**Section 295.10 Advertising Standard**

In any general rate increase request by any gas or electric utility as prescribed in General Order 157, the following advertising standard shall apply to the utility's direct presentation to the Commission. Nothing in this Part shall prevent the utility from presenting a proposed method of expensing advertising costs at variance with this general standard so long as in addition to any variance testimony, the advertising expenses are presented as contained in this Part.

a) Unless the Commission otherwise orders, no electric or gas utility shall include as an operating expense in the test year computation any direct or indirect expenditures for promotional, political, institutional or goodwill advertising. In determining whether to allow a variation from this provision, the Commission shall consider, among other things, whether the advertising at issue is necessary to protect consumers, to promote more efficient use of the public utility's system, or to allow the public utility to compete effectively against non-regulated competitors.

b) In making the computation of allowable operating expenses, the utility shall not include any direct or indirect expenditure for advertising which contains any nonallowable material in the expenditure.

c) In providing the advertising expenses as prescribed in this Part, or in any proposed variance to the general standard, the utility shall complete and include in its direct presentation to the Commission, a form entitled "Rate Case Advertising Expense," as prescribed by the Commission.