

**DIVISION OF PUBLIC UTILITIES' PROPOSED
FILING REQUIREMENTS OF NATURAL GAS UTILITIES FOR RATE CASES
FOR MAY 18, 2009 FILING TO THE UTAH PUBLIC SERVICE COMMISSION**

RATE BASE APPLICATION

General Instructions

- A statement that the gas utility's forecast is reasonable, reliable, and was made in good faith and that all basic assumptions used in making or supporting the forecast are reasonable, evaluated, identified, and justified to allow the commission to test the appropriateness of the forecast.
- A statement that accounting treatment that has been applied to anticipated events and transactions in the forecast is the same as the accounting treatment to be applied in recording the events once they have occurred.
- A statement of the reasons for why the gas utility is filing a rate case and what are the major "drivers" if the utility is filing for a rate increase.
- Organization. Work papers must be plainly identified and well organized, and must include an index and tabs. All work papers must be cross referenced and include a description of the cross referencing methodology.
- Electronic documents. Parties must provide all electronic files supporting their witnesses' work-papers. Spreadsheet generated exhibits need to be filed as Excel spreadsheets. The electronic files must be fully functional and include all formulas, macros and linked spreadsheet files. Sources of data that feed into the testimony exhibits need to be provided with the filing and those spreadsheets and documents showing where the data came from and exactly how the calculations were made. Electronic files that support the exhibits and work papers must be provided using logical file paths, as necessary, by witness, and using identifying file names. A party may file a document with locked, hidden or password protected cells only if necessary to protect the confidentiality of the information within the cells or proprietary information in the document. The party shall designate that portion of the document as confidential under a protective order, and the party shall provide it to any person requesting the password who has signed the appropriate confidentiality agreement.
- Any numbers that are arrived at through any kind of calculation and referenced in the narrative portion of any testimony need to have supporting spreadsheets and documents showing where the data came from and exactly how any calculations were made.
- All data cited or otherwise used in testimony needs to have explicit source citations included. Data should routinely be filed along with other work papers where practicable; other data should be available upon request.
- If a party proposes to calculate an adjustment in a manner different from the method that the Commission most recently accepted or authorized for the gas utility, the party must highlight the change in testimony and present a work paper demonstrating how the adjustment would be calculated under the methodology previously accepted by the Commission, and a brief narrative describing the change. Commission approval of a settlement does not constitute Commission acceptance of any underlying methodology unless so specified in the order approving the settlement.

Required at Initial Application Filing

Forecasted Test Period

If the utility files a forecasted test period, the utility shall file the following:

- A summary statement on justification for the test period proposed by the utility.
- The details supporting the test period revenues including usage per customer class, billing determinants for each customer class, revenues at current approved rates for each customer class.
- Monthly details supporting the net changes affecting rate base.
- An explanation of how each of the following factors are applicable or not to the selection of the future test period; the general level of inflation; changes in the utility's investment, revenues or expenses; changes in utility services; availability and accuracy of data to the parties; ability to synchronize the utility's investment, revenues and expenses; whether the utility is in a cost increasing or cost declining status; incentives to efficient management and operations and length of time the new rates are expected to be in effect.
- The utility shall provide a comparison of forecasted period data to actual data to demonstrate the reliability and accuracy of the utility's forecast for each of the prior three years. The prior years' forecast data are to represent the original approved budget for the period.
- The original, and all amendments, of operating and capital budgets or forecasts for each of the three consecutive years immediately preceding the test year and those in support of the test year.
- A budget manual or formalized budget guidelines and procedures used to develop the Utility's most recent budget.
- A statement indicating whether the forecast for the test year contains the same assumptions and methodologies used in forecasts prepared for management or other entities such as the Securities and Exchange Commission, security rating companies and agencies, underwriters and investors.
- Also include an explanation of any differences between the assumptions and methodologies used in the forecast forming the basis of the test year selected by the Utility and the assumptions and methodologies used in forecasts prepared for management or other entities.
- An exhibit that includes the principal assumptions used in preparing the projected information forming the basis for the test year selected by the Utility.
- A schedule identifying the rate of inflation applied to accounts, portions of accounts, or budget items inflated by an index for the future test year.
- Information provided shall include the following information on each of the accounts, portions of accounts, or budget items inflated by an index: account or budget item; description; dollar base to which inflation factor was applied and the inflation factor and the product of multiplying the dollar base by the inflation factor amount. The results should agree to applicable amounts in the filing.
- Exhibit explaining procedures used to make test period adjustments, especially any adjustment that accounts for the effect of the forecast on revenues and O&M costs.
- Adjustment summary for pro forma gas usage for normalized results of operations.
- Exhibits explaining every adjustment that is done to revenue, O&M, DDA and rate base due to the pro forma gas usage is to be shown in the adjustment summary. Adjustments will be in "top sheet" form.
- A comparison of the (forecasted) Test Year data Results of Operations (RO) to the Base Year actual, unadjusted RO and adjusted RO on both a Utah jurisdictional and total Utility basis. Please provide a side-by-side comparison on a consistent basis by FERC Account.

