

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to Develop a
Risk-Based Decision-Making Framework to
Evaluate Safety and Reliability Improvements
and Revise the General Rate Case Plan for
Energy Utilities

R.13-11-006
(filed November 14, 2013)

**PACIFIC GAS AND ELECTRIC COMPANY'S (U 39 M)
OPENING COMMENTS ON REVISIONS TO THE RATE
CASE PLAN**

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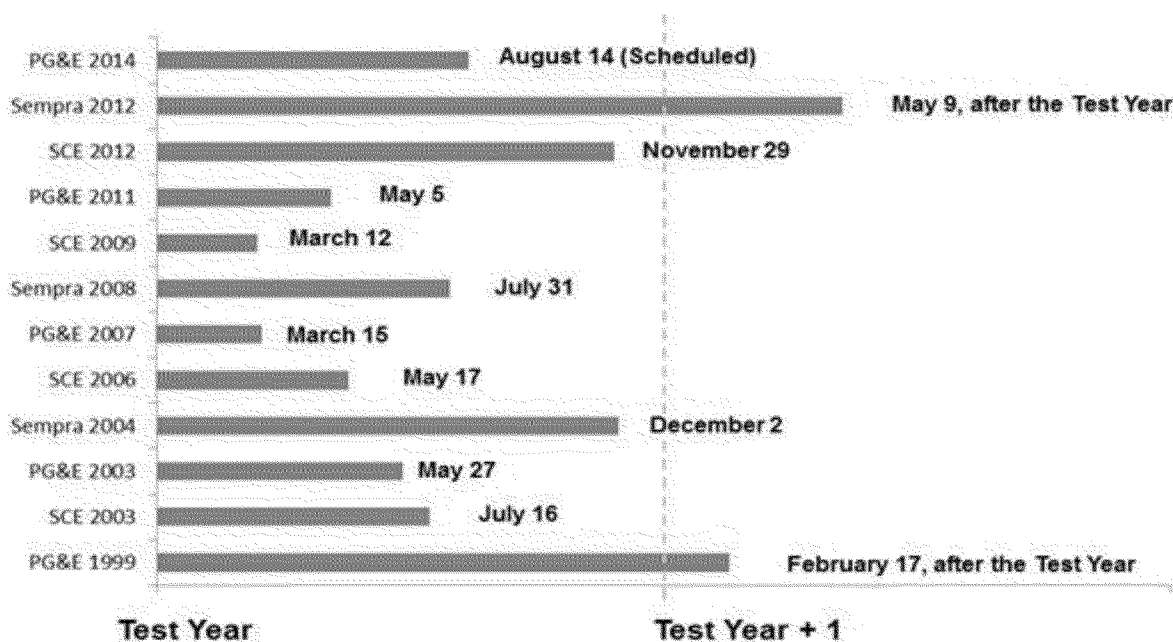
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Dated: July 25, 2014

Pacific Gas and Electric Company (PG&E) submits these opening comments on revisions to the rate case plan (RCP). These comments are submitted in accordance with the May 15, 2014 “Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judge,” which called for a second round of comments to “address proposals to revise the RCP to ‘promote more efficient and effective management of the overall rate case process.’”^{1/}

PG&E strongly recommends that the RCP be revised. The revisions should address the most significant short-coming of the current process, which is the fact that no final decision in a PG&E general rate case (GRC) has been issued on time since 1996. Figure 1 below shows the date of issuance of major GRCs since 1999.

Figure 1
Recent General Rate Case Phase 1 Decision Timing



To promote a more efficient process that leads to a timely decision, PG&E has attached recommended revisions to the RCP in Appendices A and B.^{2/} In addition, PG&E recommends that the California Public Utilities Commission (Commission) do the following:

1/ Scoping Memo, page 6, citing page 1 of the Order Instituting Rulemaking (OIR).

