

1 **Q. Are you the same William R. Griffith who has previously testified in this**
2 **proceeding?**

3 A. Yes, I am.

4 **Purpose of Testimony**

5 **Q. What is the purpose of your supplemental testimony?**

6 A. The purpose of my supplemental testimony is to update my direct testimony filed
7 in this docket in response to the Commission's Erratum Report and Order on
8 Revenue Requirement issued on August 21, 2008 in Docket 07-035-93. My
9 supplemental testimony reflects the proposed price change of \$114.5 million.

10 **Q. Please describe Exhibit RMP___(WRG-1S).**

11 A. Exhibit RMP___(WRG-1S) details the Company's updated proposed changes to
12 class revenues to be implemented in this case. On an overall basis, based on the
13 forecast 12 month test period ending June 2009, these revisions produce an 8.3
14 percent rate increase to tariff customers in Utah.

15 **Q. Please describe the Company's updated proposal for the allocation of the**
16 **revenue requirement.**

17 A. The updated proposal relies on the same principles for allocating the revenue
18 requirement as proposed in my direct testimony. The Company proposes the
19 following updated allocation of the rate increase for the major customer classes.

20

	<u>Customer Class</u>	<u>Proposed Rate Change</u>
21	Residential	8.0%
22		
23	General Service	
24	Schedule 23	8.0%
25	Schedule 6	8.0%
26	Schedule 8	8.0%
27	Schedule 9	10.5%
28	Irrigation	16.6%

29 **Q. Please explain the proposed rate spread.**

30 A. The updated proposed rate spread continues to be designed to reflect cost of
31 service results while balancing the impact of the rate change across customer
32 classes. It assumes that the equal percentage rate spread currently in place
33 through Schedule 97 continues to apply to present rates.

34 Based on the cost of service results for the target return on rate base
35 (Exhibit RMP___(CCP-1S), for the major customer classes which fall within four
36 percentage points of the overall proposed rate change (Column M), the Company
37 continues to propose a uniform percentage increase. For lighting schedules
38 except Schedule 12 – traffic signals, the Company proposes no increase based on
39 the updated cost of service results.

40 The updated cost of service results continue to reflect a larger increase to
41 Schedule 9, equal to 17.3 percent, outside the four percentage point band. As a
42 result the Company continues to recommend a rate increase equal to 10.5 percent,
43 approximately 1.25 times the overall jurisdictional increase.

44 **Q. Please explain the updated proposed rate increase for irrigation Schedule 10.**

45 A. Based on the updated cost of service results which recommend an increase equal
46 to 29 percent for Schedule 10, the Company continues to propose an increase
47 equal to two times the overall jurisdictional average, or 16.6 percent for irrigation

48 customers based on the updated revenue requirement.

49 **Rate Design**

50 **Q. Please describe the Company's proposed updated rate design changes.**

51 A. In this supplemental filing, the Company continues to support and propose the
52 rate design changes contained in my direct testimony. The billing determinants
53 and rate design revisions for this supplemental testimony are contained in Exhibit
54 RMP___(WRG-4S). They reflect the revised revenue requirement and continue
55 to support the rate design structures presented in my direct testimony except for
56 the revisions noted below.

57 **Q. Please describe the changes to the proposals in your written, direct testimony**
58 **due to this update filed in response to the Commission's Order.**

59 A. In my direct testimony, the Company had proposed a two-block energy charge in
60 the five "summer" months with a rate of 8.5550 cents per kWh for the first 1000
61 kWh and 11.5493 cents per kWh for all additional kWh. Based on the revised
62 revenue requirement for residential customers, the Company proposes a two-
63 block energy charge in the five "summer" months of 8.2491 cents per kWh for the
64 first 1000 kWh and 11.1363 cents per kWh for all additional kWh.