- A statement of what that inflation factor(s) is assumed shall be included.
- A copy of source or sources of inflation factors.
- The utility shall provide an explanation of any additional variables that the utility deems relevant to the proposed test period.

General

- A comparison of the forecasted twelve month test period data to the same twelve month historical period data as well as a comparison of the forecasted 12 month test period data to the most recent twelve month forecast data to demonstrate the reliability and accuracy of the utility's forecast with explanations for any variances exceeding the assumed rate of inflation.
- A list of all commercially available or in-house developed computer software, programs, and models used in the development of the schedules and work papers associated with the filing of the utility's application. This list shall include each software, program, or model; what the software, program, or model was used for and the schedules developed from such software, program, or model; identify the supplier of each software, program, or model; a brief description of the software, program and model; the specification for the computer hardware and the operating system required to run the program.
- Estimate of effect that new rate(s) will have on revenues including, at minimum, total revenues resulting from increase or decrease and percentage of increase or decrease.
- A statement of historical data including: 1) Comparative balance sheets for the most recent three calendar years; 2) Comparative income statements for the most recent three calendar years; 3) Analysis of reserve for uncollectible accounts for most recent three years.
- Securities and Exchange Commission's annual report for the most recent two years, Form 10-K's and any Form 8-K's issued on accounting matters or for matters affecting future operations within the past two years, and Form 10Q's issued during the past six quarters updated as current information becomes available.
- Most recent presentation to securities analysis by the utility and or parent Corp. The utility may exclude any portion of the presentation that neither directly nor indirectly relates to the utility and its subsidiaries.

Financial Summary and Revenue

The Utility will provide the following summary exhibits or schedules.

- An exhibit of normalized results of operations - adjustment summary to actual results for historical base period. The exhibit will include adjustments to base period to arrive at test period results of operations.

Revenue and Revenue Adjustments

- An exhibit explaining the procedures used to calculate pro forma revenues.
- An adjustment summary for revenue for normalized results of operations.
- Exhibits explaining every adjustment that is done to revenue and that is shown in the adjustment summary. Adjustments are to be in "top sheet" form with the following headings - Account #; and Total Utility amount.
- Its monthly forecast work-papers (including assumptions, spreadsheets and tests)

- Workable versions of Models utilized in determining or projecting rate case values, with formulae intact and source data included, along with available instructions and write-ups regarding use of the Model and written descriptions of the Model and its inputs.
- Forecasted Data – Revenue Requirement.
 - Support and explanations for forecasted monthly revenues by customer class, including Base Year starting values, adjustments made to the Base Year values and key drivers that impact the forecasts, together with supporting documents. Supporting document information should be traceable to data contained in models.
- Annual number of residential, commercial and industrial customers' for Utah for the past three historical years, current base year and projected test years.
- Explanations of any variances in sales volume projections for the test period from most recent IRP broken out by residential, commercial and industrial customers.
- Information on gas sales volume statistics by customer classification for the most recent three historical years and the test year showing usage per customer, DNG revenue and average DNG rate from sales subject to the jurisdiction of the Utah Public Service Commission (Commission).
- Information on transportation statistics for each customer classification which will include: 1) total utility transportation revenues; 2) total utility transport volumes subject to the jurisdiction of the Commission.

