

1 Q. Please state your name.

2 A. My name is William R. Griffith.

3 Q. Are you the same William R. Griffith who has testified previously in this case?

4 A. Yes I am.

5 Q. What is the purpose of your supplemental testimony?

6 A. The purpose of my supplemental testimony is to

- 7 • introduce a proposed rate adjustment rider that would return to or collect from
- 8 customers one-time cost adjustments, and
- 9 • update our billing determinants and rate spread (Exhibits UP&L__(WRG-1),
- 10 UP&L__(WRG-4), UP&L__(WRG-7) and UP&L__(WRG-8)) to reflect revised
- 11 unbilled revenues and minor corrections to billing determinants.

12 Q. Please explain the proposed rate adjustment rider tariff.

13 A. ~~From time to time, single item, temporary adjustments occur which need to be~~
14 ~~reflected in rates. These adjustments do not warrant inclusion in permanent rates, but~~
15 ~~are appropriate for inclusion on customer's bills until the balances are cleared.~~In this
16 case, the Company proposes to ~~implement this mechanism to return~~ pass through -to
17 customers the one-time Aquila Hydro Hedge payment received by the Company and
18 discussed in Mr. Widmer's supplemental testimony ~~filed on October 15, 2003~~. On a
19 total company basis, the Aquila Hydro Hedge payment equaled \$5.2 million.
20 Allocated to Utah, this equals \$2.05 million to be returned to Utah customers. The
21 Company proposes to ~~pass through return~~ this amount to customers as a line item
22 credit on customer bills through its proposed Schedule 97, Non-recurring Cost
23 Adjustment Rider. Payment of this amount is ~~obviously contingent~~ contingent upon

1 the Company receiving cost recovery in this case of the Aquila Hydro Hedge
2 premium which is currently ~~contained~~included in the Company's net power costs as
3 discussed by Mr. Widmer. The proposed Schedule 97 credit is designed to return an
4 equal percentage of the \$2.05 million to each tariff schedule customer class over a 12
5 months period through. ~~The revenue allocation is designed on an equal percentage~~
6 ~~basis to each customer class. The adjustment is proposed to implement the return of~~
7 ~~this amount by class on a percentage basis applied to~~ the non-customer charge
8 revenues of tariffed rates. This method is consistent with the methodology currently
9 utilized for present Schedule 95.

10 **Q. Please explain Exhibit UP&L__(WRG-1S).**

11 A. Exhibit UP&L__(WRG-1S) contains proposed Schedule 97, Non-recurring Cost
12 Adjustment Rider.

13 **Q. Please explain Exhibit UP&L__(WRG-2S).**

14 A. Exhibit UP&L__(WRG-2S) details the changes to class revenues for proposed
15 Schedule 97. The Schedule 97 surcharge billing determinants are included in the
16 supplemental billing determinants (Exhibits UP&L__(WRG-4) and UP&L__(WRG-
17 8)) discussed below.

18 **Q. Please explain the other revisions proposed in your supplemental testimony.**

19 A. The Company is filing Replacement Exhibits UP&L__(WRG-1), UP&L__(WRG-4),
20 UP&L__(WRG-7) and UP&L__(WRG-8). These Exhibits replace the versions of
21 Exhibits UP&L__(WRG-1)S, UP&L__(WRG-4)S, UP&L__(WRG-7)S and
22 UP&L__(WRG-8)S filed with my direct testimony. ~~These Replacement Exhibits~~
23 contain adjustments to my original exhibits, including exhibits of the same

1 ~~corresponding numbers filed in this case. These adjustments include~~ an \$8.5 million
2 unbilled revenue adjustment to the billing determinants to reflect revised unbilled
3 revenues as discussed in Mr. Weston's supplemental testimony. In addition, for
4 Schedule 9 billing determinants contained in Replacement Exhibits UP&L__(WRG-
5 4)~~S~~ and UP&L__(WRG-8)~~S~~, the Company has revised the on- and off-peak demand
6 quantities to correctly reflect the appropriate periods. ~~The adjustment was first raised~~
7 ~~in discovery by UIEC in this case and is reflected here.~~ These adjustments have *de*
8 *minimis* effects on rate spread and rate design.

9

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

2 **A. Yes, it does.**