

199—26.4(476) Rate case expense.

26.4(1) A utility making an application pursuant to Iowa Code section 476.6 shall file, within one week of docketing of the rate case, the estimated or, if available, actual expenses incurred or to be incurred by the utility in litigating the rate case. Except for expenses incurred in preparation of the rate filing and notification of customers, the expenses shall be limited to expenses incurred in the time period from the date the initial application is filed through the utility's reply brief. Each expense shall be designated as either estimated or actual.

26.4(2) Estimated or, if available, actual expenses shall identify specifically:

- a.* Printing costs for the following:
 - (1) Rate notification letters
 - (2) Initial filing
 - (3) Testimony
 - (4) Briefs
 - (5) Other (specify)
- b.* Postage costs
- c.* Outside counsel cost
 - (1) Number of attorneys engaged as outside counsel
 - (2) Hours
 - (3) Cost/hour
- d.* Outside expert witness/consultant
 - (1) Number of outside consultants employed
 - (2) Hours per consultant employed
 - (3) Cost/hour per consultant employed
- e.* Expenses stated by individual for both outside consultants and utility personnel
 - (1) Travel
 - (2) Hotel
 - (3) Meals
 - (4) Other (specify)
- f.* Other (specify)

26.4(3) Rate case expense shall not include recovery for expenses that are otherwise included in test year expenses, including salaries for staff preparing filing, staff attorneys, and staff witnesses. Rate case expense shall include only expenses not covered by test year expenses for the period stated in subrule 26.4(1).

26.4(4) Total allowable rate case expense shall include expenses incurred by board staff and the consumer advocate for the time period stated in subrule 26.4(1). The rate case expense to be filed by the utility shall not include these expenses.

26.4(5) The reasonableness of the estimates shall be litigated during the proceeding. At the request of the consumer advocate or the utilities board, company shall make witnesses available on any item included in the estimated rate case expense for cross-examination during the hearing.

26.4(6) Actual utility expenses shall be filed in the same format and detail as estimated expenses and shall be filed within two weeks after filing the final brief. All material variances shall be fully supported and justified.

26.4(7) The board may schedule any additional hearings to litigate the reasonableness of the final expenses.

This rule is intended to implement Iowa Code section 476.6(8).