

Docket No. 13-035-02
DPU Exhibit No. 1.0 DIR
David T. Thomson
June 21, 2013

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Authority To Change its Depreciation Rates Effective January 1, 2014 :
: Docket No. 07-035-13
: DPU Exhibit No. 1.0 DIR
:
:

DIRECT TESTIMONY

OF

**DAVID T. THOMSON
STATE OF UTAH
DIVISION OF PUBLIC UTILITIES**

JUNE 21, 2013

1 **Q. Please state your name and business address for the record.**

2 A. David T. Thomson. My business address is Heber M. Wells Building 4th Floor,
3 160 East 300 South, Salt Lake City, Utah 84114-6751.

4 **Q. Have you previously presented testimony before the Public Service**
5 **Commission?**

6 A. Yes. I have testified in PacificCorp past dockets relating to general rate cases,
7 depreciation rates, deferred accounting filings, among others.

8 **Q. For which party will you be offering testimony in this case?**

9 A. I will be offering testimony on behalf of the Utah Division of Public Utilities
10 (“Division”).

11 **Q. Please describe your position and duties with the Division of Public Utilities?**

12 A. I am a Technical Consultant. Among other things, I serve as an in-house
13 consultant on issues concerning the terms, conditions and prices of utility service;
14 industry and utility trends and issues; and regulatory form, compliance and
15 practice relating to public utilities. I examine public utility financial data for
16 determination of rates; review applications for rate increases; conduct research,
17 examine, analyze, organize, document and establish regulatory positions on a
18 variety of regulatory matters; review operations reports and ensure compliance
19 with laws and regulations, etc.; testify in hearings before the Public Service
20 Commission (“Commission”); assist in analysis of testimony and case
21 preparation; and I have participated in settlement conferences.

22

23 **Q. What are the purposes of your testimony?**

24 A. My first purpose is to introduce the Division's Consultant William Dunkel and
25 Associates ("WDA or Consultant") and specifically the testimony of William
26 Dunkel of WDA. My second purpose is to state the Division's position as it
27 relates to the recommended depreciation rates for the Utah jurisdictional electric
28 plant of Rocky Mountain Power Company.

29 **Q. What is the Division's position as it relates to the recommended depreciation**
30 **rates for the Utah jurisdictional electric plant of Rocky Mountain Power**
31 **Company?**

32 A. The Division recommends that the Commission accept the depreciation rates for
33 the Utah jurisdiction as set forth in the testimony and exhibits of William Dunkel
34 under this docket. In summary, on a total Company basis his depreciation annual
35 accrual is \$532,914,650 as compared to the total Company amount in Rocky
36 Mountain Power's filing of \$621,595,031. Total Company, this is a reduction of
37 \$88,680,381. On a Utah jurisdictional basis the reduction is \$49,859,704.

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39 The approximate impact of each of the issues that are different between the
40 depreciation rate that Rocky Mountain Power proposes and the depreciation rate
41 that the Division proposes are shown in the table in DPU Exhibit 2.20 DIR.

42 **Q. Does this conclude your Testimony?**

43 A. Yes.