Rate of Return

Cost of Capital

- An exhibit showing the comparable companies used in computing cost of capital and their fundamental characteristics. The fundamental characteristics will include the % of regulated revenue; S&P and Moody's credit rating and the date of the capital structure information which will include the common equity ratio; long-term debt ratio and preferred stock ratio.
- An exhibit showing historical capital market costs for the last ten years. The cost information will include as a minimum, the prime rate; consumer price index; long-term treasuries rate; Moody's average utility debt rate and Moody's A utility debt percentage.
- An exhibit showing long-term interest rate trends by month for the last 30 months. The exhibit will include interest rate trends for Single-A utility; 30 year treasury bond and 10 year note. It will also include Single A utility spreads for Single A 30 year treasury and utility minus: 10 year Treasury.
- An exhibit of the most current Standard & Poor's or like agency's reporting of economic indicators.
- An exhibit of historical GDP growth rates for the last 60 years by year with 10 year average information for 10, 20,30,40,50 and 60 year averages for nominal GDP with % change, for GDP price deflator with % change and CPI with % change.
- An exhibit of the utilities discounted cash flow analysis with a summary of DCF model results.
- An exhibit outlining and detailing the utilities risk premium analysis.
- The most current forecasted financings of the utility for the next three years.
- The monthly balance of long-term debt and monthly long-term debt cost rates, for the Base Year, the prior two Historical Years and To Date.
- Copies of the most recent bond rating agencies reports on the Utility Operating Expenses.
- An exhibit showing the calculation of the pro-forma weighted cost of capital.

O&M adjustments

- All information in supporting documents should be traceable to data in contained in models.
- If the utility had any amounts charged or allocated to it by an affiliate or general or home office or paid any monies to an affiliate or corporate office during the test period or during the previous three calendar years, the utility shall file: 1) a detailed description of the method of amounts allocated or charged to the utility by the affiliate or corporate office for each charge allocation or payment; 2) An explanation of how the allocator for the test period was determined; and 3) all facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during the test period was reasonable.
- The utility will detail and provide Legislative advocacy expenses, whether made directly or indirectly, including but not limited to, legislative advocacy expenses included in professional or trade association dues; Funds expended in support of or in oppositions to political candidates; Funds expended in promotion or in opposition to political or religious causes, and; Funds expended in support of or membership in social, recreational, fraternal, or religious clubs or organizations.
- For utilities that record estimates of overhead and clearing costs, provided a reconciliation of the estimated overhead and clearing costs with the actual overhead and clearing costs for each of the three consecutive years immediately preceding the test years for which actual data exists.
- By function, list all maintenance projects included in jurisdictional operating expense with a cost exceeding the lesser of \$500,000 or 1 percent of the total operation and maintenance expenses for the current, prior two years, and forecasted test period.
- A "maintenance project" is defined as a specific undertaking or assignment related to maintenance of the utility's system; e.g. the work on a particular segment of main, the repair of city gates, the refurbishing of a particular area of a facility that represents a level of activity beyond normal maintenance activity.
- Information provided for a maintenance project shall include: 1) description of, and reason for, the project; 2) Facility on which the maintenance is being performed; 3) Project dates; 4) Total project cost; 5) Amount expended in test year; 6) Amount expended in prior year; 7) ICC expense account number; and 8) Date of last similar maintenance performed on the same facility
- A list of any reports or studies prepared for the utility from outside professional consultants or analysts during the last three years with a cost the lesser of 0.1 percent of the total utility annual DNG revenues or \$250,000. The list shall include the report/study date, consultant name, subject of the report/study, cost of the report/study, and accounts charged.
- An exhibit explaining procedures used to calculate pro forma O&M expenses. The exhibit will also include normalizing adjustments to reflect the appropriate level of on-going costs.
- Adjustment summary for O&M expenses for normalized results of operations.
- Exhibits explaining every adjustment that is done to O&M expense and that is shown in the adjustment summary. Adjustments will be "top sheet" form.
- For the Base Year and the Test Year, a list of contributions for charitable and political purposes, if any, included in accounts other than below the line. Indicate the amount of the expenditure, the recipient of the contribution, and the specific account in which the expense is included in the filing. Also identify for the Base Year and the Test Year the amounts of contributions for charitable and political purposes charged to the Utility from affiliates in accounts other than below the line accounts.
- For the Base Year, the prior Historical Year and the Test Year the amount of advertising expense, by account, by type of advertising (i.e., informational, instructional, promotional).

