- 1 Q. Have you previously filed testimony in this docket?
- 2 A. Yes. I filed direct testimony.

3 PURPOSE AND SUMMARY OF TESTIMONY

- 4 Q. What is the purpose of your testimony?
- 5 A. The purpose of my testimony is to respond to the direct testimony of the Utah
- 6 Division of Public Utilities ("DPU") and the Utah Office of Consumer Services
- 7 ("Office").

18

- 8 Q. Please summarize your testimony.
- 9 A. The DPU recommends approval of the Contract but raises three concerns. The
- 10 Company has worked with the DPU and believes the clarifications made in this
- rebuttal testimony will resolve the concerns. The OCS states its analysis indicated
- that other ratepayers should not be harmed by the Facebook contract. The OCS
- recommends implementation of certain reporting requirements related to the
- 14 Contract to assist in evaluation of future contracts, and also recommends

15 . The

- 16 Company has worked with the OCS on both matters and sets forth in this rebuttal
- 17 testimony conditions that it believes will satisfy the OCS recommendations.

COMPANY RESPONSE TO THE DPU TESTIMONY

- 19 Q. What is the DPU's recommendation in this docket?
- 20 A. The DPU believes that the Contract adequately complies with the proposed
- 21 Schedule 34 tariff and the enabling statute, Utah Code Ann. § 54-17-806. The DPU

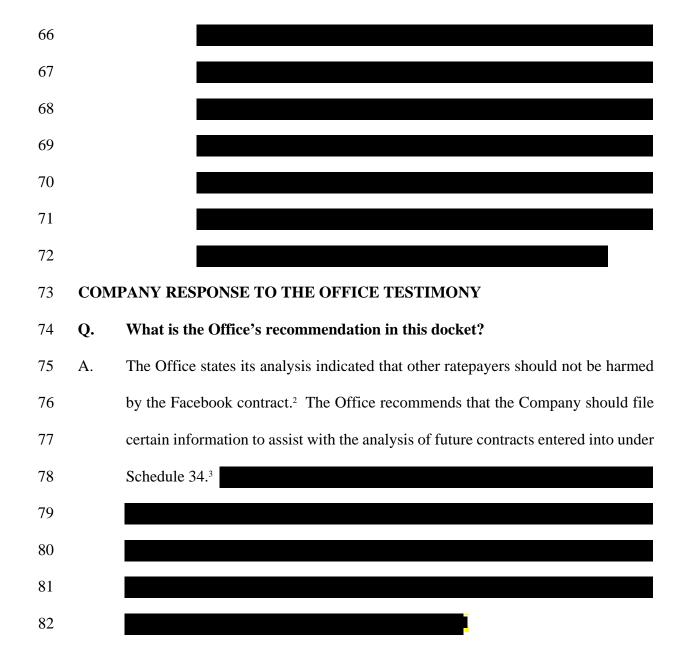
22 concludes that the Contract is just and reasonable and recommends that the 23 Commission approve the Contract.¹ 24 Q. Does the DPU identify any concerns with the Contract? 25 Α. The DPU raises three concerns with the contract, summarized below which were 26 taken from pages 13 and 14 of DPU witness Charles E. Peterson's direct testimony: 27 1. Section 15.3(b) could be construed as an attempt to limit or thwart the 28 Division's ability to review and audit the books and records of the Company as it pertains to this Contract. 29 30 31 32 33 34 35 36 37 38 39 Has the Company resolved these concerns through discussions with the DPU? Q. 40 Yes. As mentioned on page 14 of Mr. Peterson's testimony, the Company and the A. 41 DPU have discussed each of these concerns and the Company believes they are 42 resolved to the DPU's satisfaction with these clarifying comments:

¹ Direct Testimony of Charles E. Peterson, lines 297-301.