65 **Q. Are there any other residential rate design revisions proposed in this**
66 **supplemental testimony?**

67 A. Yes. As a result of the Phase I price changes in Docket 07-035-93, the Company
68 proposes to reflect the present Schedule 97 tariff rider rate in the proposed winter
69 energy charge rate for residential customers. This results in a proposed residential
70 winter energy charge that is effectively equal to the present residential winter

71 energy charge including the effects of the tariff rider rate of Schedule 97. In my
72 direct testimony, the Company proposed no increase to the present winter energy
73 charge rate. This proposal in my supplemental testimony supports that approach.

74 **Q. Are there any revisions proposed to the rate design structures proposed for**
75 **Schedule 8 and Schedule 9 from what you proposed in your direct**
76 **testimony?**

77 A. Yes. As a result of the cost of service update, the Company has revised its
78 Customer Service Charge proposal for Schedules 8 and 9. In my direct testimony,
79 for Schedule 8 the Company had proposed to increase the monthly Customer
80 Service Charge from \$25 to \$65. In this supplemental filing, in line with cost of
81 service analysis using the Commission's preferred methodology for calculating a
82 customer charge, the Company proposes to increase the monthly Customer
83 Service Charge to \$60.

84 Similarly for Schedule 9, in my direct testimony, the Company had
85 proposed to increase the monthly Customer Service Charge from \$170 to \$235.
86 In this supplemental filing, in line with cost of service analysis, the Company
87 proposes to increase the monthly Customer Service Charge to \$225.

88 **Q. Are there any revisions to the rates for lighting schedules?**

89 A. Yes. The Company proposes to reflect the present Schedule 97 tariff rider rate in
90 the proposed rates for all lighting schedules except Schedule 12 – traffic signals.
91 This results in proposed rates that are effectively equal to the present tariff rates
92 including the effects of the tariff rider rate of Schedule 97. There is no revenue
93 impact to these schedules.

94 **Irrigation Schedule 10**

95 **Q. How does the Company propose to implement the rate change for Schedule**
96 **10?**

97 A. The Company proposes to implement the rate change for Schedule 10 uniformly
98 to demand and energy charges and to increase the Annual Customer Service
99 Charge by approximately 20 percent, rather than the 24 percent amount proposed
100 in my direct testimony.

101 **Q. Do you have any other changes to your written direct testimony filed in this**
102 **case?**

103 A. No.

104 **Revised Exhibits**

105 **Residential Customer Charge Exhibit**

106 **Q. Please explain Exhibit RMP__(WRG-2S).**

107 A. Exhibit RMP__(WRG-2S) replaces Exhibit RMP__(WRG-3) in its entirety.
108 Exhibit RMP__(WRG-2S) contains a revised calculation of the Residential
109 Customer Charge using the Commission's preferred methodology. It indicates
110 that a monthly customer charge of \$4.03 per month is supported by the
111 Commission's preferred methodology.

112 **Monthly Billing Comparisons**

113 **Q. Please explain Exhibit RMP__(WRG-3S).**

114 A. Exhibit RMP__(WRG-3S) replaces Exhibit RMP__(WRG-4) in its entirety.
115 Exhibit RMP__(WRG-3S) details the customer impacts of the Company's
116 proposed pricing changes based on the revised revenue requirement. For each

117 rate schedule, it shows the dollar and percentage change in monthly bills for
118 various load and usage levels.

119 **Billing Determinants**

120 **Q. Please explain Exhibit RMP___(WRG-4S).**

121 A. Exhibit RMP___(WRG-4S) replaces in its entirety Exhibit RMP___(WRG-5)
122 filed in my direct testimony. Exhibit RMP___(WRG-4S) details the billing
123 determinants used in preparing the pricing proposals in this case. It shows billing
124 quantities and prices at present rates and proposed rates.

125 **Q. Please explain Exhibit RMP___(WRG-5S).**

126 A. Exhibit RMP___(WRG-5S) replaces Exhibit RMP___(WRG-6) in its entirety. It
127 contains the billing determinants used in preparing the proposed street lighting
128 pricing proposals in this case.

129 **Q. Does this conclude your supplemental testimony?**

130 A. Yes.