

# Dkt. 22-07-01, Application of Aquarion Water Company of Connecticut to Amend Its Rate Schedule

## Consultant Pre-Proposal Conference

July 22, 2022



Connecticut Public Utilities Regulatory Authority

# Statutory Requirements

- CGS Sec. 16-19
  - Identifies required filings companies must include with proposed rate amendment
  - Establishes a mandatory deadline for PURA to complete its review
    - 350 days for gas and electric
    - 200 for all other public service companies (i.e. water)
    - If deadlines are not met, companies' proposed amendments become effective
- CGS Sec. 16-19a
  - Requires PURA to conduct a complete review and investigation of financial and operating records of each gas and electric distribution company with 75k+ customers at least every four years
  - PA 20-5 added a requirement to consider performance-based incentives/penalties and metrics in any rate hearing
- CGS Sec. 16-19e
  - Specifies the principles and guidelines PURA shall adhere to while conducting its investigation and determining if the proposed rate amendments are necessary, just, reasonable, and adequate



# Decisional Staff Consultant- General Tasks

Discovery	Advisement
<ul style="list-style-type: none"><li>• Conduct research to benchmark relevant portions of a utility's rate application</li><li>• Assist with review of application and pre-filed testimony, and relevant discovery responses</li><li>• Drafting or assisting staff with drafting interrogatories or other discovery prompts</li><li>• Conducting cross-examination of party and intervenor witnesses</li><li>• Assessing relevant portions of legal briefs submitted by parties and intervenors</li><li>• Attending all notified evidentiary hearings, late file exhibit hearings and oral arguments</li></ul>	<ul style="list-style-type: none"><li>• Attend regular internal strategy meetings led by PURA decisional staff</li><li>• Advising decisional staff and commissioners on the incorporation of written exceptions and oral argument submitted with respect to the Authority's proposed final decision in the matter</li></ul>



# Decisional Staff Consultant- Specific Tasks

## Task 1 - Tax

- Consultant will provide the services to examine a variety of tax issues pertaining to the rate application

## Task 2 - Rate Base, Depreciation, Engineering

- Consultant will examine rate base issues related to depreciation plant-in-service

## Task 3 – Rate Design & Revenue Allocation

- Consultant will examine a variety of rate design issues including advanced rates, cost of service studies, and forecasted revenue and customer statistics

## Task 4 – Cost Allocation

- Consultant will examine shared service cost allocation issues both intradepartmental and between affiliates and subsidiaries

## Task 5- Information Technology, Cybersecurity, and Billing Systems

- Consultant will review and analyze expenses associated with IT, cybersecurity, and billing system items and assess the sufficiency of the IT organization and cybersecurity framework.



# EOE Staff Consultant- Specific Tasks

\* Required

Research	Advisement/Representation
<ul style="list-style-type: none"><li>• Analyze the perception of regulated utilities as public service providers in CT*</li><li>• Prepare baseline analysis of performance metrics and accountability in customer care and social investment practices*</li><li>• Analyze funding, costs, purpose and impacts of customer care, public-facing social investments, and associated business initiatives*</li><li>• Research best-in-class customer care and social investment practices and metrics nationwide*</li><li>• Research best-in-class state and household level customer care, social investment with focus on vulnerable customers*</li></ul>	<ul style="list-style-type: none"><li>• Provide recommendations and next steps for best-in-class practices for public benefit for CT customers with associated performance metrics*</li><li>• Guide staff in drafting interrogatories or other discovery</li><li>• Assist with drafting pre- and/or late-filed testimony</li><li>• Represent EOE as a witness regarding any testimony at hearings as required</li><li>• Assist in reviewing other parties' filings and recommend rebuttal testimony if needed</li><li>• Review draft decision and assist in preparing written exceptions</li></ul>



# Proposal Requirements

- See Table 1 in Section III of the RFP
  - Contains all required proposal components
  - Please prepare proposals in the sequence given by this table
- See the *Cost Estimate Breakdown by Annual Proceeding* template in Section III.F of the RFP
  - Allows reporting across standard cost categories for comparison



# Next Steps

Event	Date	Action
<i>Aquarion NOI</i>	<i>July 1, 2022</i>	<i>passed</i>
<i>Release Date</i>	<i>July 15, 2022</i>	<i>Passed</i>
<i>Pre-Proposal Conference</i>	<i>July 22, 2022</i>	<i>Passed</i>
<i>Notice of Intent to Bid</i>	<i>July 22, 2022</i>	<i>Submit by COB today</i>
Deadline for RFP Questions	July 25, 2022	Submit to <a href="mailto:PURA.RFP@ct.gov">PURA.RFP@ct.gov</a>
RFP Clarifications from PURA	July 27, 2022	Posted on RFP webpage and distributed to notified bidders
Proposal Due Date	August 3, 2022	Submit to <a href="mailto:PURA.RFP@ct.gov">PURA.RFP@ct.gov</a>

[See RFP for more details on each event below.](#)

