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January 17, 2020

Mr. Patrick Wruck
Commission Secretary and Manager
Regulatory Support
British Columbia Utilities Commission
Suite 410, 900 Howe Street
Vancouver, BC V6Z 2N3

Dear Mr. Wruck:

RE: Project No. 1598990
British Columbia Utilities Commission (BCUC or Commission)
British Columbia Hydro and Power Authority (BC Hydro)
Fiscal 2020 to Fiscal 2021 Revenue Requirements Application

BC Hydro writes to provide a public version of Appendix B of its Rebuttal Evidence and to provide revised responses to four previously submitted information requests.

Appendix B of BC Hydro's Rebuttal Evidence contained a report from S&P Global Market Intelligence. The report includes a table showing a large sample of utilities and whether those utilities have full or partial decoupling mechanisms (i.e., a mechanism that enables utilities to offset the effect on revenues of fluctuations in sales caused by customer participation in energy efficiency programs, deviations from "normal" temperature patterns, or economic conditions.). Approximately half of the utilities included in the report utilize some type of decoupling mechanism.

BC Hydro filed this report in confidence with the BCUC only because it was obtained through a paid subscription service. Subsequent to this filing, S&P Global Market Intelligence advised BC Hydro that it was possible to share this report publicly.

In addition, while responding to Information Request No. 2 from the BCUC Panel and preparing for the Oral Hearing, BC Hydro identified minor errors in four previous responses to information requests.

Accordingly, BC Hydro writes to provide its revised Rebuttal Evidence and revised responses to information requests as follows:

Exhibit B-5-2	Revision to Round 1 BCUC IR 1.164.1
Exhibit B-6 -2	Revision to Round 1 BCOAPO 1.16.2
Exhibit B-12-2	Revision to Round 2 BCUC IR 2.267.1
Exhibit B-23-4	Revision to Round 4 CEABC IR 4.58.4
Exhibit B-28-2	Revision to Rebuttal Evidence

For further information, please contact Chris Sandve at 604-974-4641 or by email at bchydroregulatorygroup@bchydro.com.

Yours sincerely,

(for) Fred James
Chief Regulatory Officer

cs/rh

Enclosure

S&P Global
Market Intelligence

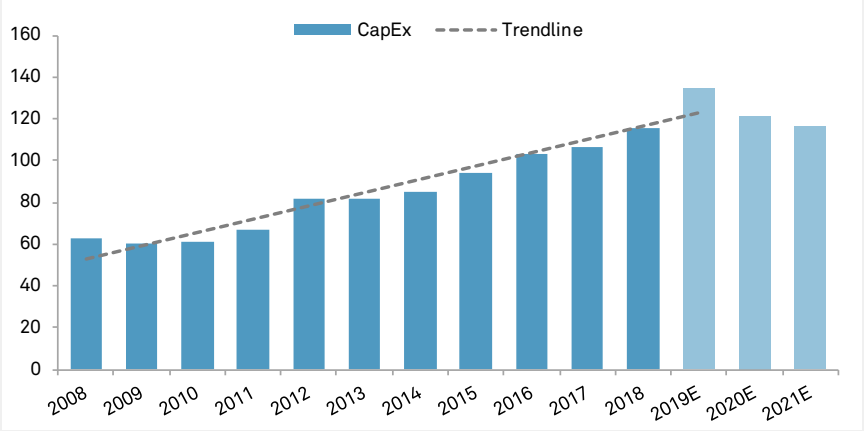
November 12, 2019
spglobal.com/marketintelligence

RRA Regulatory Focus
Adjustment Clauses

A State-by-State Overview

In the face of the robust expansion of utility capital expenditures in recent years, increases in various expenses, and sluggish demand growth in most parts of the U.S., industry stakeholders have developed innovative strategies to achieve timely rate recognition. As shown in the image below, CapEx for the companies covered by Regulatory Research Associates, a group within S&P Global Market Intelligence, is estimated to exceed $134 billion for the full year 2019, more than twice the amount spent in 2008.

Energy utility actual and estimated capital expenditures ($B)



Compiled Oct. 16, 2019.
Source: S&P Global Market Intelligence

A key component of these strategies has been the implementation of adjustment clauses to address recovery of these expenditures as well as issues related to rising/volatile costs and lackluster sales growth. These mechanisms have contributed to steady earnings growth in the sector. Utility earnings for the 12 months ended June 30, 2019, grew modestly, with an average gain of 1.4% over prior-year results. In terms of projected energy industry profitability, S&P Global Market Intelligence consensus EPS projections call for electric utility EPS to grow 2.8% in 2019 for companies in the RRA utility universe, with 4.7% expansion forecast in 2020 and 4.6% in 2021. Multi-utility EPS is forecast to grow 2.3% in 2019 and 6.4% and 6.8% in 2020 and 2021, respectively.

A defining characteristic of an adjustment clause is that it effectively shifts the risk associated with recovery of the expense in question from shareholders to customers. If the clause operates as designed, the company is able to change its rates to recover its costs on a current basis, without any negative effect on the bottom line and without the expense and delay that accompany a rate case filing.

For Detailed Data

Click here to see supporting data tables.

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RRA Regulatory Focus: Adjustment Clauses

The electric and natural gas utilities' use of adjustment clauses to recover variations in certain costs outside of the traditional rate case process has its origins in the 1973 Arab oil embargo, when fuel costs skyrocketed, leaving the utilities with no way to recover the increased costs in a timely manner. At that time, the only remedy for the utilities was to file a rate case; however, rate proceedings frequently took more than a year to litigate, and fuel prices climbed more rapidly than the utilities could obtain rate recognition of the increased costs. Certain jurisdictions permitted the utilities to have more than one rate case pending simultaneously, though most did not.

In the years following the embargo, utility earnings were under considerable pressure, a situation that prompted some jurisdictions to establish a more constructive framework to allow more timely recovery of cost increases that were beyond the control of the utilities.

The result was the creation of the fuel adjustment clause, or FAC, essentially a single-issue ratemaking process whereby a utility is permitted to implement periodic rate adjustments to reflect changes in its cost of fuel. The utility is generally authorized to defer incremental variations in its fuel costs to offset any effect on earnings from the variation. The deferred amount is then recovered from, or refunded to, ratepayers in the next FAC rate adjustment. In some circumstances, the FAC includes a forward-looking component that is subject to true-up provisions. In addition to fuel costs, most jurisdictions allow the utilities' purchased power expense to be included in the FAC.

Over the ensuing years, the use of adjustment clauses has expanded greatly. Adjustment clauses are generally reserved for expenses that are outside the control of the utility or are required by law or rule. Some jurisdictions have approved the use of adjustment clauses for recovery of environmental compliance, energy efficiency and conservation program expenses, transmission charges allocated to the utility by the Federal Energy Regulatory Commission, and/or expenses related to meeting renewable resource requirements. Such mechanisms have also been approved to pass through to customers all or a portion of the margins that the company receives from selling excess power or pipeline capacity in the open market through off-system sales.

Another type of adjustment clause, a decoupling mechanism, enables utilities to offset the effect on revenues of fluctuations in sales caused by customer participation in energy efficiency programs, deviations from "normal" temperature patterns, or economic conditions. RRA considers a decoupling mechanism that adjusts for all three of these factors to be a "full" decoupling mechanism and designates those that address only one or two of these factors as "partial" decoupling mechanisms. RRA also assigns a partial decoupling tag to those mechanisms that include rate caps or other limitations.

More recently and with greater frequency, commissions have approved mechanisms that permit the costs associated with the construction of new generation capacity or delivery infrastructure to be reflected in rates, effectively including these items in rate base without a full rate case. In some instances, these mechanisms may even provide the utilities a cash return on construction work in progress. As shown in the top image on the next page, these types of mechanisms are more common in the Eastern U.S. and less so in the West.

As shown in the graphic on the next page, certain types of adjustment clauses are more prevalent than others. For example, those that address electric fuel and gas commodity charges are in place in all jurisdictions. Also, about two-thirds of all utilities have riders in place to recover costs related to energy efficiency programs, and roughly **half** of the utilities utilize some type of decoupling mechanism.

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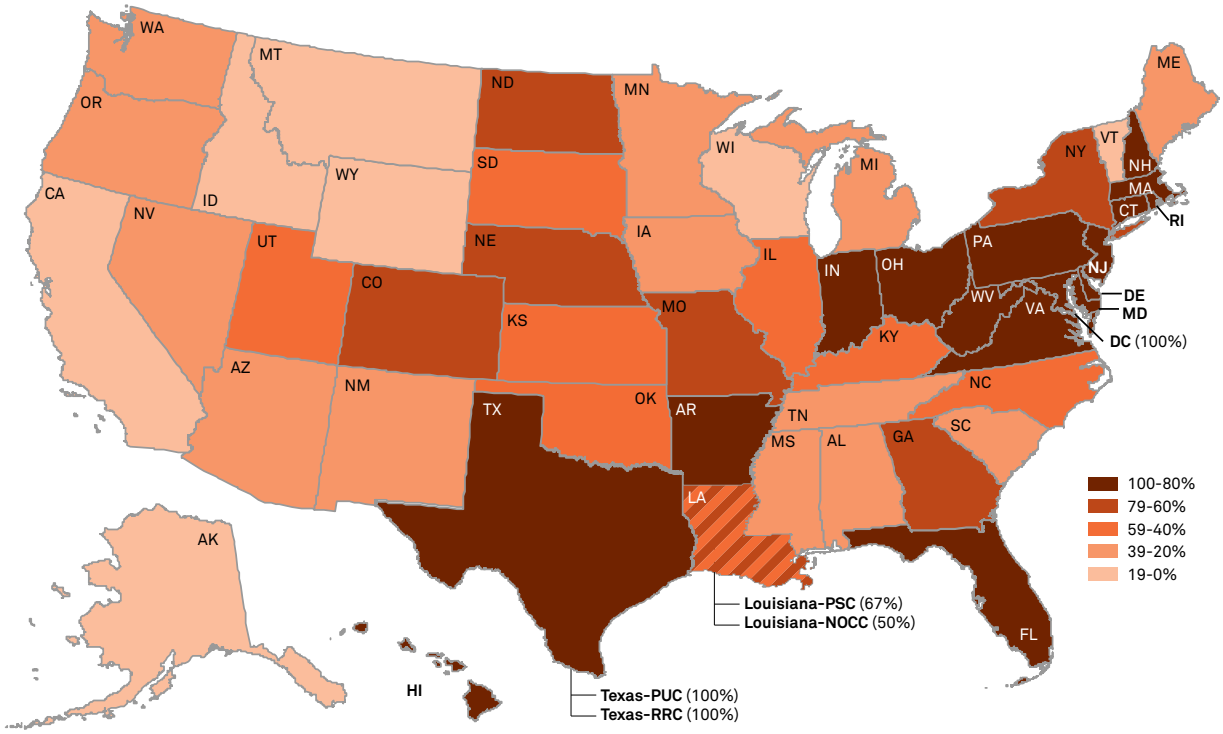
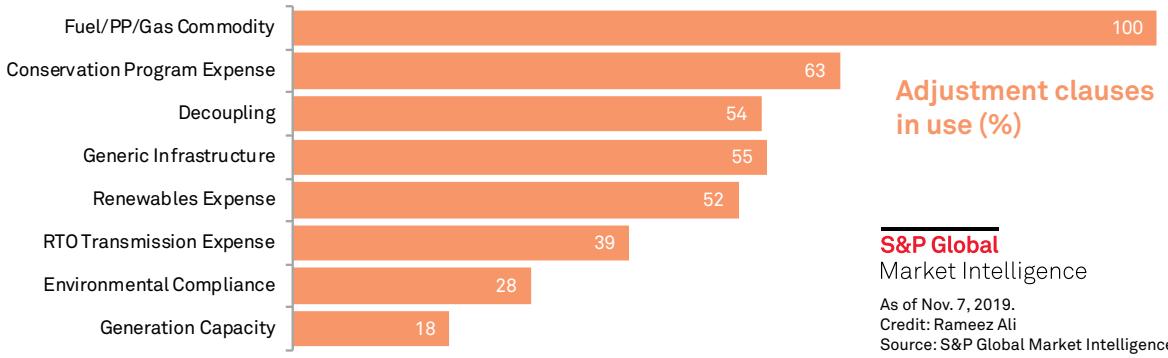
RRA Regulatory Focus: Adjustment Clauses

This report covers the key adjustment clauses used by the largest electric and gas utilities in the 53 jurisdictions covered by RRA. This report does not address surcharges that have been approved to enable a utility to recover specific one-time items, e.g., excess storm-restoration costs incurred in a given year, because under that scenario, the utility is recovering over a defined period of time a fixed amount that has already been incurred.

Utilities with adjustment clauses for new capital (%)





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As of Nov. 7, 2019.
Credit: Rameez Ali
Source: S&P Global Market Intelligence

This report also does not include expense trackers, which provide for the deferral of variations in certain costs for potential recovery at a future time when the commission will consider the net accumulated balance for inclusion in rates. Although an expense tracker is designed to keep the utility's earnings whole, rates and cash flows do not change on a current basis. Expense trackers are sometimes authorized to account for variations in pension-related costs. Although there are similarities between each of these types of ratemaking provisions, only adjustment clauses allow rates to change on an expedited basis in accordance with cost changes.

The accompanying table includes footnotes (denoted by "✓*" or "--*"), beginning on the next page, where a clarification regarding the specific adjustment clause is necessary. Further details concerning the adjustment clauses included in this report can be found in each of RRA's Commission Profiles.

Regulatory agency abbreviations

ACC	Arizona Corporation Commission
ARC	Alaska Regulatory Commission
BPU	Board of Public Utilities (New Jersey)
DPU	Department of Public Utilities (Massachusetts)
ICC	Illinois Commerce Commission
IUB	Iowa Utilities Board
KCC	Kansas Corporation Commission
NCUC	North Carolina Utilities Commission
NOCC	New Orleans City Council
OCC	Oklahoma Corporation Commission
PRC	Public Regulation Commission (New Mexico)
PSC	Public Service Commission
PUC	Public Utility(ies) Commission
PURA	Public Utilities Regulatory Authority (Connecticut)
RRC	Railroad Commission (Texas)
SCC	State Corporation Commission (Virginia)
URC	Utility Regulatory Commission (Indiana)
WUTC	Washington Utilities and Transportation Commission

Contributors: Charlotte Cox, Jim Davis, Monica Hlinka, Lillian Federico, Lisa Fontanella, Jason Lehmann, Dan Lowrey and Amy Poszywak

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RRA Regulatory Focus: Adjustment Clauses

Use of adjustment clauses (as of November 2019)

State/ Company	Ultimate parent ticker	Type of service	Type of adjustment clause: Electric fuel/gas commodity/purch. power		Conserv. program expense	Decoupling: Full		Decoupling: Partial		Renewables expense		Environmental compliance		New capital: Generation capacity		New capital: Generic infrastructure		RTO-related transmission expense		Other	
ALABAMA																					
Alabama Power Co.	SO	Elec.	✓	*	--	--		--		✓		✓	*	✓	*	--		--		✓	*
Spire Alabama Inc.	SR	Gas	✓	*	--	--		✓	*	--		--		--		--		--		✓	*
Spire Gulf Inc.	SR	Gas	✓	*	--	--		✓	*	--		--		--		--		--		✓	*
ALASKA																					
Alaska Electric Light and Power Co.	AVA	Elec.	✓		--	--		--		--		--		--		--		--		--	
Enstar Natural Gas Co.	ALA	Gas	✓		--	--		--		--		--		--		--		--		--	
ARIZONA																					
Arizona Public Service Co.	PNW	Elec.	✓		✓	--		✓	*	✓		✓		--		--		✓		✓	*
Southwest Gas Corp.	SWX	Gas	✓		✓	✓		--	*	--		--		--		✓	*	--		✓	*
Tucson Electric Power Co.	FTS	Elec.	✓		✓	--		✓	*	✓		✓		--		--		--		✓	*
UNS Electric Inc.	FTS	Elec.	✓		✓	--		✓	*	✓		--		--		--		✓		✓	*
UNS Gas Inc.	FTS	Gas	✓		--	--		✓	*	--		--		--		--		--		✓	*
ARKANSAS																					
Arkansas Oklahoma Gas Corp.	--	Gas	✓		✓	✓		--		--		--		--		✓	*	--		✓	*
CenterPoint Energy Resources Corp.	CNP	Gas	✓		✓	✓		--		--		--		--		✓	*	--		✓	*
Entergy Arkansas LLC	ETR	Elec.	✓		✓	--		✓	*	✓		--		✓	*	✓	*	✓		✓	*
Oklahoma Gas and Electric Co.	OGE	Elec.	✓	*	✓	--		✓	*	✓		✓		✓		--		✓		✓	*
Black Hills Energy Arkansas Inc.	BKH	Gas	✓		✓	✓		--		--		--		--		✓	*	--		✓	*
Southwestern Electric Power Co.	AEP	Elec.	✓		✓	--		✓	*	--		✓		✓		--		✓		✓	*
CALIFORNIA																					
Pacific Gas & Electric Co.	PCG	Elec.	✓		--	✓		--		--		--		--		--		--		✓	*
Pacific Gas & Electric Co.	PCG	Gas	✓		--	✓		--		--		--		--		--		--		--	
San Diego Gas & Electric Co.	SRE	Elec.	✓		--	✓		--		--		--		--		--		--		✓	*
San Diego Gas & Electric Co.	SRE	Gas	✓		--	✓		--		--		--		--		--		--		--	
Southern California Edison Co.	EIX	Elec.	✓		--	✓		--		--		--		--		--		--		✓	*
Southern California Gas Co.	SRE	Gas	✓		--	✓		--		--		--		--		--		--		--	
Southwest Gas Corp.	SWX	Gas	✓		--	✓		--		--		--		--		--		--		--	
COLORADO																					
Black Hills Colorado Electric Inc.	BKH	Elec.	✓		✓	--		--		✓		--		✓	*	✓	*	--		✓	*
Public Service Co. of Colorado	XEL	Elec.	✓		✓	--		--	*	✓		✓	*	✓	*	✓	*	--		✓	*
Public Service Co. of Colorado	XEL	Gas	✓		✓	--		✓	*	--		--		--		✓	*	--		--	
Black Hills Gas Distribution LLC	BKH	Gas	✓		✓	--		--		--		--		--		--		--		--	
CONNECTICUT																					
Connecticut Light and Power Co.	ES	Elec.	--	*	✓	✓	*	--		--		--		--		✓	*	✓		--	
Connecticut Natural Gas Co.	IBE	Gas	✓		✓	✓	*	--		--		--		--		✓	*	--		--	
Southern Connecticut Gas Co.	IBE	Gas	✓		✓	✓	*	--		--		--		--		✓	*	--		--	
United Illuminating Co.	IBE	Elec.	--	*	✓	✓	*	--		--		--		--		--		✓		--	
Yankee Gas Services Co.	ES	Gas	✓		✓	✓	*	--		--		--		--		✓	*	--		--	
DELAWARE																					
Chesapeake Utilities Corp.	CPK	Gas	✓		--	--		--		--		✓	*	--		✓	*	--		✓	*
Delmarva Power & Light Co.	EXC	Elec.	--	*	--	--		--		--		--		--		✓	*	✓		✓	*
Delmarva Power & Light Co.	EXC	Gas	✓		--	--		--		--		✓	*	--		✓	*	--		✓	*
DISTRICT OF COLUMBIA																					
Potomac Electric Power Co.	EXC	Elec.	--	*	--	--		✓	*	✓	*	--		--		✓	*	--		✓	*
Washington Gas Light	ALA	Gas	✓		--	--		--		✓	*	--		--		✓	*	--		✓	*