- The material amounts included in the Base Year, the prior Historical Year and the Test Year for above-the-line payments to industry associations. Identify the organization/association name and amounts, along with the account in which the costs are included in the filing. If any of the dues or other amounts paid to the organizations/associations go toward lobbying and public relations efforts and are recorded in above the line accounts, provide the associated amounts included in the above the line accounts whether material in magnitude or not
- State the amount of injuries and damages expense for the Base Year, the prior two Historical Years and To Date. Also identify the amount for the five year average of injuries and damages expense included in the projected Test Year in the filing
- For the Base Year, the prior two Historical Years and the Test Year the beginning bad debt reserve balance, the amount written off, the recoveries, the reserve adjustment, other charges or credits, and the ending reserve balance. For the same periods, provide the total amount of retail revenue from retail sales and total retail bad debt expense.

Labor

- A breakdown of the total amount of gross payroll and employee benefit costs (by benefit type) for the Base Year, the prior two Historical Years and through the end of the Test Year between amounts expensed and amounts capitalized and provide the percentage of payroll and employee benefits (by benefit type) charged to expense for each Year.
- Show the actual percentage of increases in salaries and wages for exempt and non-exempt employees for the Base Year, the prior two Historical Years, the Test Year and To Date for a future Test Year filing.

Rate Base

- All information in supporting documents should be traceable to data in contained in models.
- A schedule comparing the utilities capital budget to actual plant additions for the Base Year and the two prior historical years as well as a schedule of planned plant additions for the test year. Provide this information using the following categories: Number of New Customer Additions-system (new customer count); Dollar Investment for new customers; Dollar Investment for Feeder Line Replacement; Dollar Investment Feeder Lines – Other; Mains, Service Lines and Meters-replacement; General; software
- A schedule containing a complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement.
- Property excluded from rate base in filing, if any
- A schedule of construction work in progress; percent complete in time and dollars.
- Provide information on each item of real property sold since the utility's most recent filing for a change in tariff rates, where the original cost of property sold exceeds 0.1% of total gross plant in service as shown for the historical test year and future test year.
- Provide a list of all properties leased to the utility with annual lease payment greater than \$100,000.

- Information provided for each leased property shall include: 1) Identification or reference number; 2) Description of type and use of property; 3) Name of lessor 4) Frequency of payments; 5) Amount of lease payment; 6) Annual lease payment; 7) Amount included in the test year rate base; and 8) amount included in the test year operating expense.
- Provide information concerning each deferred charge item included in rate base for each of the three years immediately preceding the test year and the test year: 1) Description; 2) Time period charges were recorded; 3) Amortization period; 4) ICC Docket Nos., if any, authorizing recording and/or recovery of the deferred charge; 5) Deferred charge balance at the beginning of the year; 6) Deferred charge balance at end of year; 7) Deferred charge balance in rate base; and 8) Amortization expense.