2/ Appendix A contains PG&E’s suggested changes to the RCP timeline set forth in Appendix A to

- Prescribe calendar date deadlines for GRC filings;
- Shorten the time between the filing of the application and initial procedural steps;
- Assign two Administrative Law Judges (ALJs) to the major cases;
- Clarify the standard of proof;
- Promote a focus on larger projects;
- Promote the use of workshops and other informal measures to exchange data;
- Rationalize the master data request and other reporting requirements; and
- Formalize the separation of GRC Phases 1 and 2, as well as the cost-of-capital proceeding.

These comments elaborate on these principles.

I. THE COMMISSION SHOULD PRESCRIBE A SCHEDULE BASED ON CALENDAR DATES THAT IS BINDING ON ALL PARTIES

The Commission should prescribe a schedule based on calendar deadlines, including deadlines for the submittal of the utility Risk Assessment and Mitigation Phase (RAMP) material and the GRC application. To the extent that a party wishes to file on alternative dates, the party should have to seek leave to do so from the Executive Director, accompanied by a showing as to why the recommended change (i) should not materially impact the remainder of the schedule and (ii) was unavoidable. Utilities, stakeholders, and Commission staff should all be held accountable for their timeliness.

Having established calendar date deadlines from year-to-year will promote efficient planning and reduce delays. For example, with a set deadline for utility submittals, planning for

Decision (D.) 07-07-004, reflecting the schedule changes recommended by PG&E in earlier rounds of comments in this OIR. PG&E does not discuss those schedule changes further herein, nor has PG&E addressed issues such as the advisability of the Notice of Intent (NOI), which was the topic of earlier rounds of comments. If the Commission changes the substantive direction of the April 17, 2014 Refined Straw Proposal, PG&E's recommended timeline may need to be adjusted.

Appendix B contains PG&E's suggested revisions – this time marked in redlining – to the “Standard Requirement List” and the “Standard Update Exhibit Filing Requirements” set forth in Appendix A to D.07-07-004.

the assignment of ALJs and Commissioners can be done in advance, as can the scheduling of the prehearing conference, evidentiary hearings, and public participation hearings. Also, consultants known to be needed to review a utility submittal can be hired in advance.^{3/} Similarly, staffing for cases, scheduling of vacations and the reservation of hearing rooms and reporters can be done in advance. These factors no longer need contribute to delays.

Furthermore, with the deadlines established in advance by the RCP, parties need not spend time in the early stages of the proceeding negotiating schedules. Rather, the time can be spent on more substantive matters and discovery. Similarly, planning for and attending prehearing conferences should go more quickly and the Scoping Memoranda can be issued more quickly.

II. THE COMMISSION SHOULD STREAMLINE THE ACTIVITIES SURROUNDING THE INITIAL FILING OF THE APPLICATION

As mentioned above, the adoption of a calendar date deadline for the submittal of a utility's application will facilitate many initial steps. An Assigned Commissioner, ALJ(s) and a project team from the Office of Ratepayer Advocates (ORA) should be assigned to an application in advance of its filing date. With these teams in place, procedural steps can be accomplished more efficiently and quickly.

The day after an application is filed, the ALJ(s) and Assigned Commissioner should formally notice the prehearing conference, which should be scheduled in the following month. There is also no need for a formal protest period. Many parties' protests in the larger rate cases are perfunctory. With the elimination of the protest period, the protests should be replaced by a statement of interest of the party that is either provided in a prehearing conference statement or in that party's motion for party status.

^{3/} In PG&E's 2014 GRC, the technical review by the Safety and Enforcement Division (SED) was delayed by several months as consultants were brought on board.