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RRA Regulatory Focus: Adjustment Clauses

Use of adjustment clauses (as of November 2019)

State/ Company	Ultimate parent ticker	Type of service	Type of adjustment clause: Electric fuel/gas commodity/purch. power		Conserv. program expense		Decoupling: Full		Decoupling: Partial		Renewables expense		Environmental compliance		New capital: Generation capacity		New capital: Generic infrastructure		RTO-related transmission expense		Other	
FLORIDA																						
Florida Power & Light Co.	NEE	Elec.	✓		✓		--		--		--		✓		✓	*	--	*	--		✓	*
Duke Energy Florida LLC	DUK	Elec.	✓		✓		--		--		--		✓		✓	*	--	*	--		✓	*
Florida Public Utilities Co.	CPK	Elec.	✓		✓		--		--		--		✓		✓	*	--	*	--		✓	*
Florida Public Utilities Co.	CPK	Gas	✓		✓		--		--		--		✓		--		✓	*	--		✓	*
Gulf Power Co.	NEE	Elec.	✓		✓		--		--		--		✓		✓	*	--	*	--		✓	*
Peoples Gas System	EMA	Gas	✓		✓		--		--		--		✓		--		✓	*	--		✓	*
Pivotal Utility Holdings Inc.	NEE	Gas	✓		✓		--		--		--		✓		--		✓	*	--		✓	*
Tampa Electric Co.	EMA	Elec.	✓		✓		--		--		--		✓		✓	*	--	*	--		✓	*
GEORGIA																						
Atlanta Gas Light Co.	SO	Gas	--	*	--		--	*	--		--		✓	*	--		✓	*	--		--	
Georgia Power Co.	SO	Elec.	✓		--		--		--		--		--		✓	*	--		--		--	
Liberty Utilities (Peach State Nat. Gas) Corp.	AQN	Gas	✓	*	--		✓	*	--		--		--		--		--		--		--	
HAWAII																						
Hawaiian Electric Co. Inc.	HE	Elec.	✓		✓		✓		--		✓		--		✓	*	✓	*	--		✓	*
Hawaii Electric Light Co. Inc.	HE	Elec.	✓		✓		✓		--		✓		--		✓	*	✓	*	--		✓	*
Maui Electric Co. Ltd.	HE	Elec.	✓		✓		✓		--		✓		--		✓	*	✓	*	--		✓	*
IDAHO																						
Avista Corp.	AVA	Elec.	✓	*	✓		✓	*	--		--		--		--		--		--		--	
Avista Corp.	AVA	Gas	✓		✓		✓	*	--		--		--		--		--		--		--	
Idaho Power Co.	IDA	Elec.	✓	*	✓		✓	*	--		--		--		--		--		--		--	
PacifiCorp	BRK.A	Elec.	✓	*	✓		--		--		--		--		--		--		--		--	
ILLINOIS																						
Ameren Illinois Co.	AEE	Elec.	--	*	✓		--		--		✓		✓	*	--		--		✓		✓	*
Ameren Illinois Co.	AEE	Gas	✓		✓		--		✓	*	--		✓	*	--		✓	*	--		✓	*
Commonwealth Edison Co.	EXC	Elec.	--	*	✓		--		--		✓		✓	*	--		✓	*	✓		✓	*
Liberty Utilities (Midstates Natural Gas) Corp.	AQN	Gas	✓		✓		--		✓	*	--		--		--		--		--		✓	*
MidAmerican Energy Co.	BRK.A	Elec.	✓	*	✓		--		--		✓		--		--		--		✓		✓	*
MidAmerican Energy Co.	BRK.A	Gas	✓		✓		--		--		--		--		--		--	*	--		✓	*
North Shore Gas Co.	WEC	Gas	✓		✓		--		✓	*	--		✓	*	--		✓	*	--		✓	*
Northern Illinois Gas Co.	SO	Gas	✓		✓		--		✓	*	--		✓	*	--		✓	*	--		✓	*
Peoples Gas Light & Coke Co.	WEC	Gas	✓		✓		--		✓	*	--		✓	*	--		✓	*	--		✓	*
INDIANA																						
Duke Energy Indiana LLC	DUK	Elec.	✓		✓		--		✓	*	✓		✓	*	✓	*	✓	*	✓		✓	*
Indiana Gas Co.	CNP	Gas	✓		✓		✓		--		--		--		--		✓	*	--		✓	*
Indiana Michigan Power Co.	AEP	Elec.	✓		✓		--		✓	*	✓		✓	*	--		✓	*	✓		✓	*
Indianapolis Power & Light Co.	AES	Elec.	✓		✓		--		✓	*	✓		✓	*	--		--	*	✓		✓	*
Northern Indiana Public Service Co.	NI	Elec.	✓		✓		--		✓	*	✓		✓	*	--		✓	*	✓		✓	*
Northern Indiana Public Service Co.	NI	Gas	✓		✓		--		--		--		--		--		✓	*	--		✓	*
Southern Indiana Gas & Electric Co.	CNP	Elec.	✓		✓		--		✓	*	--		✓	*	--		✓	*	✓		✓	*
Southern Indiana Gas & Electric Co.	CNP	Gas	✓		✓		✓		--		--		--		--		✓	*	--		✓	*
IOWA																						
Black Hills Iowa Gas Utility Co.	BKH	Gas	✓		✓		--		--		--		--		--		✓		--		✓	*
Interstate Power & Light Co.	LNT	Elec.	✓		✓		--		--		✓		✓	*	--		--		✓		✓	*
Interstate Power & Light Co.	LNT	Gas	✓		✓		--		--		--		--		--		--		--		✓	*
MidAmerican Energy Co.	BRK.A	Elec.	✓		✓		--		--		✓		✓	*	--		--		✓		✓	*
MidAmerican Energy Co.	BRK.A	Gas	✓		✓		--		--		--		--		--		--		--		✓	*

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RRA Regulatory Focus: Adjustment Clauses

Use of adjustment clauses (as of November 2019)

State/ Company	Ultimate parent ticker	Type of service	Type of adjustment clause: Electric fuel/gas commodity/purch. power	Conserv. program expense	Decoupling: Full	Decoupling: Partial	Renewables expense	Environmental compliance	New capital: Generation capacity	New capital: Generic infrastructure	RTO-related transmission expense	Other
KANSAS												
Atmos Energy Corp.	ATO	Gas	✓	-- *	--	✓ *	--	--	--	✓ *	--	✓ *
Black Hills/Kansas Gas Utility Co.	BKH	Gas	✓	-- *	--	✓ *	--	--	--	✓ *	--	✓ *
Empire District Electric Co.	AQN	Elec.	✓	✓ *	--	--	--	✓	--	--	✓	✓ *
Evergy Kansas Central Inc.	EVRG	Elec.	✓	✓ *	--	✓ *	✓	✓	--	--	✓	✓ *
Evergy Kansas South Inc.	EVRG	Elec.	✓	✓ *	--	✓ *	✓	✓	--	--	✓	✓ *
Evergy Metro Inc.	EVRG	Elec.	✓	✓ *	--	--	--	--	--	✓ *	✓	✓ *
Kansas Gas Service Co.	OGS	Gas	✓	-- *	--	✓ *	--	--	--	✓ *	--	✓ *
KENTUCKY												
Atmos Energy Corp.	ATO	Gas	✓	✓	--	✓ *	--	--	--	✓ *	--	✓ *
Columbia Gas of Kentucky Inc.	NI	Gas	✓	✓	--	✓ *	--	--	--	✓ *	--	✓ *
Delta Natural Gas Co.	--	Gas	✓	✓	--	✓ *	--	--	--	✓ *	--	✓ *
Duke Energy Kentucky Inc.	DUK	Elec.	✓	✓	--	✓ *	✓	✓ *	--	--	--	✓ *
Duke Energy Kentucky Inc.	DUK	Gas	✓	✓	--	✓ *	--	--	--	--	--	✓ *
Kentucky Power Co.	AEP	Elec.	✓	✓	--	✓ *	✓	✓ *	--	--	--	✓ *
Kentucky Utilities Co.	PPL	Elec.	✓	✓	--	✓ *	✓	✓ *	--	--	--	✓ *
Louisville Gas & Electric Co.	PPL	Elec.	✓	✓	--	✓ *	✓	✓ *	--	--	--	✓ *
Louisville Gas & Electric Co.	PPL	Gas	✓	✓	--	✓ *	--	--	--	✓ *	--	✓ *
LOUISIANA-NOCC												
Entergy New Orleans LLC	ETR	Elec.	✓	✓	--	✓ *	--	✓ *	✓ *	--	✓	✓ *
Entergy New Orleans LLC	ETR	Gas	✓	--	--	--	--	--	--	--	--	✓ *
LOUISIANA PSC												
Atmos Energy Corp.	ATO	Gas	✓	--	--	✓ *	--	--	--	✓ *	--	--
CenterPoint Energy Resources Corp.	CNP	Gas	✓	--	--	✓ *	--	--	--	--	--	--
Cleco Power LLC	--	Elec.	✓	✓	--	✓ *	--	✓ *	✓ *	✓ *	✓ *	✓ *
Entergy Louisiana LLC	ETR	Elec.	✓	✓	--	✓ *	--	✓ *	✓ *	✓ *	✓ *	✓ *
Entergy Louisiana LLC	ETR	Gas	✓	--	--	✓ *	--	--	--	✓ *	--	--
Southwestern Electric Power Co.	AEP	Elec.	✓	✓	--	✓ *	--	✓ *	--	--	--	✓ *
MAINE												
Central Maine Power Co.	IBE	Elec.	-- *	--	✓ *	--	--	--	--	--	--	✓ *
Emera Maine	EMA	Elec.	-- *	--	--	--	--	--	--	--	--	--
Maine Natural Gas	IBE	Gas	✓	--	--	--	--	--	--	--	--	--
Northern Utilities, Inc.	UTL	Gas	✓	--	--	--	--	✓ *	--	✓ *	--	--
MARYLAND												
Baltimore Gas & Electric Co.	EXC	Elec.	-- *	✓	✓	--	--	--	--	--	--	✓ *
Baltimore Gas & Electric Co.	EXC	Gas	✓	✓	✓	--	--	--	--	✓ *	--	✓ *
Columbia Gas of Maryland Inc.	NI	Gas	✓	✓	--	✓ *	--	--	--	✓ *	--	✓ *
Delmarva Power & Light Co.	EXC	Elec.	-- *	✓	✓	--	--	--	--	-- *	--	--
Potomac Edison Co.	FE	Elec.	-- *	✓	--	--	--	--	--	✓ *	--	✓ *
Potomac Electric Power Co.	EXC	Elec.	-- *	✓	✓	--	--	--	--	-- *	--	✓ *
Washington Gas Light Co.	ALA	Gas	✓	✓	--	✓ *	--	--	--	✓ *	--	✓ *
MASSACHUSETTS												
Bay State Gas Co.	NI	Gas	✓	✓ *	✓	--	--	✓ *	--	✓ *	--	✓ *
Berkshire Gas Co.	IBE	Gas	✓	✓ *	--	--	--	✓ *	--	✓ *	--	✓ *
Boston Gas Co./Colonial Gas Co.	NGG	Gas	✓	✓ *	✓	--	--	✓ *	--	✓ *	--	✓ *
Fitchburg Gas & Electric	UTL	Elec.	-- *	✓ *	✓	--	✓ *	--	--	✓ *	✓	✓ *
Fitchburg Gas & Electric	UTL	Gas	✓	✓ *	✓	--	--	✓ *	--	✓ *	--	✓ *
Liberty Utilities (New England Natural Gas Co.) C	AQN	Gas	✓	✓ *	✓	--	--	✓ *	--	✓ *	--	✓ *
Massachusetts Electric Co.	NGG	Elec.	-- *	✓ *	✓	--	✓ *	--	✓ *	✓ *	✓	✓ *
NSTAR Electric Co.	ES	Elec.	-- *	✓ *	✓	--	✓ *	--	--	✓ *	✓	✓ *
NSTAR Gas Co.	ES	Gas	✓	✓ *	✓	--	--	✓ *	--	✓ *	--	✓ *

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State/ Company	Ultimate parent ticker	Type of service	Type of adjustment clause: Electric fuel/gas commodity/purch. power		Conserv. program expense		Decoupling: Full		Decoupling: Partial		Renewables expense		Environmental compliance		New capital: Generation capacity	New capital: Generic infrastructure		RTO-related transmission expense		Other	
MICHIGAN																					
Consumers Energy Co.	CMS	Elec.	✓		✓		--	*	--		✓		--		--	--		✓	*	--	
Consumers Energy Co.	CMS	Gas	✓		✓		--		✓	*	--		--		--	✓	*	--		--	
DTE Electric Co.	DTE	Elec.	✓		✓		--	*	--		✓		--		--	--		✓	*	--	
DTE Gas Co.	DTE	Gas	✓		✓		--		✓	*	--		--		--	✓	*	--		--	
Indiana Michigan Power Co.	AEP	Elec.	✓		✓		--	*	--		✓		--		--	--		--		✓	*
Michigan Gas Utilities Corp.	WEC	Gas	✓		✓		--		--		--		--		--	--		--		--	
SEMCO Energy Gas Co.	ALA	Gas	✓		✓		--		--		--		--		--	✓	*	--		--	
Upper Peninsula Power Co.	--	Elec.	✓		✓		--	*	--		✓		--		--	--		✓	*	--	
Wisconsin Electric Power Co.	WEC	Elec.	✓		✓		--	*	--		✓		--		--	--		--		--	
MINNESOTA																					
ALLETE (Minnesota Power)	ALE	Elec.	✓		✓		--		--		✓		✓		--	--		✓		✓	
CenterPoint Energy Resources Corp.	CNP	Gas	✓		✓		--		✓	*	--		--		--	--		--		--	
Minnesota Energy Resources Corp.	WEC	Gas	✓		✓		--		✓	*	--		--		--	✓	*	--		--	
Northern States Power Co.-Minnesota	XEL	Elec.	✓		✓		--		✓	*	✓		✓		--	--		✓		--	
Northern States Power Co.-Minnesota	XEL	Gas	✓		✓		--		--		--		--		--	✓	*	--		--	
Otter Tail Power Co.	OTTR	Elec.	✓		✓		--		--		✓		✓		--	--		✓		--	
MISSISSIPPI																					
Atmos Energy Corp.	ATO	Gas	✓		✓		--		✓	*	--		--		--	✓	*	--		--	
Entergy Mississippi LLC	ETR	Elec.	✓		✓		--		✓	*	--		✓	*	--	--		✓		✓	*
Mississippi Power Co.	SO	Elec.	✓		✓		--		✓	*	--		✓	*	--	--		--		✓	*
MISSOURI																					
Empire District Electric Co.	AQN	Elec.	✓		--		--		--	*	--	*	✓	*	--	--		✓	*	✓	*
Empire District Gas Co.	AQN	Gas	✓		--		--		--	*	--		--		--	--		--		✓	*
Evergy Metro Inc.	EVRG	Elec.	✓		✓	*	--		✓	*	✓	*	✓	*	--	✓	*	✓	*	✓	*
Evergy Missouri West Inc.	EVRG	Elec.	✓		✓	*	--		✓	*	✓	*	✓	*	--	✓	*	✓	*	✓	*
Spire Missouri Inc. - East	SR	Gas	✓		--		--		✓	*	--		--		--	✓	*	--		✓	*
Spire Missouri Inc. - West	SR	Gas	✓		--		--		--	*	--		--		--	✓	*	--		✓	*
Liberty Utilities (Midstates Natural Gas) Corp.	AQN	Gas	✓		--		--		✓	*	--		--		--	✓	*	--		✓	*
Union Electric Co.	AEE	Elec.	✓		✓	*	--		✓	*	✓	*	✓	*	--	✓	*	✓	*	✓	*
Union Electric Co.	AEE	Gas	✓		--		--		✓	*	--		--		--	✓	*	--		✓	*
MONTANA																					
MDU Resources Group Inc.	MDU	Elec.	✓		✓		--		--		--		--		--	--		--		✓	*
MDU Resources Group Inc.	MDU	Gas	✓		✓		--		✓	*	--		--		--	--		--		✓	*
NorthWestern Corp.	NWE	Elec.	✓	*	✓		--		--		✓		--		--	--		--		✓	*
NorthWestern Corp.	NWE	Gas	✓		✓	*	--		--		--		--		--	--		--		✓	*
NEBRASKA																					
Black Hills Gas Distribution LLC	BKH	Gas	✓		--		--		--		--		--		--	✓	*	--		✓	*
Black Hills Nebraska Gas Utility Co. LLC	BKH	Gas	✓		--		--		--		--		--		--	✓	*	--		✓	*
Northwestern Corp.	NWE	Gas	✓		--		--		--		--		--		--	--	*	--		✓	*
NEVADA																					
Nevada Power Co.	BRK.A	Elec.	✓		✓		--		✓	*	--		--		--	--		--		--	
Sierra Pacific Power Co.	BRK.A	Elec.	✓		✓		--		✓	*	✓		--		--	--		--		--	
Sierra Pacific Power Co.	BRK.A	Gas	✓		--		--		--		--		--		--	--		--		--	
Southwest Gas Corp.	SWX	Gas	✓		--		✓	*	--		--		--		--	✓	*	--		✓	*
NEW HAMPSHIRE																					
Liberty Utilities Co. (EnergyNorth Natural Gas)	AQN	Gas	✓		--		✓	*	--		--		--		--	✓	*	--		--	
Liberty Utilities Co. (Granite State Electric)	AQN	Elec.	--	*	--		--		✓	*	--		--		--	✓	*	--		--	
Northern Utilities Inc.	UTL	Gas	✓		--		--		✓	*	--		--		--	--		--		--	
Public Service Co. of New Hampshire	ES	Elec.	✓	*	--		--		✓	*	--		--		--	✓	*	✓		--	
Unitil Energy Systems Inc.	UTL	Elec.	--	*	--		--		✓	*	--		--		--	✓	*	--		--	

