

1 **Q. Please state your name, business address and present position with PacifiCorp**  
2 **dba Rocky Mountain Power (“the Company”).**

3 A. My name is Joelle R. Steward. My business address is 825 NE Multnomah Street,  
4 Suite 2000, Portland, Oregon 97232. My present position is Director of Pricing,  
5 Cost of Service, and Regulatory Operations in the Regulation Department.

6 **Qualifications**

7 **Q. Briefly describe your education and professional background.**

8 A. I have a B.A. degree in Political Science from the University of Oregon and an  
9 M.A. in Public Affairs from the Hubert Humphrey Institute of Public Policy at the  
10 University of Minnesota. Between 1999 and March 2007, I was employed as a  
11 Regulatory Analyst with the Washington Utilities and Transportation Commission.  
12 I joined the Company in March 2007 as Regulatory Manager, responsible for all  
13 regulatory filings and proceedings in Oregon. I assumed my current position in  
14 February 2012.

15 **Q. Have you appeared as a witness in previous regulatory proceedings?**

16 A. Yes. I have testified in regulatory proceedings in Idaho, Oregon, Utah, Washington  
17 and Wyoming.

18 **Purpose and Summary of Testimony**

19 **Q. What is the purpose of your testimony?**

20 A. The purpose of my testimony is to present the Company’s proposed rate spread and  
21 rates in Schedule 94 to recover the requested Energy Balancing Account (“EBA”)  
22 deferral amount identified by Company witness Mr. Brian S. Dickman for the 12-  
23 months ended December 31, 2014 (“2015 EBA”).

24 **Q. Please summarize the rate impacts for the proposed change to Schedule 94 for**  
25 **this filing.**

26 A. The net change in Schedule 94 is a decrease of \$14.4 million, or 0.7 percent. This  
27 net change is the difference between the current collection level of \$45.3 million  
28 and the new proposed collection level of \$30.9 million for the 2015 EBA. Exhibit  
29 RMP\_\_\_(JRS-1), page 1, shows the net impact by rate schedule.

30 **Proposed EBA Rate Spread**

31 **Q. What is the 2015 EBA deferral amount in this case?**

32 A. The total 2015 EBA deferral is \$30.5 million, as shown in Table 1 of Mr. Dickman's  
33 testimony. Additionally, the Company currently estimates a net under-collection of  
34 \$0.4 million as of October 31, 2015, for the two prior deferral balances-the 2013  
35 deferral and the pre-2013 consolidated deferrals-currently being collected in  
36 Schedule 94.<sup>1</sup> The Company proposes to include this estimated under-collection in  
37 the 2015 EBA deferral, which results in a total target collection of \$30.9 million in  
38 Schedule 94 beginning November 1, 2015. The Company proposes to recover this  
39 amount over one year, consistent with the EBA Rate Effective Period defined in  
40 Schedule 94. In October 2015, the Company will update the estimated under-  
41 collection or over-collection for the current deferral balances based on actual  
42 collections through September 2015 and will update the proposed rates accordingly.

43 **Q. How does the Company propose to allocate the 2015 EBA deferral balance**  
44 **across customer classes?**

---

<sup>1</sup> The previous EBA deferral amounts were authorized in Docket No. 14-035-31 for the 2013 deferral ("2014 EBA"), and in Docket No. 13-035-184, the last general rate case, for the pre-2013 consolidated deferral balances. The consolidated balances were authorized in Docket Nos. 10-035-124, 12-035-67, and 13-035-32.

