

## Discussion of the Approach to Development of Cost Allocation Methodologies for Future DOE 202c Orders

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Questions

- Do stakeholders believe it is possible that this process will result in a single (or several) pro-forma cost allocation methodologies?
- Do stakeholders believe that we can agree upon pro-forma cost allocation methodologies without knowing the rationale for a future 202c Order?
- Are there other approaches that we might consider (e.g., agreement on guiding principles and an abbreviated consultation process in lieu of, or to complement, pro-forma methodologies?)
  - Is it possible to develop <u>candidate</u> pro-forma cost allocation methodologies that could align with likely rationale for future 202c Orders and be used as a starting point for future discussions?
  - Is it possible to define what the stakeholder consultation process should look like under future scenarios?



## Stakeholder Process Consultation Illustrative Examples

Extension of an existing order without material change to causal factor, region driving the order or compensation?	Order issued for Resource Adequacy?	No specific region cited as driver for order?	Unit being compensate d based on DACC-based approach?	Total Monthly Cost > \$X	Stakeholder Process
Y					N/A - Follow agreed upon pro-forma allocation
Ν	Y	Y	Y		N/A - Follow agreed upon pro-forma allocation
Ν	Ν				CIFP (if the unit is not already covered under an RMR agreement)
Ν	Y	Ν			Follow abbreviated consultation process using cost allocation based on guiding principles as a starting point
Ν	Y	Y	Ν	Ν	Follow abbreviated consultation process using cost allocation based on guiding principles as a starting point
N	Y	Y	Ν	Y	CIFP





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