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			Electric fuel/gas commodity/purch. power		Conserv. program expense		Decoupling: Full		Decoupling: Partial		Renewables expense		Environmental compliance		New capital: Generation capacity		New capital: Generic infrastructure		RTO-related transmission expense		Other	
NEW JERSEY																						
Atlantic City Electric Co.	EXC	Elec.	--	*	✓	*	--		--		✓		--	*	--		✓	*	--		✓	*
Jersey Central Power & Light Co.	FE	Elec.	--	*	✓	*	--		--		✓		✓	*	--		✓	*	--		✓	*
New Jersey Natural Gas Co.	NJR	Gas	✓	*	✓	*	✓	*	--		--		✓	*	--		✓	*	--		✓	*
Elizabethown Gas Co.	SJI	Gas	✓	*	✓	*	--		✓	*	--		✓	*	--		✓	*	--		✓	*
Public Service Electric & Gas Co.	PEG	Elec.	--	*	✓	*	--		--		✓		--	*	--		✓	*	--		✓	*
Public Service Electric & Gas Co.	PEG	Gas	✓	*	✓	*	--		✓	*	--		✓	*	--		✓	*	--		✓	*
Rockland Electric Co.	ED	Elec.	--	*	✓	*	--		--		✓		--	*	--		✓	*	--		✓	*
South Jersey Gas Co.	SJI	Gas	✓	*	✓	*	✓	*	--		--		✓	*	--		✓	*	--		✓	*
NEW MEXICO																						
El Paso Electric Co.	EE	Elec.	✓		✓		--		--		--		--		--		--		--		✓	*
New Mexico Gas Co.	EMA	Gas	✓		✓		--		--		--		--		--		--		--		✓	*
Public Service Co. of New Mexico	PNM	Elec.	✓		✓		--		--		✓		✓	*	--		✓	*	--		✓	*
Southwestern Public Service Co.	XEL	Elec.	✓		✓		--		--		✓		--		--		--		--		✓	*
NEW YORK																						
Brooklyn Union Gas Co.	NGG	Gas	✓		--		✓		--		--		✓	*	--		✓	*	--		--	
Central Hudson Gas & Electric Corp.	FTS	Elec.	--	*	--		✓		--		✓		--		--		--		--		✓	*
Central Hudson Gas & Electric Corp.	FTS	Gas	✓		--		✓		--		--		✓		--		✓	*	--		✓	*
Consolidated Edison Co. of New York, Inc.	ED	Elec.	--	*	--		✓		--		✓		--		--		--		--		✓	*
Consolidated Edison Co. of New York, Inc.	ED	Gas	✓		--		✓		--		--		--		--		✓	*	✓		--	
KeySpan Gas East Corp.	NGG	Gas	✓		--		✓		--		--		--		--		✓	*	--		--	
National Fuel Gas Distribution Corp.	NFG	Gas	✓		--		✓		--		--		--		--		✓	*	--		--	
New York State Electric & Gas Corp.	IBE	Elec.	--	*	--		✓		--		✓		--		--		--		--		✓	*
New York State Electric & Gas Corp.	IBE	Gas	✓		--		✓		--		--		--		--		✓	*	--		✓	*
Niagara Mohawk Power Corp.	NGG	Elec.	--	*	--		✓		--		✓		--		--		--		--		--	
Niagara Mohawk Power Corp.	NGG	Gas	✓		--		✓		--		--		--		--		✓	*	--		--	
Orange & Rockland Utilities, Inc.	ED	Elec.	--	*	--		✓		--		✓		--		--		--		--		--	
Orange & Rockland Utilities, Inc.	ED	Gas	✓		--		✓		--		--		--		--		✓	*	--		--	
Rochester Gas and Electric Corp.	IBE	Elec.	--	*	--		✓		--		✓		--		--		--		--		✓	*
Rochester Gas and Electric Corp.	IBE	Gas	✓		--		✓		--		--		--		--		✓	*	--		✓	*
NORTH CAROLINA																						
Duke Energy Carolinas LLC	DUK	Elec.	✓		✓	*	--		--	*	✓	*	✓	*	--		--		--		--	
Duke Energy Progress LLC	DUK	Elec.	✓		✓	*	--		--	*	✓	*	✓	*	--		--		--		--	
Piedmont Natural Gas Co. Inc.	DUK	Gas	✓		✓		✓	*	--		--		--		--		✓	*	--		--	
Public Service Co. of North Carolina	D	Gas	✓		--		✓	*	--		--		--		--		✓	*	--		--	
Virginia Electric & Power Co.	D	Elec.	✓		✓	*	--		--	*	✓	*	✓	*	--		--		--		--	
NORTH DAKOTA																						
MDU Resources Group Inc.	MDU	Elec.	✓		--		--		--		--		✓	*	✓	*	✓	*	--		--	
MDU Resources Group Inc.	MDU	Gas	✓		--		--		✓	*	--		--		--		--		--		--	
Northern States Power Co. -Minnesota	XEL	Elec.	✓		--		--		--		--		--	*	--		✓	*	--		✓	*
Northern States Power Co. -Minnesota	XEL	Gas	✓		--		--	*	--		--		--		--		--		--		--	
Otter Tail Power Co.	OTTR	Elec.	✓		--		--		--		--		✓	*	✓	*	✓	*	--		✓	*
OHIO																						
Cleve. Elec. Illum./Ohio Ed./Toledo Ed.	FE	Elec.	--	*	✓	*	--		✓	*	✓		--		--		✓	*	✓		✓	*
Columbia Gas of Ohio Inc.	NI	Gas	--	*	✓		--	*	--		--		--		--		✓	*	--		✓	*
Dayton Power & Light Co.	AES	Elec.	--	*	✓	*	--		✓	*	✓		--		--		✓	*	✓		✓	*
Duke Energy Ohio Inc.	DUK	Elec.	--	*	✓	*	--		✓	*	✓		--		--		✓	*	✓		✓	*
Duke Energy Ohio Inc,	DUK	Gas	✓	*	--		--	*	--		--		✓	*	--		✓	*	--		✓	*
East Ohio Gas Co.	D	Gas	--	*	✓		--	*	--		--		--		--		✓	*	--		✓	*
Ohio Power Co.	AEP	Elec.	--	*	✓	*	--		✓	*	✓		--		--		✓	*	✓		✓	*
Vectren Energy Delivery of Ohio Inc.	CNP	Gas	--	*	✓		--	*	--		--		--		--		✓	*	--		✓	*

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OKLAHOMA																						
CenterPoint Energy Resources Corp.	CNP	Gas	✓		✓	*	--		✓	*	--		--		--		--		--		✓	*
Oklahoma Gas & Electric Co.	OGE	Elec.	✓		✓	*	--		✓	*	✓		✓	*	--		✓	*	✓		✓	*
Oklahoma Natural Gas Co.	OGS	Gas	✓		✓	*	--		✓	*	--		--		--		--		--		✓	*
Public Service Co. of Oklahoma	AEP	Elec.	✓		✓	*	--		✓	*	✓		--	*	--		✓		✓		✓	*
OREGON																						
Avista Corp.	AVA	Gas	✓		✓		✓	*			--		--		--		--		--		--	
Cascade Natural Gas Corp.	MDU	Gas	✓		--		--		✓	*	--		✓	*	--		--		--		--	
Idaho Power Co.	IDA	Elec.	✓		✓		--		--		✓		--		--		--		--		--	
Northwest Natural Gas Co.	NWN	Gas	✓		✓	*	--		✓	*	--		✓	*	--		--		--		--	
PacifiCorp	BRK.A	Elec.	✓		✓		--		--		✓		--		✓	*	--		--		✓	*
Portland General Electric Co.	POR	Elec.	✓		✓		--		✓	*	✓		✓	*	✓	*	--		--		--	
PENNSYLVANIA																						
Columbia Gas of Pennsylvania Inc.	NI	Gas	✓	*	--		--		✓	*	--		--		--		✓	*	--		✓	*
Duquesne Light Co.	--	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	✓		✓	*
Equitable Gas Co. LLC	--	Gas	✓	*	--		--		--		--		--		--		✓	*	--		✓	*
Metropolitan Edison Co.	FE	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	✓		✓	*
National Fuel Gas Distribution Corp.	NFG	Gas	✓	*	--		--		--		--		--		--		--	*	--		✓	*
PECO Energy Co.	EXC	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	--		✓	*
PECO Energy Co.	EXC	Gas	✓	*	✓		--		--		--		--		--		✓	*	--		✓	*
Pennsylvania Electric Co.	FE	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	✓		✓	*
Pennsylvania Power Co.	FE	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	--		✓	*
Peoples Natural Gas Co. LLC	--	Gas	✓	*	--		--		--		--		--		--		✓	*	--		✓	*
PPL Electric Utilities Corp.	PPL	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	✓		✓	*
UGI Central Penn Gas Inc.	UGI	Gas	✓	*	--		--		--		--		--		--		✓	*	--		✓	*
UGI Penn Natural Gas Inc.	UGI	Gas	✓	*	--	*	--		--		--		--		--		✓	*	--		✓	*
UGI Utilities Inc.	UGI	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	--		✓	*
UGI Utilities Inc.	UGI	Gas	✓	*	--		--		--		--		--		--		✓	*	--		✓	*
West Penn Power Co.	FE	Elec.	--	*	✓	*	--		--		--	*	--		--		✓	*	--		✓	*
RHODE ISLAND																						
Narragansett Electric Co.	NGG	Elec.	--	*	✓		✓		--		--		--		--		✓	*	--		✓	*
Narragansett Electric Co.	NGG	Gas	✓		✓	*	✓		--		--		✓	*	--		✓	*	--		✓	*
SOUTH CAROLINA																						
Duke Energy Progress LLC	DUK	Elec.	✓		✓		--		--		--		✓	*	--	*	--		--		--	
Duke Energy Carolinas LLC	DUK	Elec.	✓		✓		--		--		--		✓	*	--	*	--		--		--	
Piedmont Natural Gas Co. Inc.	DUK	Gas	✓		✓		--		✓	*	--		--		--		--		--		--	
Dominion Energy South Carolina Inc.	D	Elec.	✓		✓		--		--		--		✓	*	✓	*	--		--		--	
Dominion Energy South Carolina Inc.	D	Gas	✓		✓		--		✓	*	--		--		--		--		--		--	
SOUTH DAKOTA																						
Black Hills Power Inc.	BKH	Elec.	✓		✓	*	--		✓	*	✓	*	✓		--		--		✓		✓	*
MDU Resources Group Inc.	MDU	Elec.	✓		--		--		--		--		✓	*	--		✓	*	✓	*	--	
MDU Resources Group Inc.	MDU	Gas	✓		✓		--		✓	*	--		--		--		--		--		--	
Northern States Power Co. -Minnesota	XEL	Elec.	✓		✓	*	--		✓	*	--		✓		✓	*	✓	*	--		✓	*
NorthWestern Corp.	NWE	Elec.	✓		✓		--		--		--		--		--		--		--		--	
NorthWestern Corp.	NWE	Gas	✓		--		--		--		--		--		--		--		--		--	
Otter Tail Power Corp.	OTTR	Elec.	✓		✓	*	--		--		✓	*	✓		✓	*	✓		--		--	
TENNESSEE																						
Atmos Energy Corp.	ATO	Gas	✓		--		--		✓	*	--		--		--		--		--		✓	*
Chattanooga Gas Co.	SO	Gas	✓		--		✓	*	--		--		--		--		--		--		✓	*
Kingsport Power Co.	AEP	Elec.	✓		--		--		--		--		--		--		--		--		--	
Piedmont Natural Gas Co. Inc.	DUK	Gas	✓		--		--		✓	*	--		--		--		✓		--		✓	*

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RRA Regulatory Focus: Adjustment Clauses

Use of adjustment clauses (as of November 2019)

State/ Company	Ultimate parent ticker	Type of service	Type of adjustment clause: Electric fuel/gas commodity/purch. power		Conserv. program expense		Decoupling: Full		Decoupling: Partial		Renewables expense		Environmental compliance		New capital: Generation capacity		New capital: Generic infrastructure		RTO-related transmission expense		Other	
TEXAS PUC																						
AEP Texas	AEP	Elec.	--	*	✓		--		--		--		--		--		✓	*	✓	*	--	
CenterPoint Energy Houston Electric	CNP	Elec.	--	*	✓		--		--		--		--		--		✓	*	✓	*	✓	*
Cross Texas Transmission	--	Elec.	--	*	--		--		--		--		--		--		✓	*	--		--	
El Paso Electric Co.	EE	Elec.	✓	*	✓		--		--		--		--		--	*	✓	*	--	*	✓	*
Electric Transmission Texas LLC	BRK.A/AEP	Elec.	--	*	--		--		--		--		--		--		✓	*	✓		--	
Entergy Texas Inc.	ETR	Elec.	✓	*	✓		--		--		--		--		--	*	✓	*	--		✓	*
Lone Star Transmission LLC	NEE	Elec.	--	*	--		--		--		--		--		--		✓	*	--		--	
Oncor Electric Delivery Co. LLC	SRE	Elec.	--	*	✓		--		--		--		--		--		✓	*	✓	*	--	
Sharyland Utilities LLC	--	Elec.	--	*	--		--		--		--		--		--		✓	*	--		✓	
Southwestern Electric Power Co.	AEP	Elec.	✓	*	✓		--		--		--		--		--	*	✓	*	✓		--	
Southwestern Public Service Co.	XEL	Elec.	✓	*	✓		--		--		--		--		--	*	✓	*	✓		✓	*
Texas-New Mexico Power	PNM	Elec.	--	*	✓		--		--		--		--		--		✓	*	✓	*	✓	*
Wind Energy Transmission Texas LLC	--	Elec.	--	*	--		--		--		--		--		--		✓	*	--		--	
TEXAS RRC																						
Atmos Energy Corp.	ATO	Gas	✓	*	--		--		✓	*	--		--		--		✓	*	--		✓	*
CenterPoint Energy Resources Corp.	CNP	Gas	✓	*	--		--		--		--		--		--		✓	*	--		--	
Texas Gas Service Co. Inc.	OGS	Gas	✓	*	--		--		✓	*	--		--		--		✓	*	--		--	
UTAH																						
PacifiCorp	BRK.A	Elec.	✓		✓		--		--		✓	*	--		--		--		--		--	
Questar Gas Co.	D	Gas	✓		✓		✓	*	--		--		--		--		✓	*	--		✓	*
VERMONT																						
Green Mountain Power Corp.	--	Elec.	✓	*	--		--		--		--		--		--		--		--		--	
VIRGINIA																						
Appalachian Power Co.	AEP	Elec.	✓	*	✓	*	--		--		✓	*	--	*	✓	*	--	*	✓	*	✓	*
Columbia Gas of Virginia Inc.	NI	Gas	✓		✓	*	--		✓	*	--		--		--		✓	*	--		✓	*
Kentucky Utilities Co.	PPL	Elec.	✓	*	--	*	--		--		--	*	--		--		--	*	--		--	
Roanoke Gas Co.	RGCO	Gas	✓		--		--		✓	*	--		--		--		✓	*	--		--	
Virginia Electric & Power Co.	D	Elec.	✓	*	✓	*	--		--		✓	*	✓	*	✓	*	✓	*	✓	*	✓	*
Virginia Natural Gas	SO	Gas	✓		--	*	--		✓	*	--		--		--		✓	*	--		--	
Washington Gas Light Co.	ALA	Gas	✓		--	*	--		✓	*	--		--		--		✓	*	--		✓	*
WASHINGTON																						
Avista Corp.	AVA	Elec.	✓	*	✓		--		✓	*	✓		--		--		--		--		--	
Avista Corp.	AVA	Gas	✓		✓		--		✓	*	--		--		--		--		--		--	
Cascade Natural Gas Corp.	MDU	Gas	✓		✓		--		✓	*	--		--		--		✓		--		--	
Northwest Natural Gas Co.	NWN	Gas	✓		✓		--		--		--		--		--		--		--		--	
PacifiCorp	BRK.A	Elec.	✓	*	✓		--		✓	*	✓		--		--		--		--		--	
Puget Sound Energy Inc.	--	Elec.	✓		✓		--		✓	*	✓		--		--		--		--		--	
Puget Sound Energy Inc.	--	Gas	✓		✓		--		✓	*	--		--		--		✓		--		--	
WEST VIRGINIA																						
Appalachian Power Co./Wheeling Power Co.	AEP	Elec.	✓		✓		--		--		✓		--	*	--	*	--	*	--		✓	*
Hope Gas Inc.	D	Gas	✓		--		--		--		--		--		--		✓	*	--		✓	*
Monongahela Power Co.	FE	Elec.	✓		✓		--		--		--		--		--		✓	*	--		✓	*
Mountaineer Gas Co.	--	Gas	✓		--		--		--		--		--		--		✓	*	--		✓	*
Potomac Edison Co.	FE	Elec.	✓		✓		--		--		--		--		--		✓	*	--		✓	*

