

PROCEEDINGS AND ACTIVITIES BY DIVISIONS DURING THE YEAR 2011

DIVISION OF UTILITY ACCOUNTING AND FINANCE

The Division of Utility Accounting and Finance (Division) assists the Commission with its review and analysis of accounting and financial information in utility regulatory matters. The Division conducts audits and prepares testimony and reports in rate proceedings, as well as in applications involving performance-based regulatory plans, affiliate transactions, mergers and acquisitions, financing plans, and certificates of public convenience and necessity. The Division also conducts audits of electric utility fuel costs and analyzes depreciation studies of electric, gas, and water and sewer utilities.

Below is a listing of major rate proceedings, certificate cases and financial review filings analyzed by the Division during 2011.

General Rate Cases/Biennial Reviews

Electric Companies	3
Electric Cooperatives	2
Gas Companies	2
Water Companies	<u>3</u>
Total General Rate Cases/Biennial Reviews	10

Expedited Rate Cases

Gas Companies	2
Total Expedited Rate Cases	<u>2</u>

Total Rate Cases	12
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Certificate/License Cases

Water Companies	1
Competitive Service Providers	6

Rate Adjustment Clauses/Demand Side Management Programs

Electric Companies	9
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Steps to Advance Virginia's Energy (SAVE) Plans

Gas Companies	3
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Annual Informational Filings/Earnings Tests

Electric Companies	1
Gas Companies	6
Water and Sewer Companies	<u>2</u>
Total Annual Informational Filings/Earnings Tests	9

Fuel Factor Cases

Electric Companies	2
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Depreciation Studies

Electric Companies	1
Gas Companies	<u>3</u>
Total Depreciation Studies	4

Ex Parte/Pilot Program/Rules to Show Cause Cases

6

Special Studies

Electric	<u>1</u>
Total Special Studies	1

Other

Electric Companies	2
Gas Companies	1

Affiliate Act and Utility Transfers Act:

During 2011 the Division submitted reports recommending action in applications filed pursuant to Chapters 3 (Issuances of Utility Securities), 4 (Affiliates Act), and 5 (Utility Transfers Act) of Title 56 of the Code of Virginia as follows:

Utility Transfer Act Cases

Transfer of Assets	10
Transfer of Securities or Control	15

Affiliate Act Cases

Storage Agreements	2
Services Agreements	21
Asset Management Agreements	3
Billing Agreements	2

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Compensation Agreements	2
Tax Sharing Agreements	2
Reimbursement Agreements	3
Lease Agreements	3
Power Purchase Agreements	<u>3</u>

Issuance of Securities Cases 17

Total 83

The Average number of days to process and issue orders for applications filed under the Affiliates Act and the Utility Transfers Act for cases without hearings were as follows:

Electric	93
Gas	75
Water and Sewer	85
Telecommunications	43

Personnel:

The Commission's Division of Utility Accounting and Finance consisted of the following personnel on December 31, 2011:

<u>Filled</u>	<u>Vacant</u>	<u>Description</u>
1		Director
3		Deputy Directors
4		Manager of Audits
1		Systems Supervisor
	1	Administrative Supervisor
1		Senior Office Technician
1		Office Supervisor
2		Principal Financial Analyst
1		Senior Financial Analyst
1		Principal Research Analyst
2		Principal Public Utility Accountants
5	1	Senior Public Utility Accounts
<u>6</u>		Public Utility Accountants
27	2	Total Authorized: 29
1		Administrative Assistant II (temporary employee)