III. THE COMMISSION SHOULD ASSIGN TWO JUDGES TO THE LARGER CASES

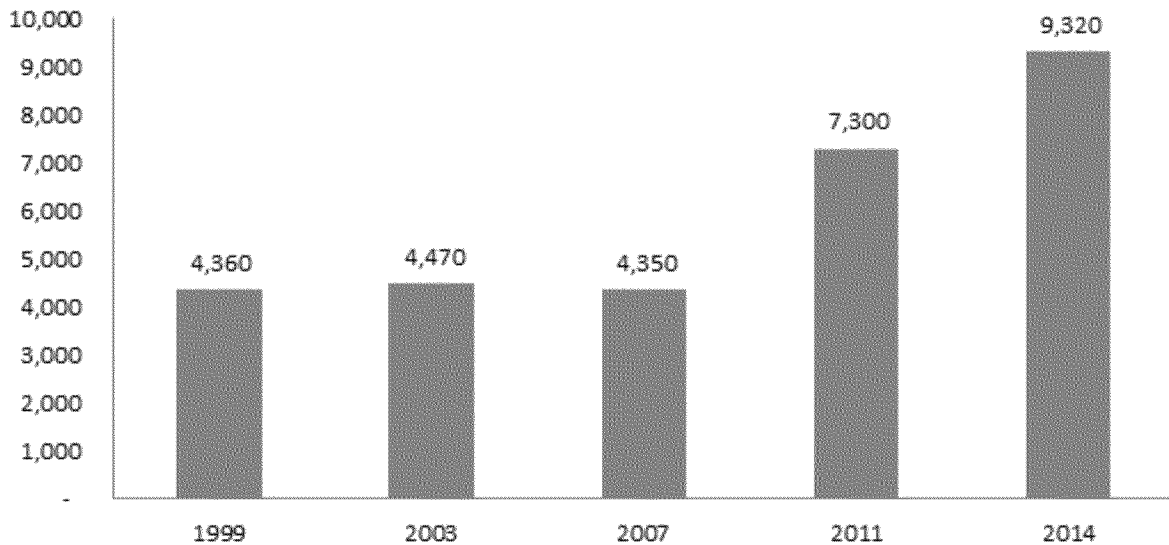
The Commission should assign two ALJs to the larger cases. The presence of two ALJs can facilitate case processing by dividing workload and minimizing delays caused by competing obligations, vacations or illness. Two ALJs can also allow for dual case tracks. For instance, one ALJ could be assigned during the RAMP phase and could be the lead ALJ for issues in the operational lines of business. A second ALJ, who could engage during the traditional GRC phase, could then be the lead for the support lines of business. Two ALJs, with divided responsibility, could substantially shorten the time currently required by the Commission to produce proposed decisions.

During workshops held in this proceeding in March, some Commission staff members expressed concern that ALJ staffing constraints could prevent the assignment of two ALJs to one matter. However, if the two ALJs' responsibilities were divided and the matter was completed in substantially less time, the ALJs would then be free to work on other matters, resulting in no appreciable overall impact on staffing. (In other words, from an full-time equivalent perspective, two ALJs working on a matter for one year is equivalent to one ALJ working on a matter for two years.) Nonetheless, if the Commission believes that it impractical to have two ALJs assigned to the larger cases, the Commission should revise the schedule accordingly in order to ensure a final decision prior to the commencement of the test year.

IV. THE COMMISSION SHOULD CLARIFY THE STANDARD OF PROOF TO MITIGATE THE ESCALATING EVIDENTIARY BURDEN

In order to address the escalating evidentiary burden, the Commission should clarify the standard of proof. The data requested by ORA during the deficiency process and by intervenors through discovery is increasing in a manner that threatens to overwhelm the Commission and many stakeholders. Figure 2 below shows a relatively stable volume through 2007, after which the amount has skyrocketed.

Figure 2
PG&E General Rate Case Phase 1 Data Request Volume



The increased volume and associated delays are also contributing to higher costs. PG&E urges the Commission to consider adopting discovery cut-off dates in order to promote a more disciplined discovery process.

Responding, in part, to the increased discovery, PG&E has increased the amount of testimony and workpapers submitted in Phase 1. In 2007, PG&E submitted a combined 14,720 pages of opening testimony, rebuttal testimony and workpapers. In 2014, PG&E submitted nearly 22,050 pages. Of course, not all pages are of equal value. Even so, PG&E is surprised at the degree to which intervenors continue to argue that PG&E has failed to provide sufficient evidence.