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WISCONSIN																						
Madison Gas & Electric Co.	MGEE	Elec.	✓	*	--	*	--		--		✓		--		--	*	--	*	--		✓	*
Madison Gas & Electric Co.	MGEE	Gas	✓		--		--		--		--		--		--	*	--	*	--		✓	*
Northern States Power Co. -Wisconsin	XEL	Elec.	✓	*	--	*	--		--		--		--		--	*	--	*	--		✓	*
Northern States Power Co. -Wisconsin	XEL	Gas	✓		--		--		--		--		--		--	*	--	*	--		✓	*
Wisconsin Electric Power Co.	WEC	Elec.	✓	*	--	*	--		--		✓		--		--	*	--	*	--		✓	*
Wisconsin Electric Power Co.	WEC	Gas	✓		--		--		--		--		--		--	*	--	*	--		✓	*
Wisconsin Gas LLC	WEC	Gas	✓		--		--		--		--		--		--	*	--	*	--		✓	*
Wisconsin Power & Light Co.	LNT	Elec.	✓	*	--	*	--		--		--		--		--	*	--	*	--		✓	*
Wisconsin Power & Light Co.	LNT	Gas	✓		--		--		--		--		--		--	*	--	*	--		✓	*
Wisconsin Public Service Corp.	WEC	Elec.	✓	*	--	*	--		--		--		--		--	*	--	*	--		✓	*
Wisconsin Public Service Corp.	WEC	Gas	✓		--		--		--		--		--		--	*	--	*	--		✓	*
WYOMING																						
Black Hills Wyoming Gas	BKH	Gas	✓		✓		--		✓	*	--		--		--		✓	*	--		--	
Cheyenne Light Fuel & Power Co.	BKH	Elec.	✓		✓		--		✓	*	✓	*	--		--		--		--		✓	*
MDU Resources Group Inc.	MDU	Elec.	✓		--		--		--		✓	*	--		--		--		--		--	
MDU Resources Group Inc.	MDU	Gas	✓		--		--		✓	*	--		--		--		--		--		--	
PacifiCorp	BRK.A	Elec.	✓		✓		--		--		✓	*	✓	*	--		--		--		✓	*
Questar Gas Co.	D	Gas	✓		--		--		✓	*	--		--		--		--		--		--	

Key:
✓ Adjustment clause exists for the company/state/operation.
* See text for further information.
As of: Nov. 7, 2019.

FOOTNOTES

Alabama

Electric fuel/gas commodity/purchased power — The certificated new plant, or Rate CNP, adjustment clause for Alabama Power Co. provides for recovery of costs, excluding fuel, associated with certified purchased power agreements. Adjustments under the clause are subject to a staff and Alabama PSC review process that includes public hearings. Alabama Power also utilizes an energy cost recovery adjustment clause. Spire Alabama and Spire Gulf utilize a competitive fuel clause that allows the companies to immediately adjust prices to compete with any alternate fuel or gas supply source, with no loss of earnings margin.

Decoupling — Spire Alabama Inc. has a temperature adjustment rider, and Spire Gulf Inc. uses a weather impact normalization factor.

Environmental compliance/generation capacity — The Rate CNP adjustment clause used by Alabama Power provides for recovery of costs related to the commercial operation of certified generating facilities, certified purchased power agreements and environmental mandates. Recoverable environmental costs include applicable operation and maintenance expenses, depreciation and a return on capital beginning with 2005 investments, and a true-up of prior-period over/under-recovered amounts. Such costs are generally subject to PSC review but not to a full evidentiary hearing.

Other — The tariffs of the major energy utilities include adjustment provisions to reflect changes in income taxes and certain general and local taxes.

Arizona

Decoupling — Arizona Public Service Co., or APS, utilizes a lost fixed cost recovery, or LFCR, mechanism designed to make the company whole for contributions to fixed-cost recovery that are lost due to customer participation in energy efficiency and distributed energy, such as rooftop solar, programs. The LFCR is capped at 1% of annual revenues, with any excess being deferred with interest to be recovered through a future annual adjustment.

A full decoupling mechanism, called the delivery charge adjustment, is in place for Southwest Gas Corp. The mechanism compares actual revenues with revenues authorized in the company's last general rate case.

Tucson Electric Power Co., or TEP, also operates under an LFCR mechanism designed to mitigate the revenue impact of lost sales associated with the ACC's energy efficiency standards and the distributed generation requirements under the commission's renewable energy standards. The annual adjustments are capped at 2% of retail revenues, with any excess to be deferred for future recovery. The LFCR mechanism also includes a provision through which TEP recovers lost revenues associated with "reliability must-run generation."

UNS Electric Inc. also utilizes an LFCR mechanism under which the company is permitted to implement annual rate adjustments related to any shortfall in recovery of fixed costs due to energy efficiency and distributed generation. The LFCR is not intended to recover fixed costs due to other factors, such as weather or general economic conditions and, as such, is not considered a full decoupling mechanism. The annual adjustments are to be capped at 1%, with any amount in excess of 1% to be deferred for future recovery.

UNS Gas Inc. is subject to an incentive-based LFCR plan that allows the company to attain greater amounts of fixed-cost recovery as it meets its commission-defined energy efficiency goals. Residential customers are permitted to opt out of the LFCR provisions if they agree to a rate structure that incorporates a higher basic service fixed monthly charge. The LFCR is capped at 1% of annual revenues, with any excess being deferred with interest to be recovered through a future annual adjustment.

Generic infrastructure — A surcharge is in place for Southwest Gas that pertains to a distribution pipeline replacement program associated with pre-1970 vintage steel pipes. Southwest Gas also has a mechanism in place that provides for the recovery of costs associated with programs through which the company replaces certain assets located on customers' properties with assets that are owned and operated by the utility.

Other — All utilities recover franchise fees through an adjustable line item on the monthly bill.

Arkansas

Electric fuel/gas commodity/purchased power — Oklahoma Gas and Electric Co.'s, or OG&E's, energy cost recovery rider provides for the flow-through to ratepayers of 100% of the Arkansas jurisdictional proceeds from the sale of excess SO2 emission allowances as well as a share of the value of "green credits" resulting from the monetized environmental benefits of generation at the company's Centennial Wind Farm equal to the portion of the project dedicated to serving the Arkansas jurisdiction. Entergy Arkansas LLC, or EA, utilizes a capacity cost recovery rider.

Decoupling — A generic framework, effectively a partial decoupling mechanism, is in place that provides for the electric and gas utilities to recover the lost contribution to fixed costs associated with energy efficiency-related usage reductions and to retain a portion of the net benefits related to the these programs. The gas utilities have been using full decoupling mechanisms for several years.

Generation capacity —EA utilizes a capacity acquisition rider to recover costs associated with its investment in certain generation facilities and a capacity cost recovery rider to flow through the net costs related to the company's purchases of capacity to serve retail customers.

Generic infrastructure — EA uses a rider to recover costs associated with certain government-mandated investments. A gas main replacement program is in place for CenterPoint Energy Resources Corp., or CER, Black Hills Energy Arkansas Inc., or BHEA, and Arkansas Oklahoma Gas Corp., or AOG, under which the companies are authorized to recover the cost of replacing cast-iron and bare-steel gas mains and associated services through a mechanism. BHEA and CER also have an at-risk meter relocation program rider in place to permit timely recovery of the costs associated with moving meters from customers' property lines to the structures being served.

Other — EA uses a storm recovery charges rider to collect from ratepayers the amounts required to service its related securitization bonds. OG&E uses a "smart grid" rider. AOG, CER, EA, OG&E, BHEA and Southwestern Electric Power Co. have mechanisms in place to recover variations in certain taxes and franchise fees.

California

Other — The California PUC on Oct. 24, 2019, authorized the state's largest electric utilities to impose a non-bypassable charge on ratepayers that will be matched equally with contributions from the utilities to help establish a $21 billion wildfire insurance fund. The fund is intended to improve the financial stability of utilities against growing liabilities associated with wildfires in the state and promote electric service reliability, while also offering some protections to ratepayers. Consideration of the charge by the PUC was mandated by Assembly Bill 1054, a broad response by the state legislature to the growing threat of catastrophic wildfires. The charge will take effect in 2020 and replace an existing charge established by the Department of Water Resources after the state's 2001 energy crisis.

Colorado

Decoupling — An adjustment clause is in place for Public Service Company of Colorado's, or PSCO's, gas operations that provides for recovery of lost revenues associated with customer participation in demand-side management programs.

For PSCO's electric operations, the Colorado PUC approved a pilot partial decoupling mechanism for the company's residential and small commercial customers in 2017. However, the mechanism is not yet in place. Annual adjustments under the mechanism are to be capped at 3% of class revenues.

Environmental compliance — A rider is in place for PSCO that provides for a cash return on construction work in progress, or CWIP, and addresses costs associated with the installation of environmental controls at the coal-fired Pawnee and Hayden facilities.

Generation capacity — Black Hills Colorado Electric Utility Inc., or BHCE, has a rider in place that reflects the company's investment in the gas-fired LM6000 plant at the Pueblo Generating Station. The rider was not rolled into base rates in the company's last rate case and is accorded a lower ROE than that established for BHCE's other Colorado jurisdictional operations. The rider is to remain in place until BHCE's next rate case. A similar rider is in place for PSCO that reflects the company's investment in the Cherokee natural gas combined-cycle plants and certain environmental controls at other facilities.

Generic infrastructure — PSCO and BHCE are permitted to recover through a transmission cost adjustment, or TCA, clause, prudent costs incurred in planning, developing and completing construction or expansion of transmission facilities for which the Colorado PUC has granted a certificate of public convenience and necessity or has otherwise determined to be necessary. Through the TCA, the utilities may earn a cash return on CWIP for investments in grid reliability or new or upgraded transmission facilities.

PSCO operates under a pipeline system integrity adjustment mechanism for its gas operations, through which the company recovers the costs associated with reliability improvements and compliance with certain federal safety regulations. The mechanism is to remain in place through 2021.

Other — PSCO utilizes an adjustment clause for steam service, under which it recovers the difference between its actual cost of fuel and the costs recovered in base rates.

PSCO shares with customers margins from generation-based short-term energy trading and proprietary trading through its fuel and purchased power adjustment mechanism. BHCE's fuel cost/purchased power expense cost adjustment mechanism includes off-system sales margin-sharing provisions.

Connecticut

Electric fuel/gas commodity/purchased power — Connecticut Light and Power Co., or CL&P, and United Illuminating Co. no longer own generation, and both are permitted to recover, on a current basis, their full costs of providing generation service to those customers who do not choose an alternative supplier. These costs are flowed to ratepayers outside of a rate case.

Decoupling — State law mandates the adoption of decoupling mechanisms for electric and gas utilities. All of the state's energy utilities have decoupling mechanisms in place.

Generic infrastructure — A system expansion reconciliation mechanism is in place that permits the gas utilities to reconcile gas-expansion-related revenue annually between rate cases. Yankee Gas Services Co., Connecticut Natural Gas Co. and Southern Connecticut Gas Co. also utilize a distribution integrity management program mechanism that allows for recovery, between rate cases, of the costs associated with main replacement activity. A capital tracker is in place for CL&P for capital additions for system resiliency and grid modernization.

Delaware

Electric fuel/gas commodity/purchased power — In conjunction with the implementation of retail competition, Delmarva Power and Light Co.'s electric fuel adjustment was largely eliminated. Power to meet standard offer service needs is now procured competitively and reflected in rates on a current basis.

Environmental compliance — Chesapeake Utilities Corp. has a rider in place to recover environmental costs associated with cleaning up former manufactured gas plants. Delmarva has a mechanism in place for its gas operations to recover costs associated with the clean-up of a manufactured gas plant.

Generic infrastructure — State law allows electric and natural gas utilities to implement a distribution system improvement charge. Similar to the surcharge used by water utilities that operate in the state, electric and natural gas utilities are allowed to add a charge to customer bills for replacement capital improvements made to the distribution system between rate cases.

Other — Chesapeake Utilities has a mechanism in place to recover variations in certain taxes and fees. Delmarva is permitted to recover the cost of relocation of aerial and underground facilities required or necessitated by the Department of Transportation or other government agency projects.

District of Columbia

Electric fuel/gas commodity/purchased power — Fuel and purchased power adjustment clauses are permitted by law. However, with the onset of electric retail competition, Potomac Electric Power Co., or Pepco, divested most of its generation assets, and those that were not divested have since been retired. Pepco purchases the power to meet its standard offer service, or SOS, requirements via a competitive bidding process, and prices paid by SOS customers reflect the weighted average of the winning bids. SOS prices are adjusted on a current basis.

Decoupling — A bill stabilization adjustment mechanism is in place for Pepco that is designed to mitigate the volatility of revenues and customer bills caused by abnormal weather and customer participation in energy efficiency programs.

Renewables expense — The utilities' rates include a charge to fund the Sustainable Energy Trust Fund; amounts collected are remitted to the third-party Sustainable Energy Utility. Additionally, Pepco and Washington Gas Light Co., or WGL, have in place a charge to contribute to the Energy Assistance Trust Fund.

Generic infrastructure — State law provides for the district to issue bonds, finance or securitize a portion of the costs associated with a plan under which Pepco is to relocate certain above-ground distribution facilities below ground. In addition, the bill authorizes the District of Columbia PSC to approve a mechanism to achieve rate recognition of the unsecuritized portion of the project. Pepco has a mechanism in place to recover costs associated with work performed to underground certain electric power lines in the District. The utility also has a rider in place to recover costs imposed on it associated with work performed by the District Department of Transportation to place underground certain electric power lines in the District.

The PSC has approved a $1 billion, 40-year accelerated pipeline replacement program for WGL and a related mechanism.

Other — Part of WGL's purchased gas charge provides for recovery of uncollectible expenses related to gas commodity charges. WGL is permitted to recover carrying costs on storage balances and over/under-collected gas costs through separate charges. Pepco and WGL have a mechanism in place to recover variations in certain taxes and fees.

Florida

Generation capacity — Electric utilities are permitted to recover all prudently incurred site-selection and preconstruction costs, including carrying charges, for nuclear and integrated gasification combined-cycle, or IGCC, power plants through the capacity cost recovery clause, or CCRC. A cash return on construction work in progress for nuclear plant construction and uprates and IGCC construction is also reflected in the CCRC.

DEF is allowed to petition the commission for cost recovery for installation of solar generation capacity through a solar base rate adjustment, or SoBRA, mechanism. Tampa Electric Co., or TE, also has a SoBRA mechanism. The SoBRA replaced the generation base rate adjustment previously in place for TE. Florida Power & Light Co. is authorized to recover the costs of solar generation through a SoBRA upon each unit's commercial operation date if it is determined to be cost-effective and the costs are reasonable.

Generic infrastructure — Peoples Gas System utilizes a rider to recover the costs associated with accelerating the replacement of cast-iron and bare-steel distribution pipes on its system. The smaller gas utilities, Florida Public Utilities Co., the Florida division of Chesapeake Utilities, and Pivotal Utility Holdings Inc., use similar riders.

On June 27, 2019, Gov. Ron DeSantis signed into law legislation establishing a storm protection plan cost recovery clause for electric utilities in the state. The law allows utilities to seek more timely recovery of storm hardening investments outside a general rate case. The law requires utilities to submit to the PSC a 10-year plan explaining "the systematic approach the utility will follow to achieve the objectives of reducing restoration costs and outage times associated with extreme weather events and enhancing reliability." Such grid-hardening activities include burying transmission lines and vegetation management. The PSC in June 2019 opened a rulemaking to implement the legislation.

Other — Certain fees and taxes, such as franchise fees and gross receipts taxes, are recovered through a line item on customer bills, with the charge adjusted based on customer usage. The fuel and purchased power cost recovery clause reflects gains from economy energy sales. Electric utilities are provided a storm cost recovery mechanism, allowing them to petition the PSC to recover costs incurred from storms that exceed and/or deplete their storm reserve and to replenish the reserve.

