



Fuels & Grid Integration Committee
State Energy Office Participation in State Public Utility Matters
Friday, August 18, 2017 from 3:00 – 4:00 pm

Webinar Summary

Attendees

Kristy Manning (MO), Speaker
Lauren Savidge (CT), Speaker
Janine Benner (OR)
Jessica Reichers (OR)
Jonathan Chin (HI)
Mark Want (HI)
Shawna Cuan (UT)
Joseph Doiron (NH)
Vanessa Durant (WI)
Jane Epperson (MO)
Shy Forbes (CA)
Karl Frost (AL)
Ed Holbrook (NE)

Richard Mallory (MD)
Maureen Neighbors (AL)
Scott Pugrud (ID)
Erin Rosica (FL)
Lou Sahlu (MA)
Lindsey Stegall (CO)
Lise Trudeau (MN)
Karen Wilson (KY)
Ryan Young (IA)
Molly Cripps (TN)
Stephen Goss, NASEO
Fred Hoover, NASEO
Sandy Fazeli, NASEO

Public Utility Commission (PUC) proceedings have typically involved regulated investor owned utilities seeking rate increases to cover the capital and operating costs of generating, transmitting, and distributing electricity to consumers. Traditionally, State Energy Offices (SEO) have not participated in these cases, while commission staff, consumer advocates, and other customer representatives are full participants. In some states, SEOs would participate in PUC proceedings regarding the siting of energy producing facilities such as power plants or transmission lines, but now with dramatic changes in the electric utility industry, SEO's have been increasingly active in dockets and proceedings before PUC's on issues such as grid modernization, distributed generation, and resiliency. This webinar will provide two such examples in which SEO's have regularly engaged their respective state regulatory agencies and explore the process through which each state has participated in commission proceedings.

Welcome and Introductions

NASEO Senior Program Director Fred Hoover welcomed all participants to the webinar, provided brief opening remarks, and introduced the speakers.

Connecticut DEEP Participation in PUC Commission Cases - [Presentation](#)

Lauren Savidge, Staff Attorney with the Connecticut Department of Energy and Environmental Protection (DEEP) presented on DEEPs participation in Connecticut Public Utility Commission (PUC) cases.

Public Utility Commission Process

Using the Connecticut PUC as an example, Ms. Savidge provided a general overview of how the regulatory process works.

- **Application:** Typically, a docket is initiated upon receiving an application by some party, such as a public utility, or on the PUC's behalf to initiate a generic investigation. An effective way to track applications and proceedings is to subscribe to a PUC's service list, which allows individuals to sign up for dockets and filings related to a particular topic of interest. While the process itself often varies from state to state, typically a PUC gives participants or interested parties the opportunity to be granted some type of status in a docket. This would require a request for participant or intervener status, though there is usually an opportunity to participate in some way without being a full party. DEEP is unique in that it is granted party status by statutory right in every proceeding, but the rules vary from state to state.
- **Discovery:** Once an application or docket has been initiated, there is a lengthy discovery process where the applicant can submit testimony in support of the application. The PUC staff and any intervenors can ask questions about the application and supporting documents. In a generic investigation all participating parties file positions, testimony or comments with the Commission. All filing is typically made public unless a protective order is issued. At some point in the administrative discovery process, the PUC will hold some type of formal hearing or informal technical meeting. In the formal hearing experts for the applicant and intervenors are cross-examined by participating parties. In the informal meetings, the Commission will hear oral presentations and discussion among the participating parties. These can result in supplemental filings in specific application matters or more rounds of comments in generic proceedings.
- **Draft Decision:** Once the formal hearing process is complete and participating parties submit final written briefs, the PUC will review the record and issue a draft decision. The same process is used by Commissions in generic proceedings. Parties and intervenors will then have the opportunity to respond to the draft decision through written exceptions. This is the last opportunity for participants to convince the Commission to revise the draft decision.
- **Final Decision:** After the draft decision has been issued and all parties have provided responses and arguments, the PUC will review and issue a final decision.

Options for participation

There are several options for participation in PUC proceedings including formal party status, participant or intervener status, or via submission of written comments, which offers participants the opportunity to state a position for the record without having to go through the formal legal procedures required by other options. The key to is to identify what issues are important to a given agency to determine what level of participation before the PUC is appropriate.

