



Beckett
Consulting

Utility Advisor Review

EPCOR Water Services
2025-2027

Performance Based Regulation Application
Wastewater Services

Utility Advisor Review

- Identification of Capital, Operating and Maintenance Efficiencies achieved in the prior PBR Period
- Avoid the use of misleading terms such as “stable and predictable”
- Improve quality of public consultation to explore “trade-offs” between costs and variability of rates
- Recognize that utility experts routinely recommend higher returns on equity than approved by regulators
- Provide EPCOR with additional clarity on expectations of business cases
- Ensure applications are complete “in one place”

Items of Agreement
Items of Disagreement
Items not Addressed

Items of Agreement

- Efficiency Factor
- Consumption Forecast
- Cost of Equity
- Performance Measures
- Wastewater Treatment-Biosolids Management

Items of Disagreement

- Public Consultation
- Depreciation Study
- Capitalization of Cloud Software Costs
- Return of Equity Ramp Up
- Cost of Debt
- Wastewater Collection – Customer Service Index
- Wastewater Collection – System Reliability and Optimization Index
- Wastewater Collection – H2S 1&24 hour Exceedances

Items not Addressed

- Identification of Capital, Operating and Maintenance Efficiencies Achieved in Prior PBR Period
- Use of the Terms “Stable” and “Predictable”
- Improvements to Future Business Cases
- Filing a Complete Application