Georgia

Electric fuel/gas commodity/purchased power — As a result of the restructuring of the natural gas industry in Georgia, Atlanta Gas Light Co., or ATGL, no longer procures gas for its customers and, thus, is no longer subject to the purchased gas adjustment mechanism, or PGAM. The much smaller Liberty Utilities (Peach State Natural Gas) Corp., which is still regulated under a non-restructured framework, utilizes a non-automatic PGAM.

Decoupling — Liberty Utilities (Peach State Natural Gas) is subject to the Georgia rate adjustment mechanism, or GRAM, an alternative regulatory framework. The GRAM provides for a "revenue true-up," under which the company is to compare actual revenues to the previous revenue projection. ATGL operates under a straight fixed-variable rate design.

Environmental compliance — ATGL is authorized to recover cleanup costs related to former manufactured gas plant sites through an environmental response cost recovery rider, or ERCRR. Costs that are recoverable under the ERCRR include investigation, testing, remediation and/or litigation costs or other liabilities.

Generation capacity — A nuclear construction cost recovery tariff is in place for Georgia Power, or GP, that enables GP to earn a cash return on construction work in progress related to the Plant Vogtle Units 3 and 4 nuclear units. The tariff is revised annually.

Generic infrastructure — The PSC approved a strategic infrastructure development and enhancement, or STRIDE, program for ATGL in 2009, specifying infrastructure investments for a 10-year period. Every three years, ATGL is required to file its proposed program for the next three years for Georgia PSC review and approval. The incremental costs associated with the program's investment are included in base rates each Oct. 1.

Hawaii

Generation capacity/generic infrastructure — As part of their alternative regulation frameworks, Hawaiian Electric Co. Inc., Hawaii Electric Light Co. Inc. and Maui Electric Co. Ltd. are permitted to recognize, between rate cases, rate base additions and increases in operations and maintenance expenses as well as certain depreciation and amortization expenses.

Other — An integrated resource planning, or IRP, cost recovery charge is in place for the state's utilities to facilitate recovery of the planning costs associated with the IRP process. A public benefit fund charge is in place for the large electric utilities. The charge addresses costs related to energy efficiency programs managed by a third-party administrator.

Idaho

Electric fuel/gas commodity/purchased power — Avista Corp.'s power cost adjustment enables the company to defer, in a balancing account, for subsequent recovery/refund to customers, 90% of the difference between actual net power costs and the amount included in retail rates. Idaho Power Co., or IP, has a similar mechanism in place with a sharing provision under which annual rate adjustments reflect 95% of the cost variations associated with water supply for hydroelectric production, wholesale energy prices and retail load changes. An energy cost adjustment mechanism is in place for PacifiCorp that allows for the recovery of 90% of the difference between actual power costs and those included in rates.

Decoupling — IP operates under a decoupling mechanism referred to as a fixed cost adjustment, or FCA, which is designed to adjust the company's electric rates to recover fixed costs independent of the volume of energy sales. The FCA calculation reflects actual sales, and there is a 3% cap on annual rate increases that may be implemented under the mechanism. Unrecovered balances are to be carried forward to future years, with interest.

Avista Corp. operates under an electric and gas decoupling mechanism, also referred to as an FCA. There is a 3% annual cap on rate increases that may be implemented under the mechanism. Unrecovered balances are to be carried forward to future years, with interest.

Illinois

Electric fuel/gas commodity/purchased power — Historically, the large electric utilities, namely Ameren Illinois Co., or AI, and Commonwealth Edison Co., or ComEd, were permitted to recover fuel costs and the energy component of purchased power costs through a monthly automatic fuel adjustment clause, or FAC. Their FACs were discontinued in conjunction with the implementation of electric industry restructuring. The power to meet the utilities' standard offer service, or SOS, obligations is now procured competitively. SOS costs and revenues are subject to an annual true-up mechanism. MidAmerican Energy Co. continues to use an FAC, as the company was not subject to all the provisions of the restructuring law and continues to own generation plants to serve its customers. The company's FAC allows recovery of the costs associated with purchasing emission allowances.

Decoupling — AI, Liberty Utilities (Midstates Natural Gas) Corp., Northern Illinois Gas Co., or NI-Gas, North Shore Gas Co. and Peoples Gas Light and Coke Co. have volume balancing adjustment riders in place that account for the impact on fixed cost recovery of energy efficiency efforts and weather.

Environmental compliance — AI uses a hazardous materials adjustment clause rider, largely to address asbestos-related litigation and remediation costs. AI, ComEd, Peoples, North Shore and NI-Gas use riders to recover costs related to the investigation and cleanup of manufactured gas plants.

Generic infrastructure — AI, ComEd, North Shore and NI-Gas have riders in place to recover certain costs associated with maintaining infrastructure in accordance with requirements imposed by local governments. In accordance with state law, the ICC is permitted to approve adjustment clauses for the local gas distribution companies to recover the costs associated with their infrastructure replacement programs, and the ICC has done so for Peoples, NI-Gas and AI.

Other — As permitted by state statutes, AI, ComEd, Liberty Utilities, NI-Gas, Peoples, North Shore and MidAmerican Energy utilize riders to facilitate recovery of variations in bad-debt costs. AI, ComEd, Liberty Utilities, MidAmerican Energy, Peoples, North Shore and NI-Gas have mechanisms in place to recover variations in certain taxes and franchise fees.

Indiana

Decoupling — Indianapolis Power and Light Co.'s, or IP&L's, Indiana Michigan Power Co.'s, or IMP's, Duke Energy Indiana Co.'s, or DEI's, Northern Indiana Public Service Company's, or NIPSCO's, and Southern Indiana Gas and Electric's, or SIGECO's, electric energy efficiency riders provide for recovery of net lost revenues and shared savings, subject to commission approval.

Environmental compliance — State law allows the Indiana URC to authorize electric utilities to recover, through a rate adjustment mechanism, 80% of the costs associated with certain federally mandated emissions-control and transmission/distribution reliability projects. The remaining 20% of such costs are to be deferred for future recovery. Environmental cost recovery riders are in place for DEI, NIPSCO, IP&L, IMP and SIGECO. Through these riders, the utilities are permitted to recover the related operations and maintenance costs and depreciation expenses after the environmental facilities become operational as well as a return on the related investment. These riders also provide for recovery of the net costs associated with the purchase of emission allowance credits.

Generation capacity — With respect to DEI's Edwardsport integrated gasification combined-cycle plant, the company was authorized to earn a cash return on construction work in progress associated with the plant, which commenced commercial operation in 2013, through a rider. The company now recovers the plant's operating costs through the rider.

Generic infrastructure — State law allows the URC to authorize utilities to implement a transmission, distribution and storage system improvement charge rider to facilitate recovery of the costs associated with certain electric and gas infrastructure expansion projects, including those intended to improve safety or reliability, modernize the utility's system or improve an area's economic development prospects. The URC has approved such a rider for DEI, Indiana Gas Co., or IG, SIGECO's electric and gas operations and NIPSCO's electric and gas operations. IMP and NIPSCO use a rider to recover costs associated with certain government-mandated investments. SIGECO uses a rider to recover the costs associated with clean energy investments.

Other — DEI, IMP, IP&L, NIPSCO and SIGECO are permitted to share with ratepayers, through a rider, off-system sales margins that vary from the amount reflected in the companies' base rates. SIGECO utilizes a rider that reflects: municipal wholesale margins; net emission allowance costs; interruptible sales billing credits; non-fuel purchased power costs; and ratepayers' share of the difference between actual wholesale power margins and the level of such margins included in base rates. SIGECO and IG have riders in place for a portion of the incremental changes in unaccounted-for gas costs and the gas-cost component of bad debts. NIPSCO includes unaccounted-for gas costs in a rider.

Iowa

Environmental compliance — Incremental revenues and costs associated with sales or purchases of emission allowances may be reflected in Interstate Power and Light Co.'s, or IP&L's, and MidAmerican Energy Co.'s energy adjustment clauses.

Other — Black Hills Iowa Gas Utility Co., IP&L and MidAmerican Energy have mechanisms in place to recover variations in certain taxes and franchise fees.

Kansas

Conservation program expense/decoupling — State law allows electric and gas utilities to request KCC approval to implement energy efficiency-related cost-recovery mechanisms. Evergy Kansas Central Inc. and Evergy Kansas South Inc., formerly known as Westar Energy and Kansas Gas and Electric, respectively, participate in certain energy efficiency programs and recover program-related costs and related lost revenues through the companies' energy efficiency cost-recovery riders. Weather normalization adjustment clauses are in place for Atmos Energy Corp., Black Hills/Kansas Gas Utility Co., or KGU, and Kansas Gas Service Co., or KGS.

Generic infrastructure — Evergy Metro Inc., formerly known as Kansas City Power and Light Co., has a rider in place to recover the costs associated with certain projects to underground transmission and distribution infrastructure. State law permits local gas distribution companies to utilize a gas system reliability surcharge, or GSRS, mechanism to recover the costs associated with gas distribution system replacement projects between base rate proceedings, subject to annual true-up. Atmos, KGS and KGU have a GSRS in place.

Other — Although not an adjustment clause per se, the KCC is statutorily authorized to permit the utilities to file "abbreviated" rate cases within 12 months of a commission rate order in the utility's most recent base rate proceeding. Such filings must incorporate all the regulatory procedures, principles and rate-of-return parameters established by the KCC in that order.

Evergy Metro Inc., Evergy Kansas Central Inc., Evergy Kansas South Inc. and Empire District Electric Co. flow to ratepayers, through their energy cost adjustment mechanisms, off-system sales margins that vary from a base level and the net cost of emissions allowances. Evergy Metro Inc., Evergy Kansas Central Inc., Evergy Kansas South Inc., Empire, Atmos, KGU and KGS have mechanisms in place to recover variations in certain taxes and franchise fees. KGU recovers 100% of the gas cost component of bad-debt expense through the company's purchased gas adjustment clause filings.

Kentucky

Decoupling — Weather normalization adjustment mechanisms are in place for Atmos Energy Corp., Columbia Gas of Kentucky Inc., or CGK, Delta Natural Gas Co., or Delta, Duke Energy Kentucky Inc.'s, or DEK's gas operations, and Louisville Gas and Electric's, or LG&E's, gas operations. DEK, LG&E, Atmos, CGK and Delta utilize energy efficiency riders to facilitate recovery of costs associated with gas energy efficiency programs; these riders include certain incentive provisions and permit recovery of lost revenues related to these programs. LG&E, DEK, Kentucky Utilities Co., or KU, and Kentucky Power Co., or KP, also utilize a similar mechanism for their electric businesses.

Environmental compliance — DEK, LG&E, KU and KP are permitted to recover the costs associated with environmental-related investments, including the cost of emission allowances, and earn a cash return on the related construction work in progress through a cost-recovery mechanism.

Generic infrastructure — Atmos, CGK, Delta and LG&E utilize riders to facilitate recovery of certain costs associated with their gas distribution infrastructure replacement programs.

Other — Off-system sales, or OSS, sharing mechanisms are in place for DEK's electric operations and for KP. 100% of DEK's emission allowance sales margins flow to ratepayers through the OSS mechanism. LG&E and KU allocate a portion of their OSS margins to ratepayers through the fuel adjustment clause proceedings. Atmos, CGK, Delta, DEK, KP, LG&E and KU have mechanisms in place to recover variations in certain taxes and franchise fees.

Louisiana - NOCC

Decoupling — Entergy New Orleans LLC, or ENO's, fuel clause includes, only for legacy Entergy Louisiana Algiers service territory customers, a provision that provides for the recovery of the lost contribution to fixed costs associated with customer participation in energy efficiency programs.

Environmental compliance — An environmental adjustment clause is in place for ENO, through which the company recovers costs associated with the purchase and use of emission allowances.

Generation capacity — A rider is in place for ENO, through which the company reflects capacity costs associated with the Ninemile 6 plant.

Other — ENO uses a storm reserve rider for both its electric and gas operations.

Louisiana PSC

Decoupling — Energy efficiency riders are in place for the state's electric utilities through which the companies recover costs associated with administering their programs and the lost contribution to fixed costs associated with customer participation in the programs. CenterPoint Energy Resources Corp., Atmos Energy and the gas operations of Entergy Louisiana LLC, or EL, utilize weather normalization adjustment mechanisms.

Environmental compliance — The electric utilities may use an environmental adjustment clause to recover from ratepayers the costs associated with the acquisition of emissions credits to comply with federal, state and local environmental standards. In addition, the utilities credit ratepayers through the clause any revenues associated with the sale or transfer of emission allowances.

Generation capacity — A component of EL's formula rate plan, or FRP, provides for the recovery of costs associated with new generation and capacity additions, including the Ninemile 6 facility. Cleco Power LLC's FRP includes provisions to reflect in rates certain capacity additions.

Generic infrastructure — Cleco's FRP includes provisions to reflect in rates certain infrastructure costs. As part of its rate stabilization clause, Atmos has a mechanism in place that provides for the recovery of costs associated with system integrity management programs. An infrastructure investment recovery rider is in place for EL's gas operations. EL's FRP includes a provision that reflects transmission capital additions in rates.

RTO-related transmission expense — EL and Cleco recover certain transmission-related costs through their FRPs.

Other — Customers' share of Southwestern Electric Power Co.'s, or SWEPCO's, off-system sales margins flow through the company's fuel adjustment clause. Economic development riders are in place for EL, Cleco and SWEPCO.

Maine

Electric fuel/gas commodity/purchased power — Electric fuel adjustment clauses are no longer utilized due to the implementation of retail choice. For the most part, the state's electric utilities no longer own generation and, by law, are not allowed to provide standard offer service, or SOS. SOS providers are selected through a bidding process conducted by the Maine PUC. The full cost of SOS is recovered from ratepayers.

Decoupling — Central Maine Power Co., or CMP, is subject to a full decoupling mechanism, with any related annual adjustments capped at 2% of distribution revenues and any under-collections in excess of the capped to be deferred for future recovery. No cap is applied to the amount of over-collections to be returned to ratepayers.

Environmental compliance — Northern Utilities Inc. recovers manufactured gas site remediation expenses through an environmental remediation charge.

Generic infrastructure — In 2013, the PUC adopted a targeted infrastructure replacement adjustment, or TIRA, for Northern Utilities. The TIRA allowed for annual recovery of the company's investments in targeted operational and safety-related infrastructure replacement and upgrade projects, including the company's cast-iron replacement program. The TIRA had an initial term of four years and covered targeted capital expenditures in 2013 through 2016. In February 2018, the PUC approved an extension of the TIRA to allow for the recovery of investments in calendar years 2017 through 2024 or the year following the end of investment in eligible facilities under the company's cast-iron replacement program. Rate increases under the TIRA are subject to a 4% rate cap of weather-normalized distribution revenues. However, Northern Utilities is permitted to seek PUC approval to adjust the rate cap if the cap has been exceeded two times.

Other — CMP is permitted to recover variations in storm costs versus the levels included in base rates through a rider.

Maryland

Electric fuel/gas commodity/purchased power — The electric fuel rate adjustment was eliminated, coincident with the implementation of competition in the provision of electric supply. The power to meet default service requirements is obtained via competitive bids and the costs are recovered from ratepayers on a current basis.

Decoupling — Columbia Gas of Maryland Inc., or CGM, and Washington Gas Light Co., or WGL, have revenue-normalization adjustment mechanisms in place for residential customers only that address customer participation in energy efficiency/conservation programs. However, the companies have separate weather normalization mechanisms in place that apply to all customer classes.

Generic infrastructure — The PSC has approved limited-term electric infrastructure mechanisms, known as grid resiliency charges. Such mechanisms were in place for Potomac Electric Power Co., or Pepco, Delmarva Power & Light Co. and Baltimore Gas and Electric, or BGE, but have since expired. A grid resiliency program and recovery mechanism was approved for Potomac Edison Co. in March 2019, covering the years 2019 through 2022.

State law permits the Maryland PSC to authorize gas utilities to implement riders to reflect costs associated with approved accelerated infrastructure replacement programs, establishing the Strategic Infrastructure Development and Enhancement, or STRIDE, program. The PSC has approved gas STRIDE programs and associated riders for BGE, WGL and CGM.

Other — BGE, CGM, Potomac Edison, Pepco and WGL have mechanisms in place to recover variations in certain taxes and fees.

Massachusetts

Electric fuel/gas commodity/purchased power — Quarterly electric fuel and purchased power adjustments were eliminated coincident with the start of retail competition. Rates for basic service, known as default service, are market-based; such rates reflect the competitive contracts for basic service supply entered into by the distribution utility. The utilities are not at risk for fluctuations in market prices.

Conservation program expense/environmental compliance/other — The Massachusetts DPU has adopted energy efficiency reconciliation factors, or EERF, for the state's electric utilities. The EERF is a fully reconciling funding mechanism designed to recover the costs associated with the state's electric energy efficiency investments that are in excess of the level collected from other funding sources, including the systems benefits charge, proceeds from the forward capacity market and proceeds from the Regional Greenhouse Gas Initiative.

Local gas distribution adjustment clauses, or LDACs, are in place, with rate changes implemented on a semiannual basis, to reflect recovery of reconcilable gas distribution-related costs that are not included in base rates. Such expenses may include demand-side management costs, environmental response costs associated with manufactured

gas plants, residential arrearage management programs, low-income discounts, pension and related costs, the revenue requirement on targeted infrastructure recovery factors, gas system enhancement plan, or GSEP, investment, and attorney general expenses. LDACs are applicable to all firm customers.

Renewables expense/generation capacity — A solar cost adjustment tariff is in place for NSTAR Electric Co., Massachusetts Electric Co.'s, or ME's, and Fitchburg Gas and Electric Co.'s, or FG&E's, investments in certain solar generation facilities.

