

PURA RFP #2023-03: Performance-Based Regulation Phase 2

Pre-proposal Bidders' Conference

April 21, 2023



PBR Proceeding Overview

April 26, 2023

Phase 1 Decision

- Forthcoming completion of Phase 1 Decision to adopt the regulatory goals, foundational considerations, and priority public outcomes.
- Summary of Phase 2 investigation and proceeding components.

May 2023

Phase 2 Investigation

- Commencement of three reopener proceedings in May 2023 (RE01: RAM and RE02: PIMs).
- Investigation and analysis of potential regulatory mechanisms and metrics.
- Develop and adopt new, and modified, processes, mechanisms, and metrics.

May 2024



Phase 2: Reopener Docket Overview

Reopener Docket No.	Docket Scope	Regulatory Mechanisms Under Review	Anticipated Results	Anticipated Completion
21-05-15RE01	Revenue Adjustment Mechanisms	<ul style="list-style-type: none"> • Multi-Year Rate Plan • Earnings Sharing Mechanism • Revenue Decoupling Mechanism • Capex / Opex Equalization 	Final Decisions and orders for EDCs to implement regulatory reforms effective in subsequent rate cases or other relevant proceedings.	May 2024
21-05-15RE02	Performance Mechanisms	<ul style="list-style-type: none"> • Reported Metrics • Scorecards • Performance Incentive Mechanisms 		
21-05-15RE03	Integrated Distribution System Planning (IDSP)	<ul style="list-style-type: none"> • Technical planning process and document to support integration of Dist. Energy Resources on the grid. 	Final Decision and orders establishing IDSP process and reporting requirements.	August 2024



Phase 2: Purpose and Consultant Scope

Purpose of Proceedings

- Build upon the PBR framework developed in Phase 1.
- Investigate potential modifications and additions to specific identified regulatory mechanisms.
- Reform the existing utility regulatory framework in Connecticut for application across multiple sectors.

Consultant Scope of Work

- Phase 2 Reopeners:
 - 21-05-05-15RE01: RAM
 - 21-05-15RE02: PIMs
- Subject matter expertise related to MRPs, RAMs, PIMs, and relationships among such mechanisms.
- Other tasks and expectations as needed, and set, by the Authority.



Consultant Responsibilities: 21-05-15RE01

Docket End Goal: Adopt a Revenue Adjustment Mechanism framework including any corresponding orders to become effective in subsequent distribution rate cases (or other earlier proceedings, if necessary).

PRIMARY FOCUS	SECONDARY FOCUS	TERTIARY FOCUS
<p align="center">Regulatory Mechanism Analysis</p>	<p align="center">Document Drafting</p>	<p align="center">Procedural Tasks</p>
<ul style="list-style-type: none"> • Inventory and assess the effectiveness of CT’s existing Revenue Adjustment Mechanisms. • Compare peer jurisdictions’ approaches to Revenue Adjustment Mechanisms. • Review and analyze data submitted in compliance with previous decisions. • Evaluate the potential impacts of regulatory reforms. 	<ul style="list-style-type: none"> • Provide feedback on concept paper and or straw proposal. 	<p>Standard procedural tasks such as:</p> <ul style="list-style-type: none"> • Provide investigation scope feedback. • Provide interrogatory and written comment requests and stakeholder response feedback. • Attend noticed Solutions Days, evidentiary hearings and meetings. • Evaluate reporting requirements. • Assist with technical meeting materials. • Other tasks as requested and relevant to the scope.