The question should not be whether PG&E can provide additional testimony and workpapers. A better question is whether PG&E should provide additional testimony and workpapers. If so, then it should also be asked what information is PG&E currently providing that may be unnecessary.

To help answer these questions and to provide a framework for this discussion, the Commission should clarify that the burden remains on the utility to support its forecasts by a preponderance of evidence. ORA continues to argue that the Commission should require the

utilities to meet the “clear and convincing” standard.^{4/} ORA is wrong as a legal matter. As the Commission has correctly found several times in recent years, the correct standard is preponderance of evidence.^{5/} This OIR should lay this issue to rest.

V. THE COMMISSION SHOULD REVISE THE RCP TO FOCUS ON LARGER PROGRAMS

As another part of the effort to mitigate the escalating evidentiary burden, the Commission should instruct utilities and parties to focus their testimony and workpapers on the issues of greatest cost and importance. Information on smaller programs can distract the Commission and interested parties from issues of greater importance and delay the proceedings.

This is consistent with Commissioner Florio’s instructions in PG&E’s last GRC, which called on parties to “focus on the big issues.” The Commissioner stated:

I do hope folks can focus on the big issues. And when you have those 600,000 or million-dollar issues, maybe if we can’t get a large settlement, we could clean out some of the underbrush. I’m very concerned about the burden we’re putting on Judge Pulsifer with this massive case. And to the extent we can really focus on the big issues and not force him to spend time on very small stuff, it will help us get a proposed decision on time and move forward as we all want to.

So bear that in mind going forward. Even if you can’t agree on everything, let’s try to clear out the underbrush so that Judge Pulsifer and the Commission can focus on the big stuff.^{6/}

While Commissioner Florio’s comments were made in the context of promoting settlements, the limited capacity of the Commission to handle the “very small stuff” applies no matter what the context.

Currently, ORA’s Master Data Request seeks detailed project data on all projects with \$1 million or more in capital spending. As shown in the table below, in PG&E’s 2014 GRC, PG&E included over 1,050 projects over this threshold. PG&E recommends that this threshold be

4/ See ORA’s May 23, 2014 Opening Comments, Appendix A.

5/ See D.09-03-025, *mimeo*, p. 8; D.11-05-018, *mimeo*, pp. 68-69; D.12-11-051, *mimeo*, p. 9. See also A.12-11-009, Proposed Decision of ALJ Pulsifer (June 18, 2014), p. 16.

6/ A.12-11-009, Tr. Vol. 14, 1243:1-17.

increased to \$5 million. This would have reduced the number of projects to about 350 projects in the 2014 GRC, a sizeable number that is consistent with those projects subject to this requirement in PG&E's 2007 GRC.

Table 1

PG&E GRC	Number of Projects over \$1 Million (approx.)
2014	1,065
2011	775
2007	400

PG&E has proposed edits to the "Standard Requirement List" from the RCP to be consistent with a \$5 million standard in Appendix B.

VI. THE COMMISSION SHOULD PROMOTE THE USE OF WORKSHOPS AND INFORMAL INFORMATION EXCHANGE

The Commission should promote the use of workshops and other informal information exchange. Such informal exchange can focus and accelerate discovery and help to reverse the trend of increasing volume. Accordingly, the utilities should be encouraged to hold public workshops or other meetings to discuss issues of interest to the Commission and stakeholders. To this end, PG&E recommends that the Commission adopt a requirement that 30 days after submittal of the RAMP material and the filing of a GRC application, the applicant should host a public workshop in order to provide an overview of the materials.

Field trips should also be encouraged. Presiding Officers, ORA, intervenors, as well as SED and Energy Division staff, should be encouraged to attend activities of general interest to gain greater familiarity with the case and the key issues of interest to the parties.