Generic infrastructure — Under state law, each of the LDCs files with the DPU a plan, called a GSEP to address aging or leaking natural gas infrastructure. The related costs/investments may be recovered through a GSEP provision.

Initially, LDCs that seek to participate in the program must file a plan that is designed to remove leak-prone cast-iron and unprotected steel piping from the LDC's system over a 20-year period. Participating LDCs must file by Oct. 1 of each year a list of projects the utility plans to complete during the upcoming construction season as well as proposed adjustments to distribution rates effective May 1 of the following year that will allow for recovery of program-related costs. The law specifies the criteria that the DPU must apply during its evaluation of the LDC's plan, and, if the plan meets those criteria, the Department must approve the plan and the adjusted distribution rates. On or before May 1 of each year during an LDC's program, the LDC must file final documentation for projects completed during the prior year to demonstrate substantial compliance with its plan in effect for that year and that project costs were reasonably and prudently incurred. The LDC's May 1 filing reconciles the estimated costs that were approved for recovery to the actual costs incurred during the year, and adjustments to distribution rates, for recovery or refund, are made accordingly. The ROE authorized in the company's most recent rate case is to be utilized in its GSEP. Annual changes in the revenue requirement eligible for recovery may not exceed 1.5% of the company's most recent calendar year total firm revenues, including gas revenues attributable to sales and transportation customers. Any revenue requirement approved by the DPU in excess of the cap may be deferred for recovery in the following year.

A capital cost adjustment mechanism is in place for FG&E's electric division that permits the company to recover costs associated with post-test-year capital additions. The mechanism contains an annual spending cap and a cap on annual rate increases under the mechanism of 1% of total revenues, with any amounts above the cap to be deferred for future recovery with carrying charges. To the extent that FG&E's capital expenditures exceed the amount it is allowed to recover through the mechanism, the company can seek to include such investment in rate base in its next base distribution rate proceeding.

The state's electric utilities utilize a cost recovery mechanism for grid modernization investments. NSTAR Electric also utilizes an annual reconciling factor for its resiliency tree work program.

Other — Recovery mechanisms for pension and post-employment benefits other than pensions are in place for ME, NSTAR Electric, NSTAR Gas, FG&E, Liberty Utilities (New England Gas), Boston Gas, Colonial Gas and Bay State Gas. Such costs are to be recovered through the LDAC reconciliation mechanism for gas utilities and a separate rate component for electric utilities.

Michigan

Decoupling — The Michigan PSC had approved the implementation of electric revenue decoupling mechanisms, or RDMs, for Consumers Energy Co., or CE, Upper Peninsula Power Co., or UPP, and DTE Electric Co., or DTE E; however, the Michigan Court of Appeals has ruled that the PSC does not have statutory authority to approve RDMs for electric utilities. In addition, state law now permits the PSC to adopt electric revenue decoupling mechanisms only for small electric utilities.

State law permits a gas utility that spends at least 0.5% of its revenue on energy efficiency programs to institute an RDM. A gas RDM is currently in place for DTE Gas, or DTE-G, and CE.

Generic infrastructure — DTE-G utilizes an infrastructure recovery mechanism, or IRM, that enables it to earn a return of and on the costs associated with capital investment in the company's meter move-out, accelerated main replacement, and pipeline integrity programs. In a 2017 rate case decision, the PSC authorized CE's gas operations an IRM that enables the company to recover incremental capital investments beyond the test year in both 2018 and 2019, subject to reconciliation. However, CE withdrew its request for a continuation of the IRM in a gas rate case decided Sept. 26, 2019.

SEMCO Energy Gas Co. has a rider that provides recovery relating to its main replacement program which allows the company to accelerate the replacement of older portions of its system.

RTO-related transmission expense — CE, DTE-E and UPP recover transmission costs through the power supply cost-recovery mechanism.

Other — An economic development rider for certain large-use customers is in place for Indiana Michigan Power Co.

Minnesota

Decoupling — Minnesota Energy Resources Corp., or MER, is operating under a pilot revenue decoupling mechanism, or RDM, that applies to the company's residential and small commercial/industrial rate classes. There is a 10% symmetrical cap on revenue changes generated through the application of the RDM, and the mechanism utilizes per-customer distribution revenues for each rate group.

CenterPoint Energy Resources Corp., or CER, operates under an RDM that applies to all customer classes except market-rate customers and is subject to a cap on annual adjustments under the mechanism that is equal to 10% of non-gas margin revenue after removing conservation costs.

Northern States Power Co.-Minnesota, or NSP-M has an electric RDM in place such that full decoupling is to be applied to residential and non-demand metered commercial customer classes subject to a 3% cap; an annual true-up with a 3% cap is to be utilized for the non-decoupled customer classes.

Generic infrastructure — NSP-M uses a gas utility infrastructure cost rider to recover the costs associated with certain gas infrastructure upgrades, especially those that are safety-related, outside of a general rate case.

MER uses a rider for costs associated with the company's Rochester Natural Gas Extension Project under the state's natural gas extension project statute.

Mississippi

Decoupling — Atmos Energy utilizes a weather normalization adjustment rider that is in place during the months of November through April. Entergy Mississippi LLC, or EM, Mississippi Power Co., or MP, and Atmos have energy efficiency riders in place that provide for recovery of program costs and the lost contributions to fixed costs associated with such programs.

Environmental compliance — EM and MP are permitted to recover emission allowance expenses through their fuel adjustment clauses. MP utilizes an environmental compliance overview plan that establishes procedures to facilitate the Mississippi PSC's review of the company's environmental compliance strategy and provides for rate recovery of costs, including the cost of capital, associated with PSC-approved environmental projects on an annual basis outside of a base rate case.

Generic infrastructure — A rider designed to recover costs associated with certain system integrity projects is in place for Atmos.

Other — EM and MP have in place an ad valorem tax adjustment rider. A storm reserve rider is in place for EM.

Missouri

Conservation program expense/decoupling — Legislation enacted in June 2018 provides for the Missouri PSC to approve decoupling mechanisms for the electric utilities that address the impact on revenues of variations in usage due to the effects of weather and conservation initiatives. Evergy Metro Inc., formerly known as Kansas City Power and Light Co., has in place a mechanism that provides for recovery of demand-side management program-related costs and a related "throughput disincentive" and may provide for a performance incentive based upon measurable, verified energy efficiency savings. Evergy Missouri West Inc., formerly known as KCP&L-Greater Missouri Operations Co., and Union Electric Co., or UE, have similar mechanisms in place for their electric operations. Local gas distribution companies may request PSC approval of a mechanism to reflect the impact on revenues of changes in customer usage due to variations in weather and/or conservation. Spire Missouri Inc. has a weather normalization rider in place for its east and west territories, as does Liberty Utilities (Midstates Natural Gas) Corp. UE uses a rider that is effectively a partial decoupling mechanism for residential and commercial customers.

Renewables expense — The PSC's rules specify that electric utilities may file for a renewable energy standards rate adjustment mechanism, or RESRAM, to reflect prudently incurred costs or a pass-through of benefits received as a result of compliance with the state's renewable energy standards. The RESRAM is to be capped at a 1% annual rate impact. Evergy Missouri West Inc. and UE have a RESRAM in place. Evergy Metro Inc. and Evergy Missouri West Inc. have a rider in place that allows certain customers to voluntarily obtain the generation output from renewable energy resources.

Environmental compliance — The PSC's rules pertaining to environmental cost recovery mechanisms, or ECRMs, specify that a portion of the utility's environmental costs may be recovered through an ECRM and a portion may be recovered through base rates. The annual recovery of these costs is to be capped at 2.5% of the utility's Missouri gross jurisdictional revenues, less certain taxes. None of the utilities currently have an ECRM in place. However, Empire District Electric Co., Evergy Metro Inc., Evergy Missouri West Inc. and UE recover emission allowance costs through their fuel adjustment clauses, or FACs.

Generic infrastructure — Evergy Metro Inc., Evergy Missouri West Inc. and UE use a rider to recover costs associated with certain government-mandated investments. Liberty Utilities (Midstates Natural Gas) Corp., Spire Missouri Inc., Missouri Gas Energy, or MGE, and UE utilize an infrastructure system replacement surcharge to recover costs associated with certain gas distribution system replacement projects.

RTO-related transmission expense — Empire's, Evergy Metro Inc.'s, Evergy Missouri West Inc.'s and UE's FACs reflect variations in certain transmission-related costs.

Other — Off-system sales margins that vary from the levels included in base rates flow through the FACs of Empire, Evergy Metro Inc., Evergy Missouri West Inc. and UE. Liberty Utilities (Midstates Natural Gas), Empire, Evergy Metro Inc., Evergy Missouri West Inc., Spire Missouri Inc., MGE and UE have mechanisms in place to recover variations in certain taxes and franchise fees.

Montana

Electric fuel/gas commodity/purchased power — In accordance with the state's restructuring statutes, NorthWestern Corp. sold its generation assets and entered into purchased power contracts with competitive suppliers to serve provider-of-last-resort customers.

NorthWestern recovers supply costs through a power costs and credits adjustment mechanism that allows the company to adjust for differences between the recovered and actual amounts of the utility's base power costs and credits, transitional costs and qualifying facility, or QF, costs. Regarding the base power costs and credits, 90% of the difference between the recorded and actual costs is rebated to customers when costs are less than revenues or recorded as a surcharge when costs are greater than the revenues. For transitional and QF costs, 100% of the difference is rebated to customers when costs are less than the revenues or surcharged to ratepayers when costs are greater.

Conservation program expense — NorthWestern's gas operations are able to recover costs associated with public purpose programs for cost-effective local energy conservation and low-income weatherization efforts.

Decoupling — MDU Resources Group Inc. utilizes a mechanism to recover the costs associated with gas conservation programs as well as to recoup revenues lost as a result of the programs.

Other — A competitive transition charge mechanism is in place for NorthWestern through which the company recovers electric restructuring-related out-of-market costs associated with certain purchased power contracts. A similar transition charge is in place for the company's gas operations. NorthWestern is also currently reflecting, in its gas commodity mechanism on an interim basis, costs related to certain natural gas production assets it recently acquired, pending a review by the PSC. For MDU, off-system sales margins are allocated to ratepayers and shareholders through the fuel clause. MDU recovers universal service program gas costs through a rider. MDU has a mechanism in place to recover variations in certain taxes and fees.

Nebraska

Generic infrastructure — Gas utilities are allowed to apply for approval to use an infrastructure system replacement cost recovery, or ISRCR, rider. The ISRCR rider is to provide for timely recovery of certain capital investments outside of a general rate case and is to be capped at 10% of a utility's Nebraska-jurisdictional annual base revenue level. Following PSC approval, an ISRCR rider is to expire upon the earlier of the implementation of new rates stemming from the conclusion of a general rate case filed subsequent to the PSC's approval of the ISRCR rider or 60 months. Black Hills Nebraska Gas Utility has an ISRCR rider in place. Black Hills Gas Distribution, or BHGD, has a forward-looking system safety and integrity rider tariff and a system and integrity rider charge in place.

Other — BHGD uses a rider through which the company recovers external rate case expenses of the Office of the Public Advocate and the PSC that are assessed to the utility. All the utilities have line items on their bills through which variations in franchise fees are recovered.

Nevada

Decoupling — The lost revenues associated with energy efficiency and conservation programs for Sierra Pacific Power and Nevada Power are recovered using a periodically adjusted balancing account, referred to as a lost revenue adjustment mechanism.

State law and PUC rules include provisions, such as revenue decoupling, to address disincentives to gas company participation in energy conservation programs. Southwest Gas has a decoupling mechanism in place.

Generic infrastructure — PUC rules allow for the establishment of a gas infrastructure replacement mechanism that will permit the utilities to recover between rate cases the revenue requirement associated with their gas infrastructure replacement projects. Southwest Gas currently has such a rider in place.

Other — Southwest Gas utilizes a mechanism designed to allow the company to recover from or refund to ratepayers the difference between actual bad-debt expenses and the level reflected in base rates.

New Hampshire

Electric fuel/gas commodity/purchased power — Fuel and purchased power adjustment clauses had been utilized prior to the implementation of retail choice in the early 2000s. Public Service Company of New Hampshire, or PSNH, now recovers its power costs through a periodically adjusted default service rate, which reflects the revenue requirements of its generating assets and the cost of power purchases. It also includes a reconciliation of the difference between the company's costs and revenues for the previous period.

Liberty Utilities (Granite State Electric) and Unitil Energy Systems sold their generation as part of their restructuring agreements. These distribution-only companies supply default energy service through a request-for-proposals process supervised by the PUC.

Decoupling — In 2016, the PUC established an energy efficiency resource standard, or EERS, for New Hampshire's electric and gas utilities that became effective Jan. 1, 2018. The utilities implemented lost revenue adjustment mechanisms, or LRAMs, effective Jan. 1, 2017, to recover lost revenue due to the installation of energy efficiency measures. The PUC ordered the utilities to seek approval of a decoupling mechanism or other lost-revenue recovery mechanism as an alternate to the LRAM in their first distribution rate cases after the first EERS triennium, if not before.

In a rate case decided on April 17, 2018, for Liberty Utilities (EnergyNorth Natural Gas) Corp., the PUC adopted a full decoupling mechanism effective Nov. 1, 2018. The PUC said adoption of the decoupling mechanism "reduces the risk that Liberty will not recover its authorized revenue requirement" and "the stabilized cash flow should improve the company's credit rating and thus its access to lower cost debt." In light of the decoupling mechanism, the PUC ordered Liberty Utilities to file its next rate case using a historical test year no later than Dec. 31, 2020, to reset test-year revenues.

Generic infrastructure — A cast-iron/bare-steel rate adjustment mechanism is in effect for Liberty Utilities (EnergyNorth Natural Gas). Reliability enhancement and vegetation management programs and accompanying riders are in effect for Liberty Utilities (Granite State Electric), PSNH and Unitil Energy Systems. The programs provide for recovery of both the capital investment and increases to operation and maintenance expenses necessary for ongoing system reliability and vegetation management efforts.

New Jersey

Electric fuel/purchased power/gas commodity — Both electric and gas customers may purchase power from competitive suppliers. Electric utilities procure power to meet customer basic generation service in the wholesale market and are permitted to flow these costs to ratepayers on a dollar-for-dollar basis through the basic generation service charge. For local gas distribution companies, basic gas supply service charges for non-switching residential and small-commercial customers are adjusted periodically to reflect fluctuations in gas commodity prices.

Conservation program expense — Costs associated with the NJ Clean Energy Program, a legislatively mandated initiative to encourage the initiation of energy efficiency and renewable energy programs, are included for recovery through the non-bypassable societal benefits charge on customer bills.

Decoupling — Weather normalization clauses are in place for Elizabethtown Gas and the gas operations of Public Service Electric and Gas, or PSEG. A version of a revenue decoupling mechanism is in place for New Jersey Natural Gas, or NJNG, and South Jersey Gas, or SJG. Operation of the mechanisms is contingent on the companies achieving certain capacity-reduction targets and earnings tests as specified in their BPU-approved conservation incentive programs.

Environmental compliance — The electric and gas utilities were permitted to recover through a rider costs, including a return on the related investment, associated with participation in the Regional Greenhouse Gas Initiative, including energy efficiency, demand response and solar initiatives. Participation in the initiative was suspended by former Gov. Chris Christie in 2011. Jersey Central Power and Light, or JCPL, Pivotal Utility Holdings, PSEG, NJNG and SJG are permitted to recover costs associated with former manufactured gas plant site cleanup outside of base rates through an adjustment mechanism. Such expenses are deferred and recovered over rolling seven-year periods, including carrying costs on the unamortized balance.

Generic infrastructure — Following Hurricane Sandy, the BPU directed utilities to develop mitigation and hardening infrastructure modernization plans and indicated that it would be open to innovative cost recovery mechanisms for such plans. The BPU subsequently approved modernization plans and related recovery mechanisms for several utilities: PSEG — the Energy Strong program; Atlantic City Electric Co., or ACE — PowerAhead; Rockland Electric —

Storm Hardening Program; NJNG — the Reinvestment in System Enhancement program and the Safe Acceleration and Facility Enhancement program; Elizabethtown Gas — Elizabethtown Natural Gas Distribution Utility Reinforcement Effort; and South Jersey Gas — the Storm Hardening and Reliability program.

In December 2017, the BPU adopted a rule outlining an infrastructure investment program, or IIP. The IIP framework allows for expedited rate treatment of BPU-approved infrastructure improvement programs on an ongoing basis. ACE, PSEG and JCPL have filed for approval of plans under the new rule.

Other — All utilities have mechanisms in place to recover variations in certain taxes and fees. In addition, electric utilities recover certain costs associated with low-income customer assistance programs and other public-policy driven initiatives through a societal benefits charge. Costs associated with the restructuring-related buyout/buy-down of electric non-utility generation contracts and other regulatory asset balances are recovered through non-bypassable charges.

New Mexico

Environmental compliance — An SO2 rider is in place for Public Service Co. of New Mexico, or PSNM, through which customers are credited their share of revenues from allowance sales.

Generic infrastructure — PSNM has riders in place that are designed to recover costs associated with undergrounding distribution projects in Rio Rancho and Albuquerque.

Other — All utilities have mechanisms in place to recover variations in certain state and local taxes and franchise fees.

New York

Electric fuel/gas commodity/purchased power — Historically, all energy utilities used an electric fuel adjustment clause, or FAC. With electric industry restructuring, however, generation was divested, and the electric companies have largely transitioned from the FAC to a market power adjustment clause, or MAC, or a commodity adjustment clause, or CAC. The MAC/CAC allows the distribution utilities to flow through the costs of power procured to serve customers who have not selected an alternative supplier.