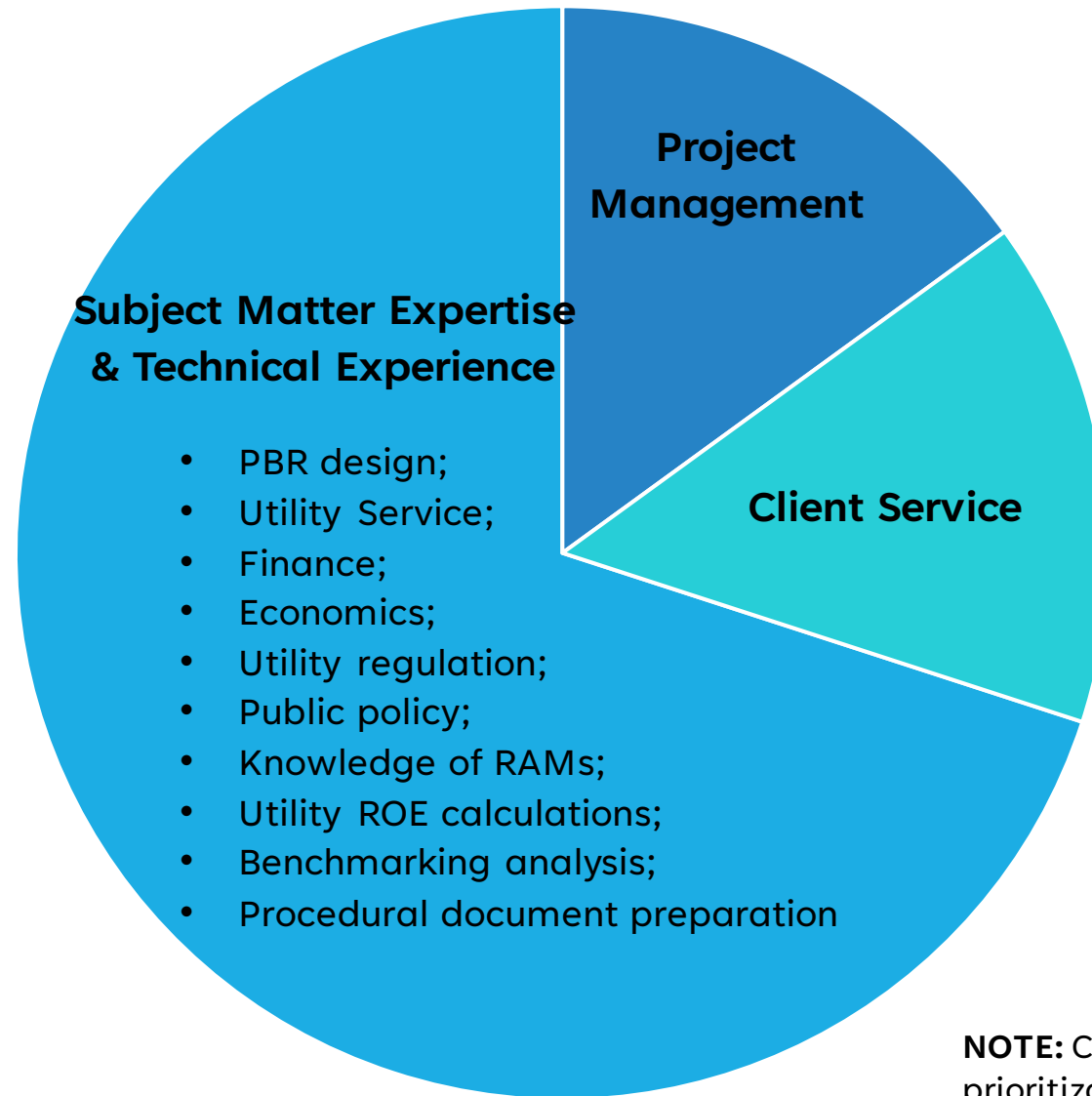
Consultant Responsibilities – 21-05-15RE02

Docket End Goal: establish Reported Metrics, Scorecards, and PIMs, including any corresponding orders to become effective in subsequent distribution rate cases (or other earlier proceedings, if necessary).