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1. Section 15.3(b) of the contract is intended to require the Company to provide notice to Facebook if confidential information is provided to a "governmental body or official authority having jurisdiction" so that Facebook can seek a protective order if needed. It also requires the Company to request confidential treatment of confidential information to the extent permitted by applicable law. It does not require the Company to seek a protective order or take other action prior to providing information to a "governmental body or official authority having jurisdiction". The Company believes the DPU falls under this category. Therefore, this requirement in no way limits or thwarts the DPU's ability to audit the books and records of the Company as it pertains to the contract.

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² Direct Testimony of Philip Hayet, lines 291-292.

³ Direct Testimony of Philip Hayet, lines 293-314. Contains Confidential Information

⁴ Direct Testimony of Philip Hayet, lines 142-147. Contains Confidential Information

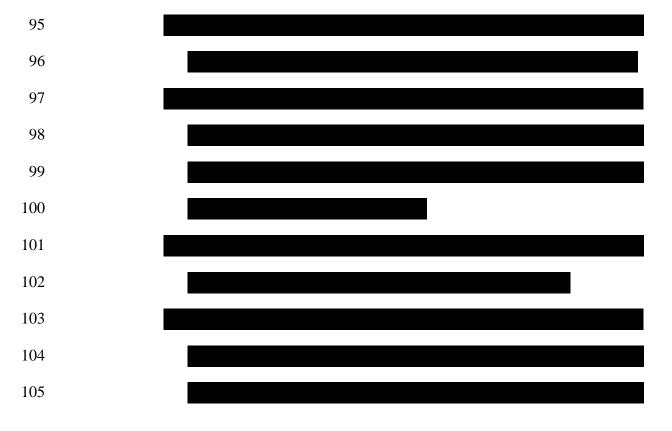
Q.	What is the Company's response to the Office's recommendation related t	O
	reporting requirements?	

A.

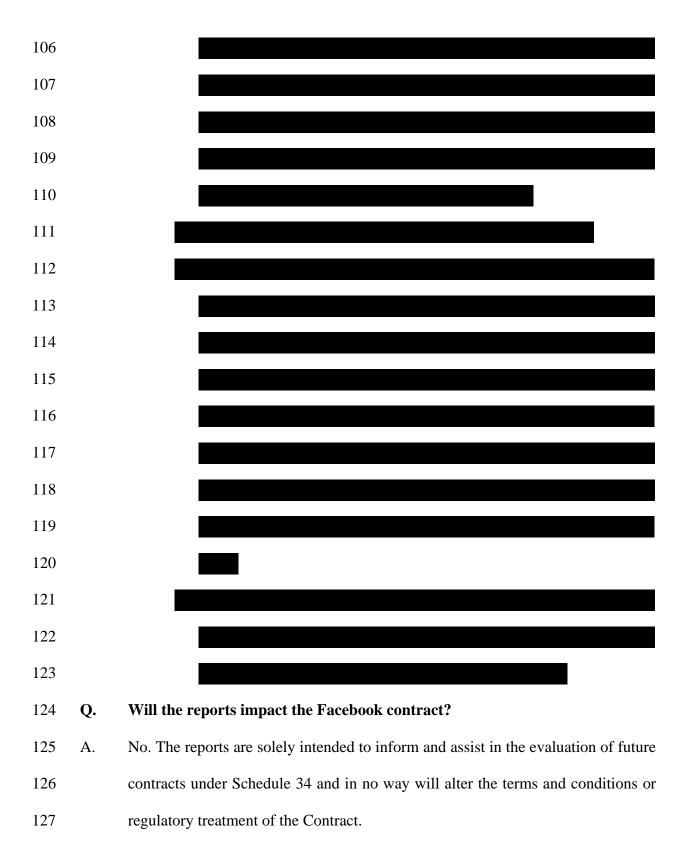
The Company has worked collaboratively with the Office to establish acceptable reporting requirements in response to the Office's recommendation. The Company believes the following reporting requirements satisfy the recommendation.

The Company will provide its first report as soon as practicable following the second full year of collection of data after Facebook takes initial service under the contract. Reports will then be filed every other year, with one report occurring after the fourth year of service and one report occurring after the sixth year of service, for a total of three reports. Each report shall include data for the prior contract year.

The report will include the following information:



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