VII. THE COMMISSION SHOULD ELIMINATE OR RATIONALIZE THE MASTER DATA REQUEST AND OTHER REPORTING REQUIREMENTS

The Commission should consider eliminating, or at least reforming, the Master Data Request. Currently, PG&E spends a significant effort responding to the Master Data Request. In 2014, PG&E's response to the Master Data Request comprised nearly 8,000 pages. It is not clear to PG&E that these materials are valued by their intended audience.

APPENDIX A

SUMMARY OF RATE CASE PLAN FOR GRC PHASE 1 and RATE CASE PLAN

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SUMMARY OF RATE CASE PLAN FOR GRC PHASE 1

Day Schedule

9/1 (of base year)	The Administrative Law Judge, Assigned Commissioner, Staff Counsel and the project team from ORA and SED shall be assigned
10/1	Utility provides RAMP submittal on operational lines of business
11/1	Utility and SED host public workshop on RAMP submittal
3/1 (of next year)	SED issues draft report
4/1	SED hosts public workshop on draft report
4/15	Interested parties provide comments on SED draft report
5/15	SED issues final report on RAMP submittal
9/1	Application is filed, including possible changes from RAMP submittal
10/1	Applicant hosts public workshop on application contents
10/15	Prehearing Conference held
1/15 (of next year)	ORA submits all exhibits and workpapers
2/1	Other parties submit evidence
3/1	Applicant, ORA and other parties submit rebuttal exhibits
3/15	Evidentiary hearings begin
4/15	Evidentiary hearings completed

4/30	Comparison Exhibit mailed
5/15	Opening Briefs filed
6/7	Reply Briefs filed
7/1	Applicant and all other parties may submit update material
7/15	Abbreviated hearings on updated information begin
7/17	Update hearings completed
11/1	ALJ Draft filed and served on all parties
11/20	Initial Comments on ALJ Draft due
11/25	Reply Comments on ALJ Draft due
Dec.	Final decision expected

RATE CASE PLAN

September 1 (of the base year)

The Administrative Law Judge, Assigned Commissioner, Staff Counsel and the project team from ORA and SED shall be assigned

October 1

Utility provides RAMP submittal on operational lines of business to SED and issues notice of availability to parties to the utility's prior GRC. Utility also provides notice to such parties of the upcoming public workshop.

November 1

Utility and SED host public workshop on RAMP submittal.

March 1 (of the next year)

SED issues draft report on RAMP submittal to the utility and interested parties. SED also provides notice to interested parties of the upcoming public workshop.

April 1

SED hosts public workshop on draft report.

April 15

The utility and interested parties provide comments on SED draft report to SED, as well as to one another.

May 15

SED issues final report on RAMP submittal to the utility and interested parties.

September 1

1. The application shall be filed and served in conformity with the Rules of Practice and Procedure except that two hard copies of the application and associated testimony shall be served on the Chief ALJ. The utility shall provide notification to customers, within 45 or 75 days as required by Rule 3.2(b)-(d).

2. The application shall include final exhibits, prepared testimony, and other evidence, and shall be served on all parties to the last general rate case. No bulk or major updating amendments or recorded data to amend the final exhibits, prepared testimony, or other evidence shall be allowed, except as provided on July 1 of the following year.
4. Applicant shall deliver seven complete sets of the application and final exhibits plus three complete sets of the workpapers supporting the application and final exhibits to the ORA Project Manager.
5. The application shall contain a brief statement of the amount of increase sought and the reasons for the proposed increase.
6. Within seven (7) days of filing the application, the applicant and ORA should begin informal meetings wherein the applicant's witnesses (or other persons intimately familiar with the workpapers) explain the workpapers to the ORA's witnesses. ORA witnesses should be familiar with applicant's testimony and workpapers prior to the informal meetings.
7. In those instances where ORA has submitted data requests (called a Master Data Request) to the utility at least six months prior to the deadline for the application, the applicant shall make a reasonable effort to provide responses with the application.
8. The proposed test year shall be three years from the last adopted test year used by the Commission in setting applicant's existing rates. For example, if 1988 was the last adopted test year, the next test year would be 1991.
9. If applicant requests an attrition allowance, it shall include in its required supporting materials evidence supporting the requested attrition allowance.
10. The application may contain material such as previously litigated issues on which the Commission has taken a position. This material must be clearly identified and contain a complete justification for any policy change.
11. The application shall identify changes made, if any, in response to specific recommendations of the SED report.
12. Applicant, staff, and interested parties shall send two hard copies of all exhibits, prepared testimony, and other evidence served after this day to the ALJ. Service of testimony and exhibits on parties shall be consistent with the requirements of the Rules of Practice and Procedure. Prepared testimony should not be filed in the Docket Office after this day; only briefs, comments on the ALJ proposed decision, and other pleadings are to be filed.

