

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 Brian S. Dickman. My business address is 825 NE Multnomah St.,
4 Suite 600, Portland, Oregon 97232. My title is Director, Net Power Costs and Load
5 Forecasting.

6 **Q. Are you the same Brian S. Dickman who submitted direct testimony on behalf**
7 **of the Company in this proceeding?**

8 A. Yes.

9 **Q. What is the purpose of your response testimony?**

10 A. My testimony responds to certain issues raised by the Utah Division of Public
11 Utilities (“DPU”) in its energy balancing account (“EBA”) Audit Report and by La
12 Capra Associates, Inc. (“La Capra”), on behalf of the DPU, in its Technical Report.

13 In particular, I address the following issues raised by the DPU and La Capra:

14 1. Improving the Audit Process – The Company has complied with the settlement
15 stipulation agreed to in the 2014 EBA. In addition, the DPU and La Capra have
16 requested that the Company improve its commercial objective reports
17 (“CORs”), provide more detail on wind and hydro outages, memorialize certain
18 physical position reports, and make the Trapper Mine costs available for review
19 in future filings.

20 2. Deal Number Reassignment – La Capra identified a gas swap transaction for
21 which the approval documentation had a different deal number identification
22 than the deal number in the transaction database, and it recommends the
23 Company provide a detailed accounting of number changes in future filings.

24 3. Physical Power Transaction with Idaho Power – In its technical report La Capra
25 requested that the Company confirm no funds were received from Idaho Power
26 associated with deal number 1508775.

27 **Q. Did the DPU and La Capra recommend any adjustments be made to the**
28 **Company’s EBA filing?**

29 A. Yes. La Capra suggests a plant outage at Craig Unit 1 was avoidable and an outage
30 at Gadsby Unit 5 was too long, and therefore the replacement power costs should
31 not be included in the EBA for either outage.

32 **Q. Does the Company agree the replacement power for these plant outages should**
33 **be excluded from the EBA?**

34 A. No. Company witness Mr. Dana M. Ralston provides detailed testimony concerning
35 the identified plant outages.

36 **Q. Did the Company quantify the impact of the outage at Gadsby Unit 5 as**
37 **requested by La Capra?**

38 A. Yes. The Company provided a calculation of the impact of the Gadsby Unit 5 outage
39 in response to OCS data request 2.5. The DPU and La Capra filed supplemental
40 testimony on July 30, 2015, adopting an adjustment to remove \$25,808 of total
41 company net power costs from the EBA. In response to OCS 2.5 the Company also
42 explained that it received liquidated damages [REDACTED]
43 [REDACTED]. These liquidated
44 damages were applied to the capital costs booked for the repair work at the plant,
45 and will be returned to customers over time as a reduction to rate base.

46 **Q. Does the Company propose any changes to the amount requested to be**
47 **deferred through the EBA in response to the reports issued by the DPU and**
48 **La Capra?**

49 A. No. The Company appreciates the diligent review performed by the DPU and La
50 Capra. The DPU and La Capra recommend adjusting the EBA to remove the effect
51 of two plant outages during the Deferral Period. As detailed in Mr. Ralston's

52 testimony, the Company believes it acted prudently with regard to the two outages
53 and recommends the Commission not adopt the adjustments proposed by the DPU
54 and La Capra.

55 **Improving the Audit Process**

56 **Q. Did the DPU acknowledge the Company's compliance with its commitments**
57 **made in the 2014 EBA?**

58 A. Yes. In its Audit Report the DPU stated that it believes the Company has satisfied
59 its commitments made in the 2014 EBA to improve the audit process. In addition,
60 the DPU acknowledged that the Company has improved the documentation of trade
61 purposes. As described in their respective reports, the Company interacted often
62 with the DPU and La Capra through numerous data requests, conference calls, and
63 in-person meetings to facilitate review of the EBA costs during the Deferral Period.
64 The Company appreciates working collaboratively with the DPU to facilitate the
65 audit of the EBA, and the Company is committed to continue meeting its
66 obligations under past settlements and to continue improving the EBA audit
67 process.

68 **Q. Did the DPU or La Capra make recommendations for future EBA filings in**
69 **their audit summary?**

70 A. Yes. The DPU recommended that the Company work with the joint owners of the
71 Trapper Mine to make available operating cost detail and supporting documentation
72 for review in the next EBA or general rate case, if requested. La Capra
73 recommended the Company find a way to memorialize its physical position for
74 future EBA periods and that narrative descriptions of wind and hydro outages be

75 included with outage information. La Capra also suggested it may be advisable to
76 improve the memorialization of phone conference calls.

77 **Q. Has the Company reviewed these recommendations?**

78 A. Yes. As requested by the DPU, the Company will work with the other owners of
79 the Trapper Mine to make available more detailed cost information for future
80 regulatory filings. The Company understands La Capra's desire for memorialized
81 physical position reports and is evaluating means by which such information can
82 be stored for later review.

83 Additional information describing the nature of outages at hydro units,
84 similar to that provided for thermal units, can be provided with outage logs in the
85 future as requested by La Capra. Due to the nature of the Company's wind projects,
86 which are made up of over 600 individual turbines, the Company currently does
87 not have a process or personnel in place to facilitate providing a narrative similar
88 to that provided for thermal units. However, the Company understands that NERC
89 GADS reporting may be mandatory for wind plants in the future, beginning January
90 2017 for plants 200 MW or larger, January 2018 for plants 100 MW or larger, and
91 January 2019 for plants smaller than 100 MW. Assuming one event per turbine per
92 week will result in over 31,000 events per year that would eventually require GADS
93 reporting, and each event will be assigned to various categories and could be
94 provided in future filings as available.

95 **Q. Are you concerned with the process of participating in conference calls with**
96 **the DPU and La Capra?**

97 A. No. I believe the conference calls held with the DPU and La Capra provided
98 significant benefit to all participants and streamlined the process of obtaining and
99 understanding information. This approach to reviewing Company filings and
100 information has also been used in other proceedings without complication. The
101 Company attempted to document all follow-up items arising from conference call
102 discussions, and these were typically addressed as additional or supplemental data
103 requests.

104 **Q. La Capra indicated in its Technical Report that the Company has pledged**
105 **“more complete, accurate, and detailed articulations of the specific strategy**
106 **motivating trades (or abstention from trading)” in its CORs. Do you agree?**

107 A. Yes. The Company is committed to accurately documenting its strategy and
108 completed deals in the CORs.

109 **Deal Number Reassignment**

110 **Q. In its Technical Report La Capra identified a gas swap transaction that had a**
111 **different deal number in the approval documentation than contained in the**
112 **EBA transaction data. Can you explain why the deal numbers were different?**

113 A. Yes. Deal number 733742 was a gas swap transaction executed on September 1,
114 2010, that settled during the Deferral Period. This deal was approved and transacted
115 prior to implementation of Endur, the Company’s current energy management
116 system. The deal was originally entered into a different system with a different deal
117 number. When Endur was implemented, this transaction was assigned the deal
118 number 733742, but all other characteristics remained the same.

119 **Q. Will the Company explain such deal number changes in future filings?**

120 A. Yes.

121 **Physical Power Transaction with Idaho Power**

122 **Q. The DPU indicated it was provided an invoice showing an amount payable**
123 **related to a physical power settlement with Idaho Power, but understood that**
124 **no cash was exchanged as part of the underlying settlement. Please explain.**

125 A. It is correct that no cash was exchanged as part of this settlement. The invoice was
126 a standard internal voucher and was used for accounting purposes only.

127 **Q. Does this conclude your response testimony?**

128 A. Yes.