45 A. The Company proposes to spread the 2015 EBA deferral across customer rate  
46 schedules consistent with the NPC Allocators agreed to by the parties and approved  
47 by the Commission in the 2012 general rate case, Docket No. 11-035-200 (“2012  
48 GRC”) and the 2014 general rate case, Docket No. 13-035-184 (“2014 GRC”).  
49 Since the Base EBA Costs for January through August 2014 were established in the  
50 2012 GRC, the Company proposes to use the NPC Allocator included in the  
51 Stipulation in that proceeding (see Exhibit A1, page 3) for the allocation of the  
52 deferral amounts related to those months, which is approximately \$28.8 million,  
53 including the estimated under-collection from the prior period deferrals. For the  
54 deferral amounts related to September through December 2014, which are  
55 approximately \$2.1 million, the Company has used the NPC Allocator included in  
56 the Stipulation in the 2014 GRC (see Exhibit A, page 4), which corresponds to the  
57 Base EBA Costs for those months. The allocators and allocations by rate schedule  
58 are shown on page 2 in Exhibit RMP\_\_\_\_(JRS-1).

59 **Q. How does the Company propose to allocate the 2015 EBA revenue to those**  
60 **customer classes that were not reflected in the NPC Allocators?**

61 A. There are three customer classes-Schedule 21, Schedule 31 and Contract Customer  
62 3-that were not included in the Company’s cost of service studies in the 2012 GRC  
63 and the 2014 GRC and therefore not reflected in the NPC Allocators. Additionally,  
64 based on the terms of the contract approved by the Public Service Commission of  
65 Utah in Docket No. 13-035-169, Contract Customer 1 is subject to the EBA  
66 beginning January 1, 2014.

67 For Schedules 21, 31, and Contract Customer 3 the Company proposes to  
68 apply the same percentage change to these customer classes as Schedule 9 because:  
69 (1) the Schedule 21 and Schedule 31 customers are more similar to Schedule 9  
70 customers than the other customer classes; and (2) the terms of the contract for  
71 Contract Customer 3 require that the customer pay the same EBA rate as Schedule  
72 9 customers. This treatment is consistent with the rate spread approved in the 2014  
73 EBA.

74 **Q. How does the Company propose to allocate the 2015 EBA revenue to Contract**  
75 **Customer 1?**

76 A. Consistent with the terms of the contract, the 2015 EBA revenue allocation for  
77 Contract Customer 1 is based on the overall 2015 EBA percentage to tariff  
78 customers in Utah.

79 **Q. How does the Company propose to collect the 2015 EBA deferral after these**  
80 **adjustments to the NPC Allocators?**

81 A. The results of the 2015 EBA deferral spread based on the NPC Allocator are then  
82 proportionally adjusted for all customer classes to collect a total target amount of  
83 \$30.9 million.

84 **Q. What present revenues and billing determinants are the Company proposing**  
85 **to use to allocate the 2015 EBA?**

86 A. The Company has developed the rate spread using the Step 2 present revenues and  
87 the billing determinants from the 2014 GRC Stipulation approved by the  
88 Commission.

89 **Proposed Rates for Schedule 94**

90 **Q. How were the proposed Schedule 94 rates developed for each customer class?**

91 A. Consistent with the EBA Rate Determination provision in Schedule 94, the  
92 proposed rates for each customer class were determined by dividing the allocated  
93 EBA deferral amount to each rate schedule and applicable contract by the  
94 corresponding 2014 GRC Step 2 forecast Power Charge and Energy Charge  
95 revenues. The EBA rate is a percentage applied to the monthly Power Charges and  
96 Energy Charges.

97 **Q. Please describe Exhibit RMP\_\_\_(JRS-2).**

98 A. Exhibit RMP\_\_\_(JRS-2) contains the billing determinants and the calculations of  
99 the proposed EBA rates in this case.

100 **Q. Please describe Exhibit RMP\_\_\_(JRS-3).**

101 A. Exhibit RMP\_\_\_(JRS-3) contains the proposed tariff rate revisions for Schedule  
102 94. It also contains a revision to Schedule 94 to reflect new FERC accounts used  
103 by the Company to track components of net power costs, as discussed by Mr.  
104 Dickman.

105 **Q. Did you include workpapers with this filing?**

106 A. Yes. Workpapers have been included with this filing that detail the calculations  
107 shown in my exhibits.

108 **Q. Does this conclude your direct testimony?**

109 A. Yes, it does.