September 2

The ALJ in concurrence with the assigned Commissioner shall formally notice the prehearing conference on the date so indicated in the rate case plan and shall inform applicant and all parties to the last general rate case.

October 1

The applicant shall host a public workshop on the contents of the application, providing an overview of the overall forecast and the material submitted with the application.

October 15

A prehearing conference is held:

1. To take appearances.
2. To raise and resolve any procedural matters.

January 15 (of the next year)

Staff shall submit all exhibits, prepared testimony and shall serve copies on all parties, consistent with the Rules of Practice and Procedure. No bulk or major updating amendments or recorded data to amend the exhibits, prepared testimony, or other staff evidence shall be allowed thereafter, except as provided on July 1. All workpapers shall be available on this date.

February 1

Parties other than staff and applicant shall submit their exhibits, prepared testimony, and evidence and shall serve copies on all parties, consistent with the Rules of Practice and Procedure. These documents shall reflect the rulings and agreements made at the prehearing conference. No bulk or major updating amendments or recorded data to amend the exhibits, prepared testimony, or other evidence shall be allowed thereafter, either by prepared testimony, oral testimony, or exhibits, except as provided on July 1. All workpapers shall be available on this date.

March 1

1. All rebuttal evidence shall have been distributed by March 1. Rebuttal evidence shall refute the evidence of other parties and shall not reassert or reargue a party's direct evidence. No bulk or major updating amendments or recorded data shall be allowed in rebuttal evidence. Additional witnesses, cumulative testimony, and unproductive cross-examination shall be minimized.
2. Rebuttal evidence shall clearly reference by number the exhibit or transcript page of the direct evidence of the party rebutted.

March/April

Public comment hearings will be held during this period. They may be held concurrently with evidentiary hearings if necessary to complete the hearings according to this plan.

March 15

Evidentiary hearings begin. Where an agreement between applicant and staff is disputed by other parties, those parties shall have the right to cross-examine applicant and staff in that order. The examination will be closely controlled to prevent an undue consumption of time.

April 15

Evidentiary hearings on initial showing completed.

April 30

An exhibit comparing the ORA and utility final positions/numbers shall be jointly prepared by ORA and the utility then mailed by this date.

May 15

Opening briefs shall be filed. The ALJ may outline specific issues to be briefed. Briefing of additional issues is optional.

June 7

Reply Briefs may be filed.

July 1

Applicant, staff, or any interested party may distribute in prepared testimony form, and serve on all parties, consistent with the Rules of Practice and Procedure, showings containing the most recent data for the other than electric rate design factors described in the Standard Updating Exhibit Filing Requirements list. This is the only updating which will be permitted.

July 15

Abbreviated hearings begin to review the update material.

July 20

Last day of update hearings.

November 1

ALJ proposed decision to be filed and served on all parties.

November 20

Initial Comments on ALJ proposed decision to be filed and served on all parties.

November 25

Reply comments on ALJ proposed decision to be filed and served on all parties.

December

A Final Commission decision is expected by the end of the year. Any revenue increase/decrease will become effective by January 1 of the test year.

