

2009 EASTERN NARUC UTILITY RATE SCHOOL

NOVEMBER 1-6, 2009 ▪ CLEARWATER BEACH, FLORIDA

SUNDAY, NOVEMBER 1, 2009

5:30-6:30 PM **Registration & Reception**
NARUC and IPU Welcome

MONDAY, NOVEMBER 2, 2009

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

8:00-8:15 AM **Welcome, Introductions, & Overview**
The Hon. David King, Vice Chairman
New Mexico Public Regulation Commission
Chair, NARUC Committee on Water

Janice A. Beecher, Ph.D., Director
Institute of Public Utilities, Michigan State University

8:15-9:00 AM **Water Industry Perspectives** ▶▶^①
Sharon Gascon, Deputy Executive Director
National Association of Water Companies

9:00-10:00 AM **Basics of Utility Rate Setting** ▶▶^②
John M. Guastella, Guastella Associates, Inc.

10:00-10:15 AM **Mid-Morning Break**

10:15-11:15 AM **Basics of Utility Rate Setting and Choosing the Test Year** ▶▶^②
Gail P. Brady, CPA, G.B. Consulting Services

11:15-12:00 PM **Basics of Utility Accounting: Balance Sheet and Income Statement** ▶▶^②
Frances J. Lingo, Economic Analyst, Florida Public Service Commission

12:00 -1:30 PM **Lunch (on your own)**

1:30-2:45 PM **Developing the Rate Base** ▶▶^②
Stephen B. Genzer
Partner, Energy & Utilities Group, Saul Ewing, LLP

Kathy Pape, President, Pennsylvania American Water Company

2:45-3:00PM **Getting Started on the Case** ▶▶^③
John Tomac, John S. Tomac Consulting, LLC

3:00-5:00 PM **Small Group Session**
Test Year and Rate Base

TUESDAY, NOVEMBER 3, 2009**8:15-9:15 AM****Legal Framework and the Regulatory Process** ▶▶④

The Hon. David King, Vice Chairman
New Mexico Public Regulation Commission
Chair, NARUC Committee on Water
Moderator

Elizabeth C. Hurst, Administrative Law Judge
New Mexico Public Regulation Commission

Paul Foran, Vice President and Counsel, Regulatory Programs
American Water
Discussant

9:15-10:15 AM**Small Group Session**

Finalize the Rate Base

10:15-10:30 AM**Mid-Morning Break****10:30-12:30 PM****Expenses, Adjustments, Depreciation, and Taxes** ▶▶⑤

David Spacht, VP, CFO, and Treasurer, Artesian Water Company, Inc.

Frances J. Lingo, Economic Analyst, Florida Public Service Commission
Discussant

Christine Hoover, Senior Assistant Consumer Advocate
Pennsylvania Office of Consumer Advocate
Former Chair, NASUCA Committee on Water, Discussant

12:30 -2:00 PM**Lunch (on your own)****2:00-5:00 PM****Small Group Session**

Develop Income Statement

WEDNESDAY, NOVEMBER 4, 2009**8:15-9:00 AM****Public Utilities and their Regulation** ▶▶⑥

Janice A. Beecher, Ph.D., Director
Institute of Public Utilities, Michigan State University

9:00-10:45 AM**Cost of Capital and Corporate Finance Issues** ▶▶⑦

Tommy Oliver, Assistant Director, Division of Economics and Finance
Virginia Corporation Commission

David Spacht, VP, CFO, and Treasurer, Artesian Water Company, Inc.
Discussant

Christine Hoover, Senior Assistant Consumer Advocate
Pennsylvania Office of Consumer Advocate, Discussant

10:45-11:00 AM **Mid-Morning Break**

11:00-12:30 PM **Small Group Sessions**
Cost of Capital and Capital Structure

12:30-2:00 PM **Lunch (on your own)**

1:30-3:30 PM **Optional**
Regulatory and Ratemaking Issues for Electric and Gas Utilities ▶ ⑧

James Dean

Principal, Weldon-Dean Associates

Steve Klick, Executive Policy Manager to
Commissioner Robert F. Powelson
Pennsylvania Public Utility Commission

Richard E. Sobolewski, Supervisor of Technical Analysis
Office of the Connecticut Consumer Counsel

2:00-5:00 PM **Small Group Sessions (optional)**

THURSDAY, NOVEMBER 5, 2009

8:15-9:00 AM **Economics of Rate Design: Concepts and Principles** ▶ ⑨

Janice A. Beecher, Ph.D., Director

Institute of Public Utilities, Michigan State University

9:00-10:00 AM **Cost-Allocation Methods** ▶ ⑨

David Sheard, Assistant Administrator

Wisconsin Public Service Commission

10:00-10:15 AM **Mid-Morning Break**

10:15-11:00 AM **Rate-Design Alternatives** ▶ ⑨

Frances J. Lingo, Economic Analyst, Florida Public Service Commission

11:00-12:15 PM **Mock Rate Case Summation Panel: Positions of the Parties** ▶ ⑨

The Hon. Frederick F. Butler (invited)

Commissioner, New Jersey Board of Public Utilities

2009 President, NARUC

James L. Ade, Esq., James L. Ade, PL

Stephen B. Genzer, Partner, Energy & Utilities Group, Saul Ewing, LLP

Carol A. Kozloff, Water Policy Advisor to
Commissioner Robert F. Powelson
Pennsylvania Public Utility Commission

- 12:15-2:00 PM** **Lunch (on your own)**
- 2:00-5:00 PM** **Small Group Sessions**
Teams Evaluate Rate Structure and Design Rates
- 6:00-7:00 PM** **Reception**
- 7:00-9:00 PM** **Dinner Buffet**

FRIDAY, NOVEMBER 6, 2009

- 8:15 – 9:00 AM** **Regulatory Alternatives** ▶▶[ⓐ]
Janice A. Beecher, Ph.D., Director
Institute of Public Utilities, Michigan State University
- 9:00 - 9:45 AM** **Integrated Water Resource Management: Raising Awareness** ▶▶[ⓐ]
Paul Foran, Vice President and Counsel, Regulatory Programs
American Water
- 9:45 – 10:15 AM** **Rate School Graduation Address**
The Hon. Frederick F. Butler (invited)
Commissioner, New Jersey Board of Public Utilities
2009 President, NARUC
- 10:15 - 10:30 AM** **Mid-Morning Break**
- 10:30 - 11:30 AM** **Analysis and Discussion of Group Solutions**
Gail P. Brady, CPA, G.B. Consulting Services

Frances J. Lingo, Economic Analyst
Florida Public Service Commission
- 11:30-12:00 PM** **Course Certificates Awarded**

Additional NARUC Rate School program faculty members:

Judy Koch Carlson, Former Financial Analyst & Manager, Pennsylvania Public Utility Commission

Sue Daly, Senior Utility Specialist, Public Utilities Commission of Ohio, Co-Chair, Staff Subcommittee on Water

Walton Hill, Senior Vice President, Regulatory Relations, United Water

Paul E. Osborne, Assistant Director, Rates and Revenue Division, Massachusetts Department of Public Utilities

John Williams, Director, Governmental Affairs, Utilities Inc.

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 10.28.2009.