Rate Base adjustments

- Exhibit explaining procedures used to calculate pro forma rate base.
- Adjustment summary for pro forma rate base for normalized results of operations.
- Exhibits explaining every adjustment that is done to test period rate base and that is shown in the adjustment summary. Adjustments will be in "top sheet" form.
- Exhibit outlining and explaining pro forma plant additions greater than \$1 million. Exhibit to break out additions by (1) Investment for new customers;(2) Investment for Feeder Line Replacement; (3) Investment Feeder Lines – Other; (4)Mains, Service Lines and Meters- replacement; (5) General; (6) software .
- Exhibit outlining the plant retirement adjustment with any applicable sub exhibits that go into details, calculations, and summaries for the adjustment.

Depreciation & Amortization adjustments

- Exhibit explaining procedures used to calculate depreciation and amortization. The exhibit should explain assumptions and outline necessary normalizing adjustments.
- Adjustment summary for depreciation & amortization expense for normalized results of operations.
- Exhibits explaining every adjustment that is done for depreciation and amortization and that is shown in the adjustment summary. Adjustments will be in "top sheet" form.

Rate Design/Cost of Service

- The utility's rate case effect upon the average bill for each customer classification to which change will apply.
- The estimated effect of proposed changes on DNG revenue customers for the 12 month historical test period and 12 month forecasted test period by customer class by tariff schedule. Present and proposed revenues should be compared with % change and dollar change amount shown. The Comparison should also show the average rate increase on cents per Dth % by customer class by tariff schedule.
- The Utility to provide a filing of proposed tariff changes with the changes highlighted and emphasized.
- The Utility to provide a State of Utah customer charge calculation- before tax basis from its cost of service study for the GS residential class.

- The Utility is to provide an average monthly billing comparison for the GS rate class for Utah. The comparison will have two components, a summer and a winter component. The billing comparison will be broken out by 20 annual Dth increments from zero to 100 Dth. After 100 Dth it will be broken out in 100 Dth increments from 100 to 500 Dth, then by 500 Dth increments to 3000 Dth of annual usage. The comparison will be between present and proposed dollar amounts with dollar and % changes.
- The Utility is to provide billing determinants for historical and forecasted test periods with blocking based on adjusted actual and forecasted usage for all firm sales rate schedules.
- Provide Base Year and Test Year class cost of service data on a Utah allocated basis.
- Provide Test Year rate spread and rate design data on a Utah allocated basis.
- Provide by customer class, by month, the number of customers, actual usage, and normalized usage for the Base Year, the prior two Historical Years, the period after the Base Year and To Date.

Required No Later than Fifteen Calendar Days After Initial Application Filing

General

- A detailed description of material changes in accounting policies or procedures adopted by the Utility since its last Utah rate case or as anticipated through the end of the Test Year. The description should detail the impact of the change in accounting policy or procedure on the Test Year and identify the basis of the change.
- A copy of each adjusting journal entry made with supporting documentation in response to the Utility's independent auditors' final recommendations in their most recent audit of the Utility. The utility will identify and provide adjusting journal entries included in the independent auditors' final recommendations that were not accepted by or made by the Utility, along with a description of why the adjustment was not accepted or made.
- A copy of management letters received from the Utility's outside auditors or responses to those management letters for the Base Year, the prior Historical Year and the period To Date.
- A listing of internal audits conducted by or for the Utility or its parent Corp for the Base Year, the two prior Historical Years and To Date if relevant to the costs the utility seeks to recover from Utah ratepayers through Utah regulatory operations or the costs allocated or directly charged to Utah regulated operations included in general rate case filings. The Utility will provide all internal audit reports completed up to the date of the filing.
- A detailed description of corporate restructurings and changes in affiliate relationships since the prior general rate case and also describe changes in the corporate and affiliate relationships between the Base Year and the end of the Test Year reflected in the filing.
- A copy of material new or materially modified contracts or agreements entered into since the prior general rate case, including attachments thereto, if relevant to the costs the utility seeks to recover from Utah ratepayers through Utah regulatory operations or costs allocated or directly charged to Utah regulated operations included in general rate case filings, between the utility and/or its parent Utility and affiliated companies for services and/or goods rendered between or among them. Provide a list of active contracts unless already provided in the most recent Affiliate Interest Report.
- A copy of its cost allocation manuals and/or policies and procedures that set forth the detailed cost allocation methodology and/or pricing methodology used to charge costs between affiliates that have changed since the prior general rate case.