APPENDIX B

STANDARD REQUIREMENT LIST and STANDARD UPDATE EXHIBIT LIST

Redline version

STANDARD REQUIREMENT LIST OF
DOCUMENTATION SUPPORTING ~~AN NOI~~ THE UTILITY'S APPLICATION

1. Brief statement of amount, reason for, and summary supporting the increase.
2. ~~When Between Cost of Capital issues are have been consolidated into a generic case for all utilities and are not part of the general rate case, the utility shall use the most recently authorized rate of return in its calculations supporting the NOI. For the application the utility may include exhibits and testimony requesting a different cost of capital. However, the application must use the currently authorized cost of capital as a base case utility's forecast. This testimony may be updated and re-submitted at the appropriate filing time for the generic cost of capital case.~~
3. Revenues at present rates in the Results of Operations report shall include a base case derived directly from authorized tariffs in effect on or after May 1 ~~prior to tendering the NOI and on or after~~ prior to filing the application. October 1 prior to filing the application. The utility shall update the results of operations exhibit by January 15 to incorporate any and all tariff changes which become effective on January 1 following the filing of the application.
4. ~~Draft exhibits~~ Exhibits and prepared testimony ~~(similar to those presented in final application form)~~ shall include the elements required under Rule 3.2, and other Rule provisions are not applicable.
5. ~~Complete explanation~~ Explanation of exhibits and special studies furnished.
6. Workpapers ~~(3 sets)~~ showing the main calculations and documentation to support the utility's ~~draft exhibits and special studies. In order to meet the NOI criteria,~~ workpapers Workpapers must comply with all of the following:
 - A. Be arranged in an orderly sequence and be dated and initialed by the preparer. Where appropriate, each expense item should be broken down into labor, non-labor, and other.
 - B. Show the derivation of each individual ~~estimate~~ program forecast above \$5 million.
 1. ~~List all of~~ Explain the key assumptions necessary for the derivation of ~~each individual estimate and explain the~~ such forecast, including the rationale why the assumptions were used.

- ~~2. Show and how each assumption was~~ the assumptions were used in each estimate.
 - ~~3. Where judgment is involved in setting an estimate level~~ making such forecast, explain why that particular level was adopted.
the nature of the judgment used
 - ~~4. Furnish base year historical and estimated data and subsequent years with evaluation of changes up to and including the test year.~~
 - ~~5. how judgment affected the forecast. If there was no precise basis for certain estimates~~ the forecast and the derivation was purely subjective, the testimony or workpapers should so state.
 - ~~6. State management's review criteria including the factors considered by the utility's management in approving various expenditures levels.~~
 - ~~7. Supporting material must have a clear tieback to base data from the stated expenditure.~~
 - ~~8. Justification for the methodology used to develop each estimate~~ forecast shall be included. However, the adequacy of the justification will not be considered an NOI deficiency.
 - ~~4. Furnish base year historical data and estimated data for subsequent years with evaluation of changes up to and including the test year.~~
- C. Be appropriately indexed and legible.
- D. Computer ~~printouts~~ model output must be accompanied by a detailed description of the ~~program~~ model generating the output. The ~~recorded~~ input data used should be described or identified, the ~~various~~ main assumptions of ~~variables used in the model~~ should be clearly stated, and any adopted Commission rules governing computer models adhered to.
- E. Show the development of all adjustments above \$1 million, including those associated with affiliates. If an adjustment is based on a Commission ruling, reference the Decision and ~~provide a copy of the~~ its relevant portion ~~of the ruling.~~
- F. Include at least five years of recorded data for each FERC account used in the development of the test year revenues and revenue requirement. Where subaccounts and/or other than FERC accounts are used to develop test year

values, include at least five years of recorded data supporting those values also. All data for expenses shall be stated in recorded dollars and dollars inflation adjusted to a constant base year. ~~The format shall be mutually agreed to by the utility and DRA project managers.~~

