

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

)	DOCKET NO. 13-035-32
)	
IN THE MATTER OF THE)	
APPLICATION OF ROCKY)	Exhibit No. DPU 1.0 Supp Dir
MOUNTAIN POWER TO INCREASE)	
THE DEFERRED EBA RATE)	
THROUGH THE ENERGY)	Supplement Direct Testimony and
BALANCING ACCOUNT)	Exhibits
MECHANISM.)	Matthew Croft
)	

**FOR THE DIVISION OF PUBLIC UTILITIES
DEPARTMENT OF COMMERCE
STATE OF UTAH**

CONFIDENTIAL

Supplement Direct Testimony of

Matthew Croft

August 8, 2013

1 **Q. Please state your name and occupation.**

2 A. My name is Matthew Allen Croft. I am employed by the Utah Division of Public Utilities
3 (“Division”) as a Utility Technical Consultant.
4

5 **Q. Did you previously provide direct testimony in this docket?**

6 A. Yes. I filed direct testimony and exhibits as DPU Exhibits 1.0 to 1.23 Dir.
7

8 **Q. What is the purpose of this Supplement Direct testimony that you are now filing?**

9 A. This filing provides updated information together with the resulting revision to the Division’s
10 recommended adjustments to Rocky Mountain Power’s EBA request.
11

12 **Q. What specifically are you referring to?**

13 A. In my direct testimony on page 4, lines 46-49, I stated that “certain payments to a large
14 customer should be excluded from the EBA because the Company has not been able to fully
15 explain or support them. This adjustment reduces total Company adjusted actual NPC by
16 \$1.76 million and Utah’s EBA deferral balance by approximately \$540,000.” This
17 adjustment was discussed in some detail on pages 35-36 of the Division’s Highly
18 Confidential Audit Report (DPU Exhibit 1.2 – EBA Audit Report).
19

20 At a meeting between the Division and the Company on August 5, 2013, the Company
21 allowed the Division to review the documents and other information that the Division had
22 asked to see regarding this transaction. The documents included the customer specific billing

23 invoices and a contract. The Company continues to claim that these documents are highly
24 confidential. The Company also provided information showing that part of the issue that
25 caused the Division to review these particular transactions in the first place, i.e. a high price
26 per MWh, was due to clerical recording errors made by the Company. The payments to the
27 large customer are in fact market based and, in the Division's opinion, appear reasonable.

28

29 **Q. Is the Company's recent showing adequate to satisfy the Division's original concerns**
30 **related to these transactions?**

31 A. Yes. Therefore the Division is withdrawing its recommendation with respect to the \$540,000
32 adjustment related to these transactions.

33

34 Attached is Confidential DPU Exhibit 1.3 REVISED which excludes this adjustment (see
35 line 6). Confidential DPU Exhibit 1.3 REVISED reflects the adjustments that the Division is
36 currently recommending to the Company's EBA.

37

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

39 A. Yes.