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20-035-04 RMP General Rate Case Technical Conference

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1. What is the overall objective underlying rates that vary by timeframe?

2. Should timeframes for differentiated prices, across hours and seasons, be based on marginal energy costs only, as determined within the EIM? Please discuss.

3. Regarding real time pricing, has RMP explored the structure of various real time pricing rates, nationally? If so, can RMP clarify the advantages of its proposed approach, compared to the structure of other RTP rates?

4. To confirm the DPU's understanding, can RMP provide an analytical basis for the 75%/25% separation of generation and transmission fixed costs into energy- and demand-related costs?

5. Does RMP harbor the view that class-average prices should largely follow the results of class-level cost allocation?

6. Does RMP's proposed cost allocation reflect the current jurisdictional protocol regarding cost allocation? Does the current protocol reflect RMP's preferred approach for all cost allocation elements covered by the jurisdictional protocol?

7. Do projected billing determinants, proposed for purpose of RMP's cost allocation and determining prices, reflect expected price response by customers taking service under RMP's real time pricing proposal?

8. Have the projections of class billing determinants, for test year 2021, been adjusted to reflect the proposed changes in prices?

9. How did RMP choose the increments to move the various classes closer to class cost of service? The classes were as much as 8% off - but generally RMP is moving the classes about a third of the way towards cost of service as the Division understands the testimony of the proposal. Is this understanding correct? If distributing the rate increase unevenly, is the tool to move the classes closer - does a zero increase rate case, or a lesser increase result in less correction of the interclass subsidy?

10. The Division assumes that the partial move toward a full cost of service for each class is a gradualism approach and would like to understand a bit more. RMP testimony suggests that classes have diverged further from full cost rate spread than in 2014 – indicating that the gap is widening over time. Please explain what RMP understands the causes of this to be and how those factors are trending over time, i.e., is this the result of changing customer behavior, changing costs or cost categorizations, or other reasons, and how have those been trending? The purpose of this question is to better understand if the gradualism approach, as proposed, will result in a timely glide path to full cost of service and/or whether the causes of the interclass subsidy are changing over time in such a way that the issue will self-resolve or tend to continue to increase.