7. In addition to the requirements of 4 above, the following draft exhibits shall be submitted:
- A. All studies and information required to be submitted in the rate case by the Commission in prior rate decisions and subsequent policy statements or decisions.
 - B. Recorded data, in results of operations format, shall be provided for at least the latest recorded year available ~~at the time of tendering the NOI.~~
 - C. If the NOI application contains material previously litigated but not allowed by the Commission it shall be clearly identified.
 - ~~CD.~~ When estimates are made by account or subaccount, those estimated amounts shall be included in the direct showing.
 - ~~DE.~~ When controlling affiliates provide guidelines or directions to the company's presentation, these shall be set forth in the direct showing or available in the workpapers.
 - ~~E. FOR ELECTRIC UTILITIES:[±]~~
 - ~~1. Cost allocation studies by classes of service.~~
 - ~~2. Marginal cost data in sufficient detail to allow the development of rates for each customer class.~~
 - ~~3. Demand Side Management cost effectiveness as identified in the Standard Practice Manual for Economic Evaluation of Demand Side Management Programs and consistent with the DSM reporting requirements manual. This shall include a full description, funding requirements, load impacts, and cost effectiveness of each program.~~
 - ~~4. The Utility's current Resource Plan.~~
 - ~~5. The NOI may be tendered without a final rate design proposal. However, the tendered NOI shall include the full amount of the~~

[±] ~~See pages A-18 through A-25 inclusive for exceptions applicable to Edison.~~

~~requested revenue change, marginal costs, proposed class revenue allocations; and a simplified proposal for implementing the revenue change at the beginning of the test year.~~

- ~~6. A complete rate design proposal shall be filed no later than Day 90. The proposal shall include:
 - ~~a. A full and complete set of bill frequency analyses for each existing tariff schedule.~~
 - ~~b. Alternative rate designs based on current Commission policies.~~
 - ~~c. A computer tape with detailed customer bill frequency data compatible with the Commission's computer should be provided with the workpapers for the latest available recorded year. All billing determinants for each tariff schedule must be included. Adequate documentation should be provided to allow the staff to use this tape to develop alternative rate designs.~~~~

~~F. FOR GAS UTILITIES:~~

- ~~1. Demand Side Management cost effectiveness as identified in the Standard Practice Manual for Economic Evaluation of Demand Side Management Programs and consistent with the DSM reporting requirements manual. This shall include a full description, funding requirements, load impacts, and cost effectiveness of each program.~~
- ~~2. At the present time gas utilities marginal cost and rate design are litigated in the Annual Cost Allocation Proceeding (ACAP) per OII 86-06-005. Therefore, marginal cost data, alternative rate designs, and alternate fuel use will not be required exhibits in the general rate case filing unless the Commission moves the issues back into the general rate case. However, utilities should submit a proposed rate design to reflect the revenue requirement changes in its application.~~

STANDARD UPDATE EXHIBIT
FILING REQUIREMENTS LIST FOR GRC PHASE 1

~~1. Other than electric rate design:~~

1. Any update testimony or exhibits filed by applicant, staff, or interested party shall be limited to:

- A. Known changes in cost of labor based on contract negotiations completed since the tender of the ~~NOI~~application or known changes that result from updated data using the same indexes used in the original presentation during hearings.
- B. Changes in non-labor escalation factors based on the same indexes the party used in its original presentation ~~during hearings.~~
- C. Known changes due to governmental action such as changes in tax rates, postage rates, or assessed valuation.

The update exhibit may include decreases as well as increases in the above categories. All testimony and exhibits for updating shall be in fully prepared form and served on all appearances on ~~Day 280 as indicated in the rate case plan.~~

~~2. Electric Rate Design:~~

~~Applicant may update electric rate design testimony or exhibits. Any testimony and exhibits for updating shall be in fully prepared form and served on all appearances on Day 190 as day so indicated in the rate case plan.~~

~~Applicant shall meet with staff at least 30 days prior to any rate design update to discuss and explain its update.~~