Generic infrastructure — The state's gas utilities use riders to recover certain costs associated with the replacement of leak-prone pipe above targeted miles established in rates.

Environmental compliance — Brooklyn Union Gas Co. has a site investigation and remediation, or SIR, mechanism in place. If actual SIR expenses exceed the rate allowance by $25 million, the company can implement a surcharge for the recovery of up to 2% of its prior-year aggregate revenues.

Other — New York State Electric and Gas Corp., or NYSEG, Rochester Gas and Electric Corp., or RG&E, and Central Hudson Gas and Electric Corp., or CHG&E, have rate adjustment mechanisms, or RAMs, in place that return to or collect from ratepayers eligible deferrals and costs on a timely basis subject to a cap. For NYSEG and RG&E, RAM-eligible deferrals are property taxes, major storm, gas leak prone pipe, certain Reforming the Energy Vision, or REV, costs and fees, and for NYSEG only, electric pole attachments.

For CHG&E's electric and gas operations, the RAM will return or collect the net balance of reconciliations for the following cost elements: property taxes, major storm, gas leak-prone pipe, and certain REV costs and SIR. While the other major utilities do not have RAMs, all major New York utilities reconcile such major cost elements as pension and other post-employment benefits, property taxes and SIR and may defer for future recovery any costs not provided in current rates. Consolidated Edison Co. of New York Inc. recovers via the MAC incentives earned under its earning adjustment mechanisms as well as costs and incentives related to non-wires alternatives.

North Carolina

Conservation program expense — State law authorizes the NCUC to approve an annual rider outside of a general rate case for electric utilities to recover all reasonable and prudent costs incurred for the adoption and implementation of demand-side management, or DSM, and energy efficiency, or EE, programs. The NCUC has authorized the major electric utilities to retain a percentage of the net savings associated with their DSM/EE programs.

Decoupling — Piedmont Natural Gas utilizes a margin decoupling mechanism/tracker that decouples the recovery of authorized margins from sales levels. Public Service Co. of North Carolina, or PSNC, also has such a mechanism in place.

Renewables expense — Costs incurred by electric utilities to procure renewable energy are recoverable through the fuel adjustment clause, or FAC, and the renewable energy portfolio standard, or REPS, rider, subject to certain caps. The avoided cost is recoverable through the FAC, and payments in excess of the avoided cost are recoverable through the REPS rider. Incremental operations and maintenance costs and annual research and development expenses up to $1 million are also recoverable through the REPS rider. The cost of utility-owned renewable generating facilities is recovered through a combination of the FAC, the REPS rider and base rates.

Environmental compliance — The costs of certain reagents, such as limestone, used in reducing or treating electric power plant emissions may be recovered through the FAC.

Generic infrastructure — Piedmont Natural Gas uses an integrity management rider, or IMR, that allows the company to track and recover capital expenditures incurred to comply with federal pipeline safety and integrity requirements outside of a general rate case. PSNC uses an IMR to recover capital expenditures related to the company's transmission and distribution pipeline integrity management programs.

North Dakota

Decoupling — MDU Resources', or MDU's, gas operations are subject to a weather normalization adjustment mechanism that is in effect for the winter heating season from Nov. 1 through May 1. Northern States Power-Minnesota, or NSP-M, operates under straight fixed-variable gas rates.

Generation capacity — MDU operates under a generation resource recovery rider through which it recovers costs associated with its Reciprocating Internal Combustion Engine Project at its Lewis & Clark Station, which will then be rolled into rate base during MDU's first rate case after Dec. 31, 2019.

In a recently approved rate case settlement, Otter Tail Power was authorized to establish a generation cost recovery rider to reflect costs associated with the utility's proposed Astoria Station and Merricourt Wind projects. Regarding the Hoot Lake plant, Otter Tail is to evaluate any retirement-related changes to costs of service and include them in the Generation Cost Recovery rider until they can be transferred into base rates.

Environmental compliance/generic infrastructure — Electric utilities are permitted to earn a cash return on construction work in progress through a separate rate adjustment mechanism for investments in transmission infrastructure and for federally mandated environmental compliance projects. Once the facilities achieve commercial operation, the facilities are reflected in rate base as part of a general rate proceeding, and the surcharge terminates. NSP is operating under a transmission cost recovery rider. MDU and Otter Tail are operating under separate transmission and environmental cost recovery riders.

Otter Tail transferred costs related to environmental reagents and emissions allowance expenses out of base rates and into a newly established energy adjustment rider. Additionally, Otter Tail transferred Coyote Station's, a coal-fired power plant, lime expense out of base rates and into the rider.

Generic infrastructure — Otter Tail, MDU and NSP-M recover costs associated with investments in renewable energy facilities through a renewable resource cost recovery rider.

Other — Through NSP-M's fuel and purchased power adjustment, or FPPA, clause, the company shares equally with ratepayers prospective "non-asset-based" wholesale power margins, or WPMs. Through its FPPA clause, Otter Tail allocates ratepayers' share of asset-based WPMs.

Ohio

Electric fuel/gas commodity/purchased power/generic infrastructure/other — As a result of electric industry restructuring, utilities operate under electric security plans, or ESPs, that provide for the pass-through of the utilities' cost of power to serve standard service offer customers.

The current ESPs for Cleveland Electric Illuminating Co., or CEI, Ohio Edison Co., or OE, and Toledo Edison Co., or TE, include delivery capital recovery riders that reflect a return of and on incremental distribution, sub-transmission and general plant-in-service investments not already included in the companies' base rates.

Under Duke Energy Ohio's, or DEO's, current ESP, the company's generation requirements for non-switching customers are procured and priced through a competitive bid process, or CBP. The related riders are fully bypassable for switching customers.

Ohio Power Co.'s, or OP's, ESP allows the company to utilize riders for costs related to distribution investment, enhanced service reliability and storm damage recovery.

Dayton Power and Light Co.'s, or DP&L's, ESP includes a distribution modernization rider that provides credit support to the company.

East Ohio Gas Co., or EOG, Columbia Gas of Ohio Inc., or CGO, and Vectren Energy Delivery of Ohio, or VEDO, conduct auctions for competitive suppliers to bid to directly serve customers. The companies had previously obtained their gas supplies through negotiated bilateral contracts, but under the current plan, the companies conduct an auction that allows suppliers to compete to supply portions of the gas supply requirements. Customers who do not choose a specific competitive supplier are randomly assigned a supplier based on the auction results. DEO is the only major gas utility in the state to continue to use the gas cost recovery clause.

Conservation program expense/decoupling — The ESPs for each of the Ohio electric utilities include a rider that allows for recovery of energy efficiency program costs and lost distribution margin associated with these programs. OP has a full decoupling mechanism in place for residential and small commercial customers. Ohio's gas distribution companies, namely EOG, CGO, VEDO and DEO all operate under straight fixed-variable prices.

Environmental compliance — DEO recovers certain costs related to former manufactured gas plant sites through a rider.

Generic infrastructure — The current ESPs in place for CEI/OE/TE, DP&L and DEO include riders that reflect costs associated with incremental distribution-related investments not already included in base rates. OP's ESP allows the company to utilize riders for costs related to distribution investment. CGO has a rider in place for infrastructure replacement costs. VEDO has riders in place through which it recovers the costs associated with certain infrastructure replacement investments. EOG has riders in place to recover costs related to its pipeline infrastructure replacement program and its installation of automated meter-reading equipment. DEO uses a rider to recover the costs associated with its gas delivery infrastructure improvement program.

Other — DEO has a rider in place for incremental vegetation management costs. All utilities have mechanisms in place to recover variations in certain taxes and fees. CEI/OE/TE, OP, DP&L, DEO, EOG, CGO and VEDO have riders in place to recover variations in uncollectible expense.

Oklahoma

Conservation program expense/decoupling — Oklahoma Gas and Electric Co., or OG&E, and Public Service Co. of Oklahoma, or PSO, utilize riders to recover the costs associated with energy efficiency programs, related lost revenues and certain incentives. CenterPoint Energy Resources Corp., or CER, and Oklahoma Natural Gas Co., or ONG, utilize a weather normalization mechanism and also recover the costs associated with their energy efficiency programs and certain incentives through their performance-based ratemaking plan riders.

Environmental compliance/other — OCC rules permit the commission to approve requests to recover costs associated with environmental compliance through a rider. OG&E's storm cost recovery rider includes provisions that require a credit to ratepayers for the Oklahoma jurisdictional portion of net revenues received from the sale of SO2 credits.

Generic infrastructure — OG&E uses a rider for the Oklahoma jurisdictional costs associated with certain transmission projects that have been approved by the Southwest Power Pool and that have been completed by the company.

Other — OG&E uses a storm cost recovery rider to reflect differences between the level of storm costs reflected in base rates and the level of such costs actually incurred in a given year. Ratepayers' share of off-systems sales margins flow through PSO's fixed-cost adjustment rider. OCC rules permit the commission to allow utilities to recover security/safety-related costs through a surcharge/rate rider. OG&E, PSO, CER and ONG have a mechanism in place to recover variations in certain taxes and franchise fees. ONG has a rider in place for costs related to lost, used and unaccounted-for gas.

Oregon

Conservation program expense — Northwest Natural Gas, or NWNG, is authorized to recover costs associated with its energy efficiency program for industrial customers.

Decoupling — An electric revenue decoupling mechanism is to be in effect for Portland General Electric, or PGE, through 2022. The mechanism is designed to provide for the recovery of the revenue shortfall resulting from reduced consumption patterns associated with residential and certain commercial customers' conservation efforts.

NWNG uses a decoupling mechanism designed to counteract the impact on revenues of changes in average residential and commercial customers' consumption patterns due to conservation efforts. The company has a separate weather-adjusted rate mechanism in place for these customers.

Cascade Natural Gas, or CNG, has a partial decoupling mechanism, which adjusts for both conservation-related demand reductions and deviations from normal weather. The mechanism has no set termination date but is currently under review.

A full decoupling mechanism is in place for Avista's residential and commercial rate groups. The mechanism was reviewed by the PUC in Avista's general rate case that concluded in October 2019 (Docket No. UG-366).

Environmental compliance — CNG employs an environmental remediation cost adjustment to recover costs for a former manufactured plant. NWNG utilizes a site remediation and recovery mechanism to provide for recovery of costs incurred and that continue to be incurred for environmental remediation of legacy manufactured gas plant operations. PGE has an environmental remediation cost recovery adjustment that recovers the costs and revenues associated with the Portland Harbor Superfund site and other environmental obligations.

Generation capacity — Pacificorp is authorized to recover costs associated with its Lake Side 2 generation investment and interconnection as well as costs to construct or otherwise acquire renewable generation facilities and the associated transmission. PGE is authorized to recover the revenue requirements of qualifying company-owned or contracted new renewable energy resource and energy storage projects associated with renewable energy resources not otherwise included in rates.

Other — Pacificorp collects a surcharge to fund costs of removing dams on the Klamath River.

Pennsylvania

Electric fuel/gas commodity/purchased power/renewables expense — In conjunction with electric industry restructuring, the electric energy cost rate was eliminated. Generation required to meet provider-of-last-resort, or POLR, obligations for each company is competitively procured and priced. Renewable resource requirements are included in this process. Prices for POLR service are adjusted on a current basis as each procurement occurs.

A non-automatic procedure is in place for recovery of fluctuations in gas costs. Such filings may be made no more often than once every 12 months; however, quarterly updates to reflect unrecovered gas costs from the prior quarter are permitted.

Conservation program expense — State law and PUC rules allow electric distribution utilities to recover on an expedited basis through an adjustment clause outside of a rate case the costs associated with legislatively mandated/PUC-approved energy conservation programs. Such programs are in place for Duquesne Light, Metropolitan Edison, or MetEd, Pennsylvania Electric, or Penelec, Pennsylvania Power, or PPC, West Penn Power, or WPP, PECO Energy, PPL Electric Utilities, or PPL-E, and UGI Utilities electric operations, or UGIU Electric.

Decoupling — Columbia Gas of Pennsylvania, or CGP, has a weather normalization adjustment in place for residential customers.

Generic infrastructure — State law allows the PUC to approve automatic adjustment clauses to recognize, between general rate cases, utility investments in certain infrastructure projects. Distribution system improvement charges, or DSICs, have been approved for CGP, Duquesne Light, PECO's gas and electric operations, PPL-E, Peoples Natural Gas, Equitable Gas, UGI Central Penn Gas, UGI Penn Natural Gas, Peoples TWP, MetEd, Penelec, PPC and WPP. National Fuel Gas is the only RRA-covered company that does not use a DSIC. Adjustments occur quarterly, unless the company is found to be earning in excess of the ROE set in the company's last rate case or of a generic benchmark set by the PUC if the company's most recent ROE authorization was more than three years prior to the proposed adjustment.

MetEd, Penelec, PPC and WPP recover costs associated with smart-meter deployment plans through a rider between rate cases.

Other — All utilities have mechanisms in place to recover variations in certain taxes and franchise fees. PECO recovers nuclear decommissioning costs through a rider. PPL-E has an expedited cost recovery mechanism in place to address storm restoration costs that vary from certain levels. PPL-E recovers universal service program costs through a rider. MetEd, Penelec, PPC and WPP also have riders in place for universal service and uncollectible costs.

Rhode Island

Electric fuel/gas commodity/purchased power — Prior to the implementation of electric industry restructuring, automatic fuel adjustment clauses were used by the utilities. In accordance with the restructuring law and PUC-approved restructuring plans, investor-owned utilities are to provide standard offer service to customers who do not select an alternative provider through 2020. The cost of providing this service is fully recoverable, with such rates reset on a periodic basis.

Conservation program expense/environmental compliance — Narragansett Electric Co., or NE, utilizes an annual distribution adjustment clause, or DAC, for its gas operations to recover costs associated with energy efficiency programs and environmental response.

Generic infrastructure — State law permits NE to submit for PUC approval annual infrastructure spending plans for its electric and gas operations and recovery of expenses associated with an inspection and maintenance program and a vegetation management program.

Other — A pension adjustment mechanism is in place for NE's electric and gas operations that reconciles actual pension and other post-employment benefits expense to the level reflected in base rates. NE recovers electric commodity-related uncollectibles, including associated administrative costs, through its standard offer service rate. In addition, the company recovers transmission-related bad debt through a transmission-related uncollectible mechanism. NE reflects credits associated with margins from non-firm sales and transportation, earnings sharing and service quality adjustments through the DAC.

South Carolina

Decoupling — Weather normalization adjustments are in place for the gas operations of South Carolina Electric and Gas, or SCE&G, and Piedmont Natural Gas that apply only to residential and small commercial customers.

Environmental compliance — Emissions allowance costs and the cost of certain materials used in reducing or treating electric power plant emissions are reflected in the fuel clause.

Generation capacity — The South Carolina Legislature on June 28, 2018, overrode Gov. Henry McMaster's veto of House Bill 4375, which among other things, prospectively repeals the state's Base Load Review Act, or BLRA; thus, no future projects could fall under its purview.

Previously, under the BLRA, the PSC was permitted to issue a BLRA order, which constituted an upfront determination that a generating plant is "used and useful" and that associated proposed capital expenditures are prudent and ultimately should be reflected in rates as long as the plant is constructed within the estimated construction schedule, including contingencies and capital budget. For nuclear plants only, if requested by a utility, the BLRA order would specify initial revised rates reflecting the utility's pre-construction and development costs. At least one year after its filing of a BLRA application, and no more frequently than annually thereafter, the utility was permitted to file for PSC approval of revised rates reflecting a cash return on a nuclear plant's construction work in progress, or CWIP.

The PSC had already issued a BLRA order for SCE&G's two-unit expansion of its V.C. Summer nuclear plant, and the company is currently earning a cash return on part of the plant's CWIP. However, in July 2017, SCE&G ceased construction and abandoned the two new Summer units. In addition, H.B. 4375 reduced the amount in rates that SCE&G had been collecting under the BLRA. As part of its agreement to acquire SCE&G parent company SCANA Corp., Dominion Energy Inc. agreed to provide refunds and restitution to SCE&G customers associated with the Summer project of $2 billion over 20 years. SCE&G will exclude from rate recovery $2.4 billion of costs related to the project. SCE&G also will not file an application for a general rate case with the South Carolina Public Service Commission with a requested effective date earlier than January 2020 under the merger agreement.

South Dakota

Conservation program expense/decoupling — A DSM cost adjustment mechanism is in place for Northern States Power-Minnesota, or NSP-M, through which the company recovers costs associated with DSM/efficiency programs. The mechanism includes a 30% bonus to account for lost margins related to DSM/efficiency measures. Black Hills Power, or BHP, operates under an efficiency adjustment rider through which the company recovers the cost of its energy efficiency programs as well as any lost revenues associated with the programs. Weather impacts are not reflected in the mechanism.

MDU Resources Group Inc.'s gas operation has a mechanism in place which allows the utility to recover costs of a portfolio of conservation programs, including a DSM financial performance incentive. The gas utility also utilizes a weather normalization mechanism.

Otter Tail Power has a mechanism in place that recovers costs associated with its investment in energy efficiency programs.

Renewables expense — Otter Tail has a rider in place, on a voluntary basis, which allows customers to purchase wind-generated energy in 100-kWh blocks. Black Hills Power utilizes a voluntary renewable energy tariff for commercial retail customers with an aggregate usage of 300,000 kWh or more per year and for government accounts desiring renewable energy.

Environmental compliance — MDU is permitted to recover costs incurred by complying with federal and state environmental mandates. Costs may include capital costs and operating expenses incurred for environmental improvements to existing generating facilities.

