

Rate Case Process Review

June 12, 2012



Purpose

- Examine alternative approaches to the rate case process that puts more emphasis on solving issues through negotiations with all stakeholders rather than on filing of testimony.



Concept

- Exchange issue negotiating sessions for a large portion of the evidentiary phase of the rate case.

Rather than relying on parties making their case on paper and seeing other parties reverting to positional replies, the negotiating sessions would seek to build consensus by encouraging parties to find what parts of a proposal might work for them and finding alternatives that address what doesn't work for them.



Alternatives

- Status Quo:

BPA issues Initial Proposal in November; parties' case follows in January; rebuttal and cross-ex concluded before mid-April; briefs and ROD follow.

- Alternative 1: "Curtailing" the formal process

BPA releases numbers in November; November-March set aside for issue resolution; BPA issues Initial Proposal in early May; no parties' case, or rebuttal; cross-ex only upon request; briefs and ROD follow.

- Alternative 2: "Compressing" the formal process

BPA releases numbers in November; November-January set aside for issue resolution; BPA issues Initial Proposal in February; parties' case follows in March; rebuttal and cross-ex concluded before May; briefs and ROD follow.



Example Schedules

	Status Quo	Alternative 1: “Curtailing” formal process	Alternative 2: “Compressing” formal process
Rate case quality numbers	Initial Proposal: mid-Nov	Unofficial release: mid-Nov	Unofficial release: mid-Nov
Identify Issues	in Direct Case	Nov	Nov
Negotiating Sessions	none planned	Nov — Mar	Nov — Jan
Initial Proposal	mid-Nov	Apr or May	Feb
Parties’ Direct Case	end-Jan	none	Mar
Cross Exam	early Apr	upon request	late Apr
Party Briefs	late May	mid-to-late June	early June
Draft ROD	late June	none	possible
Final ROD and Rates	late July	late July	late July



Process Concerns

- Alternative 1, Curtailing the formal process, could raise a procedural due process legal challenge to the rates. For this reason, Alternative 1 would require consent among all rate case parties to forgo some procedural rights. Alternative 1 may require a temporary change in rules prior to the BP-14 case.
- Alternative 2, Compressing the formal process, retains procedural due process and could be used if a large majority of, but not all, rate case parties prefer to compress the formal rate case process in favor of more negotiation.
- If the workshops that are currently underway are an indication, do parties see any value in setting aside three months for further negotiations to discover if there are any issues that they can agree upon?