PRIMARY FOCUS	SECONDARY FOCUS	TERTIARY FOCUS
PIM Design Analysis	Document Drafting	Procedural Tasks
<ul style="list-style-type: none"> • Research PIM design best practices and prepare a memo/PPT summary. • Conduct financial impact analyses of and scenario analyses of proposed PIMs. • Review and analyze data submitted in compliance with previous decisions. • Evaluate the potential impacts of regulatory reforms. 	<ul style="list-style-type: none"> • Provide feedback on concept paper and or straw proposal. • Provide feedback on staff presentation on current state of performance metrics in CT. 	<p>Standard procedural tasks such as:</p> <ul style="list-style-type: none"> • Provide investigation scope feedback. • Provide interrogatory and written comment requests and stakeholder response feedback. • Attend noticed Solutions Days, evidentiary hearings & meetings. • Evaluate reporting requirements; • Assist with technical meeting materials; • Other tasks as requested and relevant to the scope.



Preferred Qualifications



NOTE: Chart is illustrative to show prioritization of Subject Matter Expertise & Technical Experience.



Docket Schedule

Tentative Schedule, Docket No. 21-05-15RE01

Docket Milestone or Activity	Description	Tentative Timing
Docket Initiation & Scoping	<ul style="list-style-type: none"> •Document existing Rev. Adjust. Mechanisms •Issue Staff Presentation •Hold Solutions Day Workshop •Finalize Investigation Scope 	05/23 – 07/23
Investigation, Part 1	<ul style="list-style-type: none"> •Participants submit proposals and make presentations •Review and assess proposals and issue interrogatories 	08/23 – 10/23
Concept Paper or Straw Proposal Issuance	<ul style="list-style-type: none"> •Outline Part I Investigation findings and remaining topics for Part 2 Investigation 	10/23
Investigation, Part 2	<ul style="list-style-type: none"> •Additional Technical Meetings/Hearings •Further Rev. Adjust. Mechanisms analysis •Participant feedback as needed 	11/23 – 02/24
Proposed Final Decision Issuance	<ul style="list-style-type: none"> •Issue Draft Decision for Written Exceptions 	03/24
Final Decision	<ul style="list-style-type: none"> •Adopt final framework and orders 	05/24

Tentative Schedule, Docket No. 21-05-15RE02

Docket Milestone or Activity	Description	Tentative Timing
Docket Initiation & Scoping	<ul style="list-style-type: none"> •Document current Reported Metrics, Scorecards, and PIMs •Issue Staff Presentation •Hold working group meetings •Finalize Investigation Scope 	05/23 – 07/23
Investigation, Part 1	<ul style="list-style-type: none"> •Hold Technical Meetings to review and refine Reported Metrics, Scorecards, and PIMs by Priority Outcome •Solicit information and analysis 	08/23 – 11/23
Concept Paper or Straw Proposal Issuance	<ul style="list-style-type: none"> •Outline Part I Investigation findings and remaining topics for Part 2 Investigation 	12/23
Investigation, Part 2	<ul style="list-style-type: none"> •Additional Technical Meetings/Hearings •Further Reported Metric, Scorecards, and PIMs analysis •Participant feedback as needed 	12/23 – 02/24
Proposed Final Decision Issuance	<ul style="list-style-type: none"> •Issue Draft Decision for Written Exceptions 	03/24
Final Decision	<ul style="list-style-type: none"> •Adopt final framework and orders 	05/24



Proposal Requirements

See Table 1 in Section III., of the RFP

- Describes all required proposal components.
- Please prepare proposals in the sequence outlined in the given table.

See the template in Section III.E, of the RFP, *Cost Estimate Breakdown by Annual Proceeding*

- Allows reporting across standard cost categories for comparison.

Contract deliverables and budget are binding in nature.



RFP Schedule – Next Steps

Event	Date	Action
Notice of Intent to Bid	April 21, 2023	Submit via email to PURA.RFP@ct.gov
Deadline for RFP Questions	April 28, 2023	Submit to PURA.RFP@ct.gov
RFP Clarifications from PURA	May 5, 2023	PURA to post on RFP webpage and distribute to notified bidders
Proposal Due Date	May 12, 2023	Submit to PURA.RFP@ct.gov <i>PURA will contact applicants with clarifying questions if necessary</i>
Consultant Selection	Tent. June 1, 2023	Both selected consultant(s), and non-selected consultants will be notified via email





QUESTIONS?
