30 min.	Consumer Perspective on Corporate Finance Paul Schulz, Utility Rate Analyst, MT Consumer Counsel
3:00 – 3:15pm 15 min.	Review the day and how it all fits (what you need to know for teams)
3:15 – 3:30pm	Break
3:30 – 5:00pm 90 min.	Team Working Session Return on Equity/Completing Team Mock Rate Case Solution

Thursday * May 13

10:00 – 10:45am	Team Working Session Mock Rate Case Team Solution Review Go to Team Links
10:45 – 11:00am	Break
11:00 - 11:45am 45 min.	Cost-Allocation Methods John F. Guastella, President, Guastella Associates, Inc.

- 11:45 – 12:00pm Break
- 12:00 – 1:30pm** **Rate-Design Methods** Part 1 (Presentation)
90 min Steve Olea, Arizona Corporation Commission
- 1:30 – 2:00pm Lunch Break
- 2:00 – 2:30pm** **Rate-Design Methods** Part 2 (QA and what you need to know to get started)
30 min Steve Olea, Arizona Corporation Commission
- 2:30 – 2:45pm Break
- 2:45 – 5:00pm** **Team Working Session Rate Design**
135 min.

5:15 – 6:15 pm **FAMILY FRIENDLY FUN MAGIC HOUR!**
Bring the whole family to watch and enjoy the magic of Rich Hurley. Rich regularly performs at the world-famous Magic Castle in Hollywood. His illusions twist reality into wondrously magical moments. He will perform mind-blowing interactive magic that breaks the screen barrier!

Friday * May 14

- 10:00 – 12:30** **Rate School Review, Relevance and Analysis**
- Electric, Gas and Performance Based Ratemaking**
This session will give students insight into the differences of electric and gas rate cases.

Nick Wagner, Commissioner Emeritus Iowa, NARUC Past President
Currently Vice President, Colorado Regulatory Affairs & Policy, Black Hills Corp.

Don't Lose the Forest for the Trees

This week Rate School Students learned about the ratemaking process and have calculated some detailed adjustments. *Now what?* This **interactive** session will explain the significance of the bigger picture, such as consideration of utility policy issues and commission precedents as well as answer any questions you may have.

Whether you are advocating for a party or advising a commission, you need to understand how ratemaking works to better understand the issues at hand. Parties to a utility rate proceeding come with different perspectives and objectives, but in the end all parties are interested in knowing what can and will be included in rates, at what level, and why. Come prepared to ask your questions for the Rate School Team to answer.

Analysis and Discussion of Team Solutions
Steve Olea, Arizona Corporation Commission