

NLH 32 Mr. Brockman states on p. 5 of his evidence that “The major issues of cost allocation were decided by this Board following the 1993 generic cost of service hearing. We should not now have to re-try most of them again anytime soon.” What is Dr. Wilson’s view of generic proceedings, rather than rate proceedings, as an appropriate forum for settling methodology issues?

RESPONSE:

Generic proceedings facilitate the development of principles that might be applied consistently over many companies. When only 1 or 2 companies are affected by the results, the principles could almost as easily be developed in individual rate proceedings that would facilitate any adjustment desired for each company. In this case, the referenced generic proceeding is fairly old, and, to the extent the Board determines that issues were either not fully and finally resolved there or that the old resolutions should no longer hold, modifications are entirely appropriate here.