



Bureau of
Energy Resources,
United States
Department of State



National
Association of
Regulatory
Utility
Commissioners

Enforcement: Determining Reasonable Consequences for Poor Performance

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Formula rates and Return on Equity (ROE) collar adjustments

- Performance-based on appropriate metrics
- Reconciliation Collar
- Downward adjustment of up to 40 basis points for missing metrics
- Gain and keep the licensee's attention with a real economic consequence



Other Consequences

- Staff Questionnaires and Inquiries
- 3rd Party Investigations
- Investigative authority; penalties and fines
- Revoking a license
- Reputation Risk?