For example, much of DEEP's involvement in PUC process is through generic investigations. During these typically non-contested proceedings, the PUC expresses broad interest in a particular topic and solicits public input. In 2016, the Connecticut PUC opened an electric vehicle Time of Use (TOU) rate docket, and DEEP presented the agency's position. In contrast, DEEP also participates as an applicant in cases where the agency has sought approval from the PUC for some type of action or declaratory ruling. This type of participation is more formal than a general investigation as the applicant is responsible for presenting testimony and evidence. For instance, DEEP recently applied for PUC approval for several clean energy

procurement projects and was required to provide full testimony and witnesses to support the agency's case.

While options for participation do vary from state to state, there are often several options for SEOs to engage the PUC, both formally and informally. For state energy officials who are unfamiliar with the PUC process, Ms. Savidge recommends visiting the state PUC online docket filing system and reviewing a previously completed utility rate case for a snapshot of the entire process and guidelines for participation. It is also recommended that state energy officials contact the state PUC staff counsel's office or case administrator to determine legal and procedural requirements for SEO participation in PUC proceedings.

Missouri Division of Energy's Participation in PSC Proceedings - Presentation

Kristy Manning, Director of the Missouri Division of Energy, presented on the Division's participation in Missouri Public Service Commission (PSC) proceedings. The Division of Energy's active role in the PSC process was catalyzed by two main drivers. One was an Executive Order which transferred the Division from the Department of Natural Resources to the Department of Economic Development and facilitated a designated attorney to represent the Division's position before the commission. The second was the [Comprehensive State Energy Plan](#) and stakeholder process, which generated a consensus-based, data driven overview of the state's energy policy landscape and provided recommendations for how to collaboratively advance state energy goals. The State Energy plan identifies five main goals that are driving much of the PSC activity in the state, including: promoting energy efficiency; ensuring affordability; diversifying and promoting security in supply; undertaking regulatory improvements; and stimulating innovation, emerging technologies, and job creation. For more information regarding comprehensive state energy planning, please refer to the [NASEO State Energy Planning Guidelines](#) or contact NASEO staff.

The Division of Energy has identified a set of considerations to use when approaching proceedings. While these considerations are regularly used to respond to cases, technical workshops, or rulemakings, they are also useful in identifying opportunities and strategies and initiating investigations. Through this process, the Missouri Division of Energy has the unique ability to offer a long-term policy perspective that can supplement the shorter-term ratepayer impact perspective provided by the Public Counsel's office.

These considerations include:

- What can be accomplished (settlement/hearing)?
- What parties are engaged?
- Which issues are unique?
- What issues have consensus?
- What evidence/witnesses are needed?
- What approach/style will work?

By participating in PSC proceedings, the Division of Energy has the opportunity to collaborate with a wide variety of stakeholders to allow broad discussion and agency perspective, build coalitions, and establish consensus that advances the state's energy goals.

The purpose of the "State Energy Office Participation in State Public Utility Matters Webinar" was to provide general information to State Energy Offices on the regulatory process undertaken by state public utility commissions. This webinar provided education on the process and practices used by public utility

commission in matters before them. State Energy Offices should consult appropriate authorities in their state regarding participation in public utility commission proceedings.

NAESONASEO Update and Upcoming Events:

NASEO has been working with the National Association of Regulatory Utility Commissioners (NARUC) and the National Association of State Utility Consumer Advocates (NASUCA) to facilitate communication between the SEOs, state regulatory commissions, and consumer advocate offices. To further these efforts, NASEO will be hosting a session at the 2017 NASEO Annual Meeting in New Orleans, LA to discuss State Energy Office and Public Utility Commission Perspectives on Energy Markets and Policy Innovation. This panel will be comprised of past energy office directors who have since moved to the state public utility commission and will offer unique insight into opportunities for SEO participation in regulatory proceedings.

The next Fuels and Grid Integration Committee Meeting will be on Tuesday, September 19 during the 2017 NASEO Annual Meeting in New Orleans, LA. During this meeting panelists and members will discuss how new technology is reshaping the traditional electric system, explore the rise of the so-called "prosumer", and identify the opportunities, risks, and implications this transformation might have on the energy industry and state energy policies.

For more information on the 2017 NASEO Annual Meeting, please visit the [conference website](#).