Generation capacity/generic infrastructure — NSP-M utilizes an infrastructure rider to recover costs associated with certain generation, transmission and distribution capital additions once the related facilities have achieved commercial operation and to reflect certain changes in property taxes. NSP-M also has a transmission cost recovery rider in place.

MDU's electric operation has in place a transmission cost recovery rider in which the utility is permitted to recover the net balance of the capital and operating costs and revenue credits of transmission-related expenses and revenues. Costs to be recovered under the transmission recovery shall include new or modified transmission facilities, such as transmission lines and other transmission-related equipment such as substations, transformers and other equipment constructed to improve the power delivery capability or reliability of the transmission system, as well as federally regulated costs charged to or incurred by MDU to increase regional transmission capacity or reliability that are not reflected in the rates established in the most recent general rate case. MDU also has an infrastructure rider in place that recovers the costs associated with infrastructure investments.

Otter Tail has a mechanism in place that allows the utility to share back revenues associated with new load growth and to recover costs associated with new generation facilities.

Other — Through its fuel and purchased power adjustment clause, BHP credits ratepayers a portion of the margins from renewable energy credit sales and power marketing income. NSP-M operates under certain wholesale power margin sharing provisions and allocates ratepayers' share of any such margins through its fuel clause. NSP-M also credits ratepayers a portion of revenues generated from renewable energy credit sales through its fuel clause.

Tennessee

Decoupling — Weather normalization adjustment, or WNA, clauses are in place for Atmos Energy and Piedmont Natural Gas, or PNG. A full revenue decoupling mechanism is in place for Chattanooga Gas', or CG's, residential and small commercial customers. A WNA rider is also in place for CG's industrial, commercial and other customers that do not operate under the decoupling mechanism.

Other — Atmos Energy, PNG and CG utilize riders related to capacity management and release, off-system sales, and capacity assignment.

Atmos and CG operate under riders through which the companies share with ratepayers gross profit margin reductions associated with large industrial or commercial customers that are served under negotiated contracts and are able to bypass the utilities' distribution system. Through its purchased gas adjustment rider, PNG recovers margin losses associated with bypassable customers being served under negotiated contracts.

Texas PUC

Electric fuel/purchased power — For vertically integrated electric utilities in territories that have not implemented retail competition, fuel and purchased power costs are recovered through a separate fuel factor, that may be adjusted, following hearings, based on projected fuel costs for the period the fuel factor will be in effect, subject to true-up. Capacity costs associated with purchased power are recovered through base rates, while energy costs are reflected in the fuel factor.

For companies that implemented retail competition, i.e., within the Electric Reliability Council of Texas, the transmission and distribution utilities do not participate in generation procurement, and fuel/purchased power adjustment clauses were eliminated.

Generation capacity — Legislation enacted in June 2019 allows vertically integrated utilities, i.e., El Paso Electric, or EPE, Entergy Texas, Southwestern Electric Power, or SWEPCO, and Southwestern Public Service, or SWPS, to seek recovery of new generation investment through a limited-issue rider.

Generic infrastructure — The PUC may approve periodic distribution cost recovery factors, or DCRFs for both vertically integrated and transmission-and-distribution-only electric utilities. The PUC may prohibit a utility from implementing a rate change under the mechanism if the commission determines that the utility is earning in excess of its authorized return prior to the adjustment. Amounts approved for recovery under the DCRF are to be rolled into base rates in the utility's subsequent rate case. DCRFs have been approved for AEP Texas, CenterPoint Energy Houston Electric, EPE, Entergy Texas, Oncor Electric Delivery, Sharyland Utilities, SWEPCO and SWPS.

State law permits the utilities to recover costs associated with deployment of advanced metering technology through a separate surcharge, and the PUC has for the most part approved such mechanisms when requested. Advanced metering surcharges are in place for AEP Texas, CenterPoint, Entergy Texas, Oncor Electric Delivery and Texas-New Mexico Power, or TNMP.

For the service territories in which retail competition has been implemented, i.e., within ERCOT, transmission service providers are permitted to file up to twice annually, outside of a base rate case, to implement rate changes to reflect new transmission facilities through an interim transmission cost-of-service, or TCOS, mechanism. TCOS mechanisms have been approved for AEP Texas, CenterPoint, Oncor and TNMP, as well as transmission-only entities such as Cross Texas Transmission, Electric Transmission of Texas, Lone Star Transmission, Sharyland Utilities and Wind Energy Transmission Texas.

Utilities that have not implemented retail competition may file once annually between rate cases for adjustments to reflect new investment in transmission facilities. This procedure is known as a transmission cost recovery factor, or TCRF, mechanism.

RTO-related transmission expense — Transmission revenue requirements established through either base rates or the TCOS procedure are allocated among the distribution service providers, or DSPs, within ERCOT based on PUC-approved load-based allocation factors established under the commission's "transmission matrix." The DSPs are permitted to adjust rates twice annually to reflect changes in wholesale transmission costs assigned to the DSP by ERCOT. These changes flow through a mechanism also known as a TCRF, which is in place for AEP Texas, CenterPoint, Oncor and TNMP.

In a 2018 rate case, Entergy Texas proposed a rider for the recovery of costs assigned to the company's retail business by the Federal Energy Regulatory Commission, but the proposal was withdrawn as part of a settlement.

Other — A rider is in place for Entergy that allows for recovery of variations in storm costs versus the level included in base rates on a current basis. CenterPoint, Entergy and TNMP have adjustment clauses in place to reflect changes in municipal franchise fees. EPE has a rider in place to recover lost revenue associated with the provision of discounted service to military bases, while SWPS recovers lost revenue associated with the provision of discounts to state universities through a rider.

Texas RRC

Gas commodity — Purchased gas cost recovery factors, or GCRFs, may be implemented under certain circumstances. The RRC has approved the use of GCRFs for Atmos Energy, Texas Gas Service, or TGS, and CenterPoint Energy Resources, or CER.

Decoupling — Weather normalization adjustments are in place for Atmos and TGS.

Generic infrastructure — Surcharge mechanisms for gas reliability infrastructure program, or GRIP, costs are in place for CER's Houston, South Texas, Beaumont/East Texas and Texas Coast Divisions. A similar mechanism is in place for most of the cities served by Atmos' Mid-Tex and West Texas Divisions. Operations in the City of Dallas and its environs, which are part of the Mid-Tex Division, are subject to a Dallas Annual Rate Review Mechanism that takes into account several factors including new infrastructure investment. The remaining Mid-Tex Division is subject to an annual formula ratemaking tariff, known as the annual Rate Review Mechanism, or RRM, which takes into account several factors including new infrastructure investment. Certain cities within the West Texas division are subject to a similar tariff, while others, such as Amarillo and Lubbock, operate with annually updated GRIP mechanisms. An annual cost-of-service adjustment mechanism, similar to the RRM, is in place for TGS.

Other — Gas-commodity-related uncollectibles are recovered through Atmos' GCRF.

Utah

Decoupling — A weather normalization adjustment, or WNA, is in place for Questar Gas; however, customers may elect not to participate in the WNA. Questar Gas also utilizes a conservation-enabling tariff, or CET, which decouples non-gas revenues from the volume of gas used by general service, or GS customers. Under the CET, a margin-per-customer target is specified for each month, with non-weather-related differences to be deferred and recovered from, or refunded to, GS customers via periodic rate adjustments. Annual CET accruals are limited to 5% of base distribution non-gas, or DNG, revenues. Per a settlement adopted in the PSC's review of Dominion Resources' acquisition of Questar Gas parent Questar Corp., incremental CET accruals that exceed the 5% cap do not earn interest, as had previously been permitted. The amortization of CET accruals is limited to 2.5% of the total Utah-jurisdictional base DNG GS revenues. Together, the WNA and CET act as a full revenue decoupling mechanism.

Renewables expense — PacifiCorp operates under a renewable energy credit, or REC, mechanism that tracks variations in REC revenues from a base level established in the most recent general rate case, with any differences to flow to customers via an annual credit or surcharge. Separately, an adjustment mechanism is in place for PacifiCorp through which the company recovers costs associated with its solar program.

Generic infrastructure — A pilot infrastructure replacement adjustment mechanism is in place for Questar Gas that permits the company to recover between rate cases the incremental costs associated with the replacement of high-pressure natural gas feeder lines. The mechanism is to be adjusted at least annually and has an annual budget cap.

Other — Questar Gas flows ratepayers' share of its capacity release revenue via its semiannual gas-cost pass-through proceedings.

Vermont

Electric fuel/gas commodity/purchased power — Power cost adjustment, or PCA, mechanisms are permitted, provided that the mechanisms are part of an alternative regulation plan. Green Mountain Power Corp has a PCA in place under which the company absorbs up to $307,000 of power cost overruns and is permitted to keep $150,000 of power cost savings per quarter.

Virginia

Electric fuel/gas commodity/purchased power — Electric energy and capacity charges for "economy" purchases are included in the electric fuel factor calculation. Energy charges associated with reliability purchases may flow through the fuel factor, but capacity charges are recovered through base rates.

Conservation program expense — State law permits the SCC to approve rider mechanisms for the recovery of utilities' conservation and energy efficiency program costs. Such mechanisms are in place for Virginia Electric and Power, or VEPCO, Appalachian Power, or APCO, and Columbia Gas of Virginia, or CGV.

Decoupling — A weather normalization adjustment, or WNA, rider is in place for Virginia Natural Gas, or VNG, and Washington Gas Light, or WGL, Atmos Energy, CGV and Roanoke Gas.

A separate revenue normalization adjustment, or decoupling, mechanism is in place that is designed to mitigate the impact on WGL's, VNG's and CGV's revenues of customers' participation in energy conservation programs.

Renewables expense — The SCC may approve riders for the recovery of costs associated with meeting an SCC-approved voluntary renewable portfolio standard, or RPS, plan known as the RPS-RAC. Such riders are in place for APCO and VEPCO. State law initially included an incentive for compliance, but this was removed.

Environmental compliance — State statutes permitted the electric utilities to seek SCC approval to begin recovering costs associated with environmental compliance and reliability improvement programs through an environmental and reliability factor, or ERF. In 2006, the SCC authorized APCO to implement an ERF that was in place through 2010, after which the related revenue requirement was rolled into base rates. In 2013, the SCC authorized APCO to implement a new environmental revenue adjustment clause, known as an E-RAC. The E-RAC has expired.

As permitted by state law, the SCC has approved an adjustment mechanism, known as Rider E, under which VEPCO is permitted to recover costs incurred to comply with the U.S. Environmental Protection Agency and Virginia Waste Management Board regulations related Clean Water Act requirements and for the storage and disposal of coal combustion residuals, or CCR, commonly referred to as coal ash, produced at the company facilities that continue to burn coal to produce electricity.

Generation capacity — Legislation enacted in 2007 required the SCC to approve riders for the recovery of investment in certain types of generation facilities, including a cash return on CWIP.

Legislation enacted in 2016 authorizes an investor-owned electric utility to recover the costs of purchasing certain solar generation facilities through a rate adjustment clause. A bill enacted in 2017 added pumped storage and hydroelectric generation facilities to the list of assets that are eligible to be included in VEPCO's/APCO's generation riders and investments to extend the lives of nuclear plants. Legislation enacted in 2018 calls for the SCC to approve recovery through riders of utility-owned solar and wind resources.

Several riders have been approved for VEPCO and APCO under these statutes.

Generic infrastructure — The SCC may approve annually adjusted riders for the recovery of costs/investments, including a cash return on construction work in progress, or CWIP, associated with utility projects to replace existing overhead distribution facilities of 69 kV or less located within the Commonwealth with underground facilities. Such a rider is in place for VEPCO.

The SCC may also allow a natural gas utility that invests in natural gas facility replacement projects to recover, in the form of a rider, a return on investment, a revenue conversion factor, depreciation, property taxes and carrying costs on over/under-recovery of the related costs. Eligible infrastructure replacement is defined as natural gas facility replacement projects that (i) enhance safety or reliability by reducing system integrity risks associated with customer outages, corrosion, equipment failures, material failures or natural forces; (ii) do not increase revenues by directly connecting the infrastructure replacement to new customers; (iii) reduce or have the potential to reduce greenhouse gas emissions; (iv) are commenced on or after Jan. 1, 2010; and (v) are not included in the natural gas utility's rate base in its most recent rate case. Such riders have been approved for CGV, Roanoke Gas, VNG and WGL.

RTO-related transmission expense — VEPCO uses a transmission cost recovery rider, known as Rider T, to reflect charges allocated to the utility by the PJM Interconnection. A similar mechanism, known as the T-RAC, is in place for APCO.

Other — WGL and CGV are permitted to recover carrying charges on storage gas balances and over/under-collected gas costs, hexane costs and commodity-related uncollectibles expense through an adjustment mechanism. APCO and VEPCO have mechanisms in place to recover variations in certain taxes and franchise fees.

Washington

Electric fuel/gas commodity/purchased power — Avista Corp.'s energy recovery mechanism includes a graduated sharing of differences from a benchmark level. Power cost adjustment mechanisms are in place for PacifiCorp and Puget Sound Energy, or PSE, that allow for variations in power costs to be apportioned, on a graduated scale, between the company and customers.

Decoupling — Revenue decoupling mechanisms were approved for PSE's electric and gas operations in general rate cases decided in December 2017.

Full decoupling mechanisms for Avista's electric and gas operations are to be in place through 2019, incorporate an earnings test and demand-reduction targets, and specify caps on the increases to be implemented under the mechanism. In the company's current rate proceedings, Avista has proposed extending its decoupling mechanisms through March 2025.

Cascade Natural Gas' decoupling mechanism incorporates an earnings test and a conservation target as well as caps on annual increases.

PacifiCorp's decoupling mechanism incorporates an earnings test and demand reduction targets as well as caps increases that may be implemented under the mechanism.

West Virginia

Environmental compliance/generation capacity/generic infrastructure — In the past, the PSC has approved temporary riders to provide recognition between rate cases of certain electric generation and infrastructure investments.

State law allows the PSC to approve expedited cost recovery mechanisms associated with commission-approved multiyear gas infrastructure improvement plans; such treatment has been approved for Mountaineer Gas and Hope Gas.

Monongahela Power Co., Potomac Edison and Appalachian Power Co./Wheeling Power Co. use a vegetation management rider.

Other — The utilities have mechanisms in place to recover variations in certain taxes and franchise fees.

Wisconsin

Electric fuel/gas commodity/purchased power — Under the Wisconsin PSC's electric fuel rules, which apply to the state's five largest investor-owned utilities, each utility forecasts monthly and annual fuel and purchased power costs on a prospective basis. If a company's actual fuel and purchased power costs are outside a monthly or cumulative monthly variance range around the forecasts and the utility can demonstrate that these costs will likely be outside the annual range, the PSC may conduct a hearing to establish new rates. Currently, the annual variance range is plus or minus 2%. An electric utility is permitted to defer any fuel costs that are outside of its annual symmetrical variance range for subsequent recovery or refund. However, the utility is prohibited from recovering deferrals if the company is found to be earning in excess of its authorized equity return.

Conservation program expense — Wisconsin has a statewide energy efficiency and renewable resources program called Focus on Energy, which is funded through a non-bypassable charge on customer bills. Program cost recovery is handled via individual rate cases. A conservation escrow account is used for voluntary energy efficiency and programs. Program costs are recovered through rates, the money goes into an escrow account, and then the costs are adjusted in the next rate case.

Generation capacity/generic infrastructure/other — At times, the PSC has authorized the utilities to file a limited-issue reopener, or LIR, of a previously completed base rate case instead of a full rate case. The LIR provides for recognition of certain specified investments and/or expenses and does not involve the re-determination of rate of return.

Other — All utilities have mechanisms in place to recover variations in certain taxes and franchise fees.

Wyoming

Decoupling — Cheyenne Light Fuel and Power's, or CLF&P's, demand-side management, or DSM, mechanism for its electric operations includes a provision that provides for the recovery of "lost margins" associated with customer participation in the DSM programs.

Black Hills Wyoming Gas*, formally known as Black Hills Gas Distribution, has a partial decoupling mechanism in place for small and medium general service class distribution customers. The mechanism does not address revenue variations due to weather. The utility, also formally part of CLF&P's gas operations, has a DSM mechanism similar to CLF&P's electric operations.

Questar Gas has a weather normalization adjustment mechanism in place.

MDU Resources Group's gas operation utilizes an optional weather normalization mechanism.

Renewables expense/environmental compliance — Optional renewable energy riders are in place for CLF&P, MDU Resources and PacifiCorp. PacifiCorp operates under an adjustment mechanism that is designed to recover from or refund to ratepayers 100% of the difference between actual renewable energy and SO2 emission allowance credit revenue levels and the levels reflected in base rates.

PacifiCorp has in place a voluntary bulk renewable energy rider that serves the utility's nonresidential electric customers and requires a minimum purchase of 121,200 kWh per year.

CLF&P utilizes a voluntary renewable energy tariff serves commercial retail customers with an aggregate usage of 300,000 kWh or more per year and government accounts desiring renewable energy.

Generic infrastructure — Black Hills Wyoming Gas, formally known as CLF&P's gas operations, utilizes a pipeline safety and integrity mechanism to recover costs associated with the investments in pipeline infrastructure.

Other — Through an incentive provision of its fuel clause, CLF&P allocates a portion of off-system sales margins to ratepayers.

** BHWG consists of four legacy Black Hills Wyoming subsidiaries and gas assets: CLF&P's gas operations; Black Hills Energy, a division of CLF&P, also known as Black Hills Northeast Wyoming and formerly known as MGTC Inc.; Black Hills Northwest Wyoming Gas Utility Co. LLC, formerly known as Energy West Wyoming; and Black Hills Gas Distribution LLC, formerly known as SourceGas.*