



Public Utility Commission of Oregon

550 Capitol St NE, Suite 215

P.O. Box 2148

Salem OR 97308-2148

# *Public Utility Commission*

Telephone



Power



Natural Gas



Water



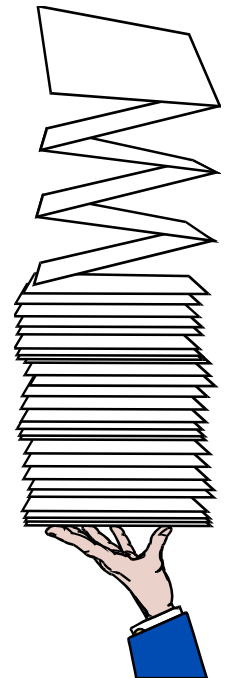
# Public Utility Commission

- PUC Authority
  - Regulate Rates
  - Regulate Service
- Regulatory obligation
  - Protect Customers
  - Protect Utility

# Utility Filing

## ■ Utility Files Application

- Brief - summary of application
- Direct Testimony - details of application
- Tariffs
  - Rate schedules
  - Rules & regulations



# Customer Notification

- Within 15 days of utility filing
- Utility must provide customer notification
  - Newspaper article
  - Direct mailing
- To receive copy of filing, call the utility

# Suspension of Tariffs

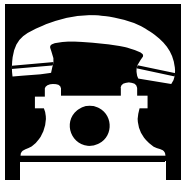
- PUC 30-Day Response
  - approve
  - disapprove
  - suspend tariffs
- Six-month suspension - *review time*

# Open House

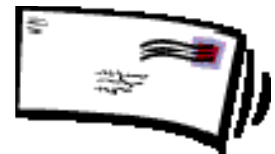
- Opportunity to Communicate
  - Customer Concerns
  - Voice Opinion
- Written Comments to PUC
- Phone in Comments to PUC
- Part of the Record

# ***Comments***

***Public Utility Commission  
Consumer Services Division  
P.O. Box 2148  
Salem OR 97308-2148***



***1-800-522-2404***



# Prehearing Conference

- Petition to intervene
- Identify parties
- Create a service list
- Establish issues
- Adopt schedule

# Who are the players?

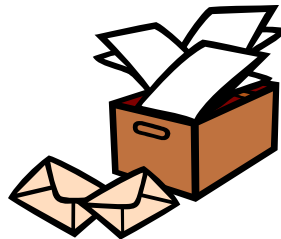
## How to participate?

- Public & Interested Persons
- Utility - *Party*
- Intervenors - *Party*
- PUC Staff - *Party* Assistant Attorney General
- Administrative Law Judge
- Commission

# Discovery Period

## Information Exchange

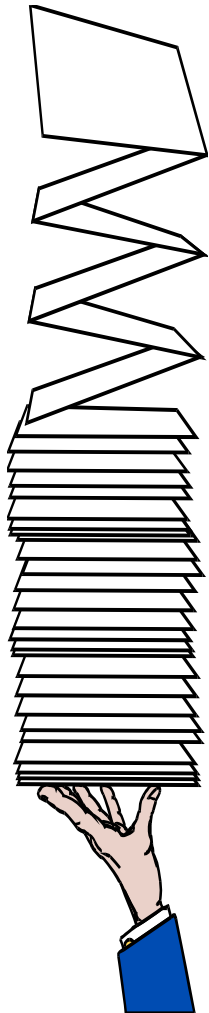
- Burden of Proof
- Gather Information
  - Data Requests
  - Data Responses
- Develop Position
- Verify Facts
  - Revenues
  - Expenses
  - Utility Plant
  - Service Issues
  - Other Issues



# Settlement Conference

- Staff presents its settlement case
  - Only parties may participate
  - Customers may attend
- Parties attempt to reach agreement
  - Stipulation
  - Partial stipulation
- Contested case

# Written Testimony



- Testimony - Party's Position
  - Staff's testimony
  - Intervenor's testimony
  - Parties receive copies
- Rebuttal Testimony (if necessary)

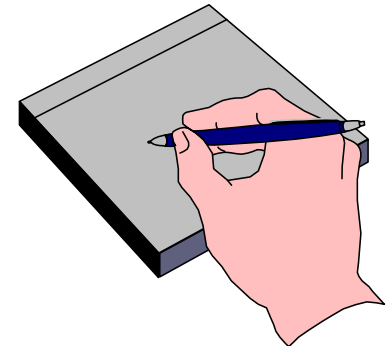
# Evidentiary Hearing

If no settlement is reached:

- Administrative Law Judge presides
- All pre-filed testimony entered into the record
- Cross-examination of witnesses
- Briefs (summarize major issues)
  - Identify issues to be briefed

# Draft Order

- ALJ reviews evidence in the record
- ALJ writes draft order
- ALJ makes recommendation to Commission



# Commission Decision

- Issues Order Disposing the Rate Case
  - Establishes New Rates
  - Sets Effective Date of New Rates
  - Resolution of Outstanding Issues
- Petition for Reconsideration
  - If warranted, Commission will review

# Rate Regulation

- Recover reasonable cost of service
- Allow a reasonable return on investment
- Establish rates through rate case

# Ratemaking Formula

$$R = E + (v-d)r$$

- **R**evenues (Revenue Requirement)
- **E**xpenses
- **V**alue of rate base
- plant **d**epreciation
- **r**ate of return

# Simple Revenue Requirement

■ Revenues	100	110
(minus)		
■ Expenses	<u>100</u>	<u>100</u>
■ Net Income	0	10
■ (v-d) =		
■ Net Plant Invest	100	100
■ Rate of Return		0
10%		



# Water Program Staff

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