- A detailed description of Material write-offs of assets and/or liabilities from the start of the Base Year to Date that affect Utah revenue requirement. For each material write-off, provide the following:
 - Copy of journal entry recording the write-off;
 - Detailed description of the purpose of the write-off;
 - Copies of studies, report or analysis done in determining whether or not to write off the asset;
 - Amount of the write-off and identification of the accounts charged on a total Utility and a Utah jurisdictional basis; and
- Amount included in the projected Test Year for write-offs, if any, on a total Utility and a Utah jurisdictional basis, by account.

O&M adjustments

- Utility to provide an account detail list of all non-salary and non-benefit transaction activity for each general and administrative account for the base period for the following. The list to be in descending order of transaction cost and in Excel format. The accounts are as follows: 920-Salaries; 921-Office Supplies and Expenses; 923-Outside Services; 924-Property Insurance; 925-Injury and damages; 928-Regulatory Commission Expenses; 930-Miscellaneous General Expenses; 931-Rents and 935-Maintenance and general.
- For insurance coverage for which the Utility is self-insured, please provide a description of that self insurance, a description of how it is accounted for in the utility's books and records and a description of activity for the Base Year, the prior two Historical Years and the Test Year.
- List material amounts included in the Base Year and the Test Year (on a direct charge basis, affiliate billing, or allocation) that are the result of the settlement of lawsuits or other legal action.
- A detailed description of changes in the Utility's collection policies or write-off policies since the last general rate case.
- List and describe in detail cost-saving or cost increasing programs implemented during the Base Year and To Date. This requirement seeks information on major plans or programs beyond efforts undertaken in the normal course of business. Provide information concerning any cost saving program that is anticipated to result in annual savings in excess of the lesser of \$125,000 or 0.1 percent of operation and maintenance expenses in the year preceding the initial of the program and whose initial costs are sought to be recovered in the test year.
- Information provided for cost savings programs shall include: 1) Title; 2) Description; 3) Date of implementation; 4) Initial start up costs to implement program; 5) Costs to be incurred for each year of the next three years; and 6) Annual savings expected for each of the next three years.
- If the Utility maintain reserve accounts (e.g., an injuries and damages reserve account), it is to provide the monthly balances in reserve accounts for the Base Year, the prior two Historical Years, the Test Year and To Date. This listing should include the monthly debits and credits to the reserve accounts. Also, provide the amount included in the Base Year and the projected Test Year expenses, by account, for building-up the reserve balances.
- List penalties and fines in the Base Year and the Test Year and indicate in which accounts the associated amounts are included.
- A list of compensation and benefit studies the Utility has for the Base Year, the prior Historical Year and To Date and indicate which of the studies were used (if any) in projecting the compensation and employee benefit costs for the Test Year.

- Provide complete copies of bonus programs or incentive award programs in effect for the Utility for the Base Year, the prior two Historical Years, the Test Year and To Date. Identify incentive and bonus program expenses incurred in the Base Year, the prior two Historical Years, the Test Year and To Date and identify the amounts included in the Test Year. Identify the accounts charged. Identify incentive and bonus program expenses charged or allocated to the Utility from affiliates or the parent Utility in the Base Year, the prior two Historical Years, the Test Year and To Date for a future Test Year filing.

