

In the Matter of the Application of
PacifiCorp for an Order Approving Avoided Cost Rates

Docket 03-035-14

DPU Exhibit 1.0RR

Rebuttal Testimony on Rehearing of Andrea Coon
Division of Public Utilities

February 17, 2006

1 **Q. Please state your name for the record.**

2 A. My name is Andrea Coon.

3

4 **Q. What is the purpose of this testimony?**

5 A. The purpose is to briefly respond to direct testimony on rehearing filed by
6 parties in this docket. I will be providing responses to Greg Probst, testifying
7 on behalf of Mountain West Consulting, and Rich Collins, testifying on behalf
8 of Wasatch Wind.

9

10 **Q. What issue in Mr. Probst's testimony will you address?**

11 A. I will address the issue of line losses for wind QFs. Mr. Probst suggests that
12 line losses associated with wind QFs be determined based upon the RFP
13 proximity to load center as compared to the QF proximity to load center. The
14 Division is of the opinion that if line losses are included in the RFP contract
15 price upon which the wind QF price is based, then the wind QF should also be
16 receiving line losses, based upon the same formula as contained within the
17 RFP contract. If there aren't any line losses contained within the RFP contract,
18 then any wind QF that is receiving pricing based upon that proxy should not
19 receive line losses. The Division is not convinced that the proxy method
20 approved for wind QFs was intended to be a "proxy plus" arrangement,
21 wherein a wind QF would take the adjusted price of the RFP resource and
22 augment it by adding in costs or payments that aren't anticipated under the
23 RFP resource contract.

24

25 **Q. What is the issue in Dr. Collins' testimony that you would like to**
26 **address?**

27 A. Dr. Collins recommends a method of determining line losses for wind QFs in
28 lines 7-19 on page 9 of his testimony. The Division does not agree with this
29 methodology because it appears to be another example of "proxy plus".
30 Basically, the Division is unconvinced that the adjusted proxy price should be
31 further adjusted to account for items that were not accounted for in the RFP
32 resource contract.

33

34 **Q. Does this conclude your testimony at this time?**

35 A. Yes it does.