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National
Association of
Regulatory
Utility
Commissioners

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Regional Workshop on Uniform System of Accounts and Regulatory Reporting

Agenda

May 19-20, Bucharest

*Co-hosted by
Pierce Atwood*

*National Association of Regulatory Utility Commissioners (NARUC)
The Romanian Electricity and Heat Regulatory Authority (ANRE)*

*Sponsored by
U.S. Agency for International Development (USAID)*

Objectives:

- 1) To assist regulators to strengthen their capacity to use regulatory accounting data and tools in their tariff and licensing responsibilities;
- 2) To provide a forum for exchanging experiences in the application of information obtained under a regulatory accounting system to resolving regulatory issues, using as examples a pre-selected list of issues previously identified as of interest to regulators and utilities;
- 3) To develop specific templates and protocols for benchmarking data obtained through regulatory accounting systems;

Prior to the workshop, USAID will circulate charts of accounts and reporting forms used in each of the participant's jurisdictions. The first segment of the workshop will provide an opportunity for each participant to describe the charts of accounts and reporting forms used in his or her jurisdiction, and share examples of how data from one or both has been used in establishing tariffs or enforcing license conditions. The presentations will be organized according to a questionnaire that will elicit information about the charts of accounts and reporting forms, and

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one or two specific examples of how the information has been used in the regulatory process. The segment will also compare the various charts of accounts with one another and with international standards (in particular FERC Form 1 and the Uniform System of Accounts), and explore opportunities for further regional harmonization.

The second segment will include a discussion led by Mr. Welch on a variety of specific issues previously identified by workshop participants. Each workshop participant should come prepared to discuss how his or her jurisdiction resolves the issue, and the manner in which charts of accounts and/or reporting forms are used. The issues to be addressed in this segment will include at least the following:

1. How assets are valued, including valuation at the time of privatization and the exclusion of older assets from rate base
2. Treatment of O&M costs where the activity is provided by a person or company outside the utility
3. The method for allocating costs between regulated and non-regulated activities, and between “parent” and “daughter” companies
4. The basis upon which costs are disallowed, and examples of disallowances
5. Treatment of the cost of new construction before the plant is put into service, and the relationship of this treatment to investment plans
6. Treatment of supply costs, including how costs from different sources are treated in tariffs, and how issues of high price or cost volatility are addressed

The third segment will include a discussion led by Mr. Welch concerning the opportunities for comparing methods and data among jurisdictions. This will include an examination of possible templates and protocols for the exchange of information, and will seek to develop an action plan for implementing some specific initiatives in this area.

Monday, May 19

- 09:00 **Introduction**
Mr. Thomas Welch, Pierce Atwood
Mr. Matthew Gardner, NARUC
- 09:15 **Presentations by Participants Concerning the Regulatory Charts of Accounts, Reporting Forms, and the use of data in resolving tariff and/or license enforcement issues.**
Conference participants
- 10:30 Coffee break
- 10:45 **Presentations (continued)**
- 12:15 Lunch (Hotel)



- 13:15 **Treatment of Substantive Issues**
Discussion led by Mr. Welch
- 15:15 Coffee break
- 15:30 **Substantive Issues (continued)**
- 16:30 **Wrap up**
Mr. Welch
- 17:00 Session concludes
- 19:00 Dinner (Venue – Rossetya)

Tuesday, May 20

- 09:00 **Substantive Issues (continued)**
- 10:00 **Opportunities for Benchmarking**
Discussion led by Mr. Welch
- 10:30 Coffee break
- 10:45 **Opportunities for Benchmarking (continued)**
- 12:00 **Conference Summary and Next Steps**
Mr. Welch
- 12:30 Lunch (Local Venue - Trattoria Del Tatol)
- 13:30 Workshop concludes

