

The Weekly Meeting of the Governmental Affairs Department of a Large Regulated Utility

Jim Clarkson, RSM

“Ok, people. Let’s get started. We have a lot to cover. Cynthia, what’s going on with the Governor’s office?”

“We and the other utilities in the state have developed a short list for the Governor to pick from for the open seat on the regulatory commission.”

“Good, I hope there are no businessmen on the list.”

“Not a chance, Boss. The other utilities agreed with your requirements that the candidates should be vain, dumb and corrupt. We picked two ex-legislators and a top-level bureaucrat. We won’t have to train them.”

“Excellent work, Cynthia”

“One more thing, Boss – in return the governor wants us to funnel \$500,000 into his re-election fund.”

“No problem; we’ll allocate it among our contractors. They all know this is a cost of doing business with us.

Now, you Paul, how’s it going over at the General Assembly?”

“Not so good, Boss. All that bad news about our shifting profits over to our unregulated subsidiaries has many of our political friends running scared. They are reluctant to push our Bill for a guaranteed profit rider.”

“I’ll tell you what I’m going to do. I’ll have to go to the top on this, but I will ask for \$1 million for a legislative campaign. We’ll hire any lobbyists we don’t already have on the payroll and we’ll donate to the campaigns of incumbents, especially those with no opposition.

Jerry, what’s going on with the Commissioners?”

“Boss, we found out the Vice-Chairman has a brother-in-law with a landscaping business in the western part of the state. We have seen to it that his business has become very profitable, and the Vice-Chairman appreciates it.

Further, we should have the completed psychological profile of all the Commissioners next week.”

“Attaboy, Jerry. That’s what regulatory constructive relationships are all about.

Suzanne, tell us about the commission staff.”

“Well, Boss, the little guy that does rate analysis has his wife in the hospital. It’s nothing serious, but she will be there a few days. I’ve sent flowers and visited. It would be a good idea for you to visit also.”

“Sure, I will. That guy is such a geek; we must be his only ‘friends’.

George, how’s the planning coming for our next rate case?”

“We found an economist that for \$50,000 will say we should be granted 15% profits. He has some formulas and stuff and claims he makes a great presentation.”

“But, George is there anything to his theory?”

“So farfetched, Boss, that only a college professor could believe it. But he’s testified for two other state commissions.”

“Ok, here’s how it goes. We’ll take his offer, and the requirements are no beard, get him a suit that fits and he meets with our testimony coach right away. Get the guy that does resumes. I want at least 12 pages on this character.

That’s it for today folks; everyone is doing a great job. And remember, the things we do in this department have more to do with the company’s profits than all the other parts of the company combined.”