Rate Base

- If the working capital request in the Utility's case is based on a lead/lag study other than that used in the prior rate case, provide a complete copy of the lead/lag study. If it is not different than the prior case, explain, in detail, why a new study has not been performed and why the Utility feels the study utilized in the previous rate case is still reflective of current conditions.
- For the Base Year, the prior two Historical Years, the Test Year and To Date, if the Utility has sold materially significant property that had formerly been included in Plant in Service, provide for each material sale, a description of the property sold; state whether, when, and in what manner it was included in rate base; show the details of how the gain or loss was calculated; indicate when the sale occurred; and explain how and whether the Utility is treating such gain or loss in its filing. Limit the response to sales of property that had been included in Utah rates while in service.

RULES OF FILING REQUIREMENTS FOR MAJOR GAS PLANT ADDTION

General Instructions

General Information requirements

- Provide all documents and presentations that were provided to management, senior management or the Board of Directors of the Company or its affiliates related to the proposed plant addition.
- Provide copies of all Board of Directors' minutes of the Company and its affiliates where the plant addition was discussed, approved, reviewed, evaluation, or presented.
- Provide details of the anticipated plant addition including location, capacity improvements and technologies used.
- Describe any modifications to the existing distribution gas system that may be necessary to integrate into the system as a whole.
- Provide a prudence review of the capital addition and how it qualifies for SB 75.
- Provide a demonstration that the capital addition meets SB 26 requirement or SB 75.
- Compare this acquisition with projected property acquisitions in the latest IRP. Show that the resource equals or exceeds the compared IRP resource items in terms of least cost and least risk.
- Provide any and all documents and analyses that demonstrate how and when the Company's ratepayers will see a net benefit of the acquisition, and quantify the net benefit.
- Provide a list of all outside consultants or advisors used, or expected to be used by the Company in this matter. Provide all reports, including interim reports, prepared by outside consultants or advisors.
- Provide all reports that were prepared when analyzing the project.

- If applicable, provide copies of all contracts that are expected to be assumed following completion of project.
- If applicable, provide copies of all contracts between the Company and the seller or operator of the property to be acquired.
- If applicable, provide a history of the property to be acquired including financial and performance characteristics for the past five years, or from the start of commercial operation, whichever is less.
- If applicable, what does the company understand is/are the reason(s) why the seller wants to sell the facility?
- If applicable, what is the book value of the plant on the seller's books? Will the seller allow interested parties who have signed a confidential agreement with the Company unrestricted access to its books and record for audit?

Financial Summary and Revenue

- Provide a report on the Net revenue impact of the proposed plant addition.
- Provide a report of the actual costs of the property addition.
- If applicable, provide justification for any acquisition premium the company expects recovery for.

Rate of Return

Cost of Capital

- Does the Company plan to issue debt to finance the project? If so, what is the timing and amount of the debt issuance? Provide any documents to, or received from, any investment bankers regarding the issuance of any securities connected with this matter.
- If the company has been in touch with rating agencies about this prospective project and the subsequent changes in capital structure please provide any reports rating agencies provide with respect to these changes.

Operating Expenses

O&M

- Provide a complete analysis of the costs associated with the plant addition. (No surprise cost categories at the end, such as soft costs, legal fees, overhead fees, etc.)
- Provide information on any environmental clearances required for the plant addition.
- Provide information on any liquidated damages clause.
- If applicable, provide any early termination penalty payments or fees for anything terminating early.
- How will the addition increase or decrease O&M costs
- What operating costs analyses have been completed and what are those costs?
- What is the planned accounting treatment for this acquisition? Please provide the proposed journal entries or other accounting entries for the above planned accounting treatment.
- If applicable, describe the status of any regulatory permits or other governmental authorizations applicable to the property. What new or modifications of existing permits are required? What is the estimated cost?
- Describe and provide the amounts for overhead, closing, contingent or any other costs for which the Company expects it will ask recovery as a result of this property addition.

Rate Base

Rate Base

- Provide a complete detailed analysis of cost components of the plant addition.
- Provide a detailed statement showing the effect of the plant addition on net rate base?
- If applicable, provide an analysis of AFUDC.