- 1 Q. Please state your name, business address and present position with Rocky
- 2 Mountain Power Company (the Company), a division of PacifiCorp.
- 3 A. My name is Gregory N. Duvall. My business address is 825 NE Multnomah, Suite
- 4 600, Portland, Oregon, 97232. My present position is Director, Long Range
- 5 Planning and Net Power Costs.
- 6 Q. Have you previously provided testimony in the current proceeding?
- 7 A. No. I am adopting the prefiled direct testimony of Mr. Mark T. Widmer in the
- 8 current proceeding.
- 9 Q. Please describe your education and business experience.
- 10 A. I received a degree in Mathematics from University of Washington in 1976 and a
- 11 Masters of Business Administration from University of Portland in 1979. I was
- first employed by Pacific Power in 1976 and have held various positions in
- resource and transmission planning, regulation, resource acquisitions and trading.
- 14 From 1997 through 2000 I lived in Australia where I managed the Energy Trading
- Department for Powercor, a PacifiCorp subsidiary at that time. After returning to
- Portland, I was involved in direct access issues in Oregon, was responsible for
- directing the analytical effort for the Multi-State Process ("MSP"), and currently
- direct the work of the integrated resource planning group, the load forecasting
- group, the forward pricing group, and the net power cost group in the Company.
- 20 **Q.** What is the purpose of your supplemental direct testimony?
- 21 A. I present the Company's net power costs in the restated test period of 12-months
- 22 ending December 2008.

24	Q.	What are the proposed normalized net power costs in the restated test
25		period?
26	A.	The normalized net power costs for the twelve months ending December 2008 are
27		approximately \$435.3 million on a Utah allocated basis, or \$1.051 billion system-
28		wide. This is \$41.0 million lower than \$1.092 billion system-wide net power costs
29		included in the Company's original filing. The Company's net power cost study is
30		provided as Exhibit RMP(GND-1S). The allocation of total Company net
31		power costs to Utah is presented in Exhibit RMP(SRM-1S) in Mr.
32		McDougal's supplemental direct testimony.
33	Q.	Why are you updating the Company's net power costs at this time?
34	A.	The Company is restating its test period from 12-months ending June 2009 to 12-
35		months ending December 2008 in compliance with the Commission's Order on
36		the Test Period, dated February 14, 2008. Accordingly, I have recalculated the
37		proposed net power costs for the restated test period
38	Q.	Please explain the specific changes that the Company made to its GRID
39		model inputs to produce updated net power costs.
40	A.	To move to the restated test period, the Company joined the input data that have
41		been used previously in determining net power costs for the 12-month ending
42		June 2008 (Mid Period) and 12-month period ending June 2009 (Test Period),
43		except fuel costs and from this information selected the data set for the twelve
44		months ending December 2008.
45	Q.	Have fuel costs been updated, and if so, why?

The fuel costs are revised to follow the contract terms and to conform to the

46

A.

47 revised 12-month period ending December 2008.

## 48 Q. Please describe Exhibit RMP\_\_(GND-2S).

- 49 Exhibit RMP (GND-2S) is a schedule of the Company's major sources of A. 50 energy supply by major source of supply, expressed in average megawatts owned 51 and contracted for by the Company to meet system load requirements, for the 52 forecast period to December 2008. The total shown on Line 11 represents the total 53 future usage of resources during the forecast period to serve system load. Line 12 54 consists of wholesales sales made to neighboring utilities within the Pacific 55 Northwest, the Pacific Southwest, and the Desert Southwest as calculated from the 56 production cost model study. Line 13 represents the Company's system load net of 57 special sales.
- 58 Q. Please describe Exhibit RMP\_\_(GND-3S).
- A. Exhibit RMP\_\_(GND-3S) lists the major sources of future peak generation capability for the Company's winter and summer peak loads and the Company's energy load for the forecast period.
- 62 Q. Does this conclude your supplemental direct testimony?
- 63 A. Yes.