

Organizational Systems for Managing Formal Processes



NARUC Energy Regulatory Partnership Program

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by

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General Record Keeping and File Management

- ❖ Absolutely essential to the efficiency of an organization that a structured system be in place for the handling of all paperwork



General Record Keeping and File Management

❖ Tools needed:

- policies and procedures: to guide and support overall management of record keeping function
- centralized unit: for efficiency and ease of handling flow of paperwork
- documentation/tracking mechanisms: for efficiency and accuracy in accessing information and meeting deadlines
- an effective filing system: for ease in retrieving documents
- accurate record keeping: for accuracy in providing information



General Record Keeping and File Management

- ❖ Receipt, distribution, tracking and filing of all official paperwork, both incoming & outgoing, is handled by one unit, the Clerk's Office
- ❖ All original documents retained in the Clerk's Office, only copies given to staff and Board Members



General Record Keeping and File Management

- ❖ Original documents not allowed to leave the premises, except for offsite hearings
- ❖ A centralized filing system exists for all documents filed with, and created by, the Public Service Board



General Record Keeping and File Management

- ❖ Two basic categories of documents:
docket-related and non-docket
 - Non-docket files broken down by subject matter and include:
 - ◆ *general* (PSB-regulated utility companies)
 - ◆ *miscellaneous* (annual reports, dam safety, Federal/regional energy, misc. correspondence)
 - ◆ *administrative* (rule-makings, legislative, interdepartmental, generic)



General Record Keeping and File Management

- ❖ All documents are coded for filing and filed by the File Clerk
 - Removal of material from master files must be documented
 - Person removing document or file must sign “outcard,” identifying name of borrower, date retrieved and item removed
- ❖ Clerk, by law, charged with keeping full record of Board’s proceedings



General Record Keeping and File Management

- ❖ Formal proceedings are docketed/archived by Docket Clerk
 - Entries are posted daily, reflecting new filings, Board actions, and receipt of substantive correspondence
 - Separate logs also maintained for tracking transcripts, Bd. Orders, service lists, and confidential information
- ❖ All non-docket filings requiring Board action are logged, or archived, and placed in a tracking system until completion of review, and include:
 - ◆ tariff filings
 - ◆ special contracts
 - ◆ net metering applications
 - ◆ complaints
 - ◆ dig safe notices
 - ◆ certificates of public good
 - ◆ rule-makings



General Record Keeping and File Management

- ❖ Tracking system logs also serve as excellent source of reference for historical and statistical data
- ❖ Record retainment policies are in place for archiving Board's hard copy records
 - Records retained on-site for specified time period
 - Forwarded to State Archive Center
 - Microfilmed for permanent retention
 - Currently in process of establishing policies for handling electronic data, including filings, correspondence and confidential information



Accounting Characteristics

- ❖ Most utilities subject to accounting regulation by state and federal agencies
 - Occasional conflicts
- ❖ Accounting is a tool of regulation
 - May be direct or indirect
 - Key is **comparability**
 - ◆ Over time and across companies



Accounting Characteristics

- ❖ Generally in conformance with GAAP
- ❖ Uniform System of Accounts
 - Titles and identifying numbers of accounts
 - Specific instructions for use
 - NARUC and FERC substantially similar



Accounting Characteristics

❖ Uniform System of Accounts

– Continuing Property Records (CPR)

- ◆ Location, description, date of construction, cost
- ◆ Should provide date of retirement

– Construction costs for construction work-in-progress

– Cost of retired property – salvage value

– Original cost



Accounting Characteristics

- ❖ Uniform System of Accounts (con't)
 - Acquisition Adjustments
 - Amortization over life = depreciation
 - Allowances for funds used during construction (AFUDC)
 - Depreciation
 - ◆ Method not mandated, straight-line almost always used



Accounting Characteristics

❖ Extraordinary Costs

- Uninsured storm losses
- Early retirement of major plant assets (loss)
- Rate case expense
- Abandoned construction project
- Infrequent maintenance expenses
- Environmental cleanup costs
- Others



Accounting Characteristics

- ❖ If extraordinary costs are probably recoverable from future revenues, utility may be allowed to “book and defer”
 - Requires approval (“Accounting Order”)