

Agency 5-Year Plan

Issue 1 Handling the increasing number of utility cases and relevant issues currently before the Arizona Corporation Commission.

Description: Over the last few years the number of rate applications and policy discussions that directly affect residential ratepayers has increased substantially. There doesn't appear any sign of this trend slowing. The major electric utility has been ordered to file a new rate application so the Commission can review their current rates to see if they are just and reasonable and in the public interest. Other gas and water utilities have and will be filing rate cases as well, which will require RUCO's review and intervention. Rulemaking issues are arising at the Corporation Commission such as retail electric competition, energy planning, and the issues surrounding Johnson Utilities, that are taking significant amounts of time.

Solutions:

Perform preliminary analyses of all pertinent proceedings, filed at the ACC, to determine necessity of intervention. Intervene in all necessary proceedings, as resources permit. Staffing addressed in Issue 3.

Issue 2 Understanding and analyzing the complexity of new issues contained in rate case filings.

Description: The regulatory environment is in a constant mode of change. Due to the reasons stated above, new issues are constantly arising and RUCO is in a position to respond to the utilities' concerns and protect residential ratepayers.

Solutions:

Provide training opportunities for employees to stay current on new and emerging relevant regulatory topics. Engage other state commissions, consumer advocacy groups and publications to see how they have handled common issues. Track the Office's measure of efficacy to ensure Arizona residential ratepayers are receiving a benefit from the Office's services.

Issue 3 Planning ahead so the Office is prepared for the ever changing regulatory horizon.

Description: In today's changing world it is critical that RUCO recruit and retain qualified personnel to meet the mission of the Office. The regulatory area is highly specialized and finding and retaining competent and knowledgeable personnel is challenging. It is imperative that we keep these individuals, provide proper training, reward individuals accordingly and provide a good work environment.

Solutions:

Ensure that staff has the proper mix of disciplines to meet these changing times. This is an ongoing process and we will be adding additional personnel and hiring more consultants with specific areas of expertise. Provide the proper internal and external training and equipment so that our staff is prepared efficiently to deal with the rapidly changing regulatory environment.

Issue 4 Ensuring that we are providing the best possible advocacy for the residential ratepayer that we represent.

Description: RUCO's mission and primary objective is to guard and protect the residential ratepayer in proceedings at the Arizona Corporation Commission.

Solutions:

Track overall rate reductions to demonstrate the Office's beneficial worth to Arizona residential ratepayers. Compare the overall rate reductions to the Office's operating budget to develop a savings per dollar spent calculation. Execute solutions defined in Issues 1, 2 and 3 above.

Resource Assumptions

	FY2022 Estimate	FY2023 Estimate	FY2024 Estimate
Full-Time Equivalent Positions	9.0	9.0	9.0
General Fund	0.0	0.0	0.0
Other Appropriated Funds	1,348.6	1,348.6	1,348.6
Non-Appropriated Funds	0.0	0.0	0.0
Federal Funds	0.0	0.0	0.0