

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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In the Matter of the ) Docket No. 06-035-21

Application of )

PacifiCorp for ) PUBLIC WITNESS HEARING

Approval of its )

Proposed Electric Rate )

Schedules and Electric )

Service Regulations )

)

October 27, 2006 \* 11:30 a.m.

Location: Public Service Commission

160 East 300 South, Hearing Room

Salt Lake City, Utah

Chairman Richard M. Campbell

Commissioner Theodore Boyer

Commissioner Ron Allen

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## 1 P R O C E E D I N G S

2 COMMISSIONER CAMPBELL: For Public Witness

3 Day we are very interested in hearing what the public  
4 has to say. There are two ways that you can provide  
5 your testimony to this Commission. You can provide  
6 either unsworn testimony, which means that we can't  
7 use it for a finding of fact, but we certainly  
8 receive your information, or you can provide sworn  
9 testimony which we could use in our findings.

10 However, when you provide sworn testimony you are  
11 subject to cross-examination by the attorneys.

12 Although we do instruct our attorneys to be nice.

13 But let's go ahead and begin with Ms.  
14 Toomer. Why don't you come up here and get by the  
15 side of this witness stand and we can get that mike  
16 right to you.

17 MS. TOOMER: I would like to provide  
18 sworn.

19 COMMISSIONER CAMPBELL: Sworn testimony?  
20 Would you please raise your right hand.

21 BARBARA TOOMER,  
22 called as a witness, being first duly sworn, was

23 examined and testified as follows:

24 COMMISSIONER CAMPBELL: Thank you.

25 Now, to get your testimony on the record

26

1 we are going to have Mr. Proctor, who is the attorney  
2 for the Committee of Consumer Services, walk you  
3 through a few questions before you provide your  
4 testimony.

5 Mr. Proctor?

6 MR. PROCTOR: Thank you, Mr. Chairman.

7 DIRECT EXAMINATION

8 BY MR. PROCTOR:

9 Q. Ms. Toomer, are you a resident here of  
10 Salt Lake City County?

11 A. Salt Lake County, yes, sir.

12 Q. And are you a customer of Rocky Mountain  
13 Power?

14 A. I am.

15 Q. And on whose behalf are you appearing to  
16 testify today?

17 A. On behalf of myself and on behalf of the  
18 Disabled Rights Action Committee.

19 Q. And the Disabled Rights Action Committee,  
20 is that an organization here in Salt Lake City?

21 A. Yes, sir.

22 Q. Do you hold a position in particular with  
23 that organization?

24 A. I am the Secretary of the Board.

25 Q. Thank you. Ms. Toomer, if you could  
26

1 provide your statement.

2 A. My name is Barbara Toomer, T-O-O-M-E-R. I  
3 live at 4264 West 3785 South in West Valley City. I  
4 am the Secretary of the Disabled Rights Action  
5 Committee. I am also a widow. I'm considered  
6 elderly. I am on a fixed income and I am a person  
7 with a disability.

8 And this proposed increase means one pound  
9 of chicken breasts that I get five meals out of, it  
10 means a half a pound of cheese. It means various  
11 other things insofar as allowing me to live a good  
12 life or at least an acceptable life.

13 There was an article in this morning's  
14 Deseret News that talked about how the poor are not  
15 enjoying the increases that everybody else in this  
16 state seems to be enjoying. Those of us on fixed  
17 incomes, there's 17 percent of this population that  
18 are people with disabilities. I have no idea how  
19 many of us are elderly, I have no idea how many of us  
20 are on fixed incomes, but it must be a lot. And with  
21 the current increases in public transportation, in  
22 food, in gasoline, electricity, health insurance, and  
23 even Medicare is going up for health insurance this  
24 year. So any increase that they're talking about us  
25 getting is going to be absolutely negligible.

26

1           The average citizen is being nickeled and  
2           dimed to death and we're not average citizens. We're  
3           a good portion of the population. We're your  
4           mothers, we're your fathers, we're your brothers and  
5           your sisters, and we need help and you can give it to  
6           us.

7           Thank you.

8           COMMISSIONER CAMPBELL: Any questions for  
9           Mrs. Toomer?

10          MR. PROCTOR: No questions.

11          MR. HUNTER: No questions.

12          COMMISSIONER CAMPBELL: All right. Thank  
13          you for your testimony.

14          I'm going to take you out of order, sir.  
15          Why don't you come forward. Would you like to  
16          provide sworn or unsworn testimony?

17          MR. ROBERTSON: Sworn.

18          COMMISSIONER CAMPBELL: Do you swear that  
19          the testimony you're about to give in this proceeding  
20          is the truth, the whole truth and nothing but the  
21          truth, so help you God?

22          MR. ROBERTSON: I do.

23          COMMISSIONER CAMPBELL: Thank you.

24          Mr. Proctor?

25          MR. PROCTOR: Thank you.

26

1                   KENNETH S. ROBERTSON,  
2           called as a witness, being first duly sworn, was  
3                   examined and testified as follows:

4                   DIRECT EXAMINATION

5   BY MR. PROCTOR:

6           Q.     Would you state your name, please?

7           A.     Kenneth S. Robertson, S-O-N.

8           Q.     Mr. Robertson, are you a resident of the  
9   State of Utah?

10          A.     Yes.

11          Q.     Are you a customer of Rocky Mountain  
12   Power?

13          A.     Of course.

14          Q.     On whose behalf are you appearing here  
15   today, yourself or another organization or both?

16          A.     Both.

17          Q.     What is the organization?

18          A.     Utah Independent Living Center.

19          Q.     Thank you, Mr. Robertson.  If you could  
20   provide your statement.

21          A.     Okay.  First, I want to say, I'm the  
22   Housing and Transportation Coordinator there.  With  
23   all the cuts in housing and with all the damn  
24   increases in transportation, housing, other  
25   utilities, how are we supposed to live, sir?

26



1           I work a 40-hour work week. I just got  
2 married to my lovely bride over there in the  
3 wheelchair. I'm a proud taxpayer. I'm a proud payer  
4 of my bills, but this is getting a little bit damn  
5 ridiculous. Sorry for my language, but it is the  
6 rich get richer, the poor get poorer, and the damn  
7 working class like me get f'd. Please, please think  
8 of the middle class.

9           I'm usually all for increases, but when we  
10 hear increases we also hear what? That excess  
11 billions that the CEO makes or the excess billions  
12 that the lawyers make. Where is my share? I want my  
13 share. I pay taxes. I'm honest. I deserve to live  
14 in some kind of comfort instead of worry about the  
15 bills.

16           Or better yet, this blows my mind. How  
17 come if you are energy conservative, turn off the  
18 lights. You want to charge us more money. Hello!  
19 Oxymoron. And then you come back and tell us we need  
20 to conserve energy. Tell me. It does not make  
21 sense.

22           Thank you.

23           COMMISSIONER CAMPBELL: Are there any  
24 questions for Mr. Robertson?

25           MR. PROCTOR: None.

26

1 MR. HUNTER: No questions.

2 COMMISSIONER CAMPBELL: All right. Thank  
3 you, Mr. Robertson.

4 MS. LANDERS: Good morning.

5 COMMISSIONER CAMPBELL: Good morning. Do  
6 you wish to provide sworn or unsworn testimony?

7 MS. LANDERS: Sworn.

8 COMMISSIONER CAMPBELL: Do you swear the  
9 testimony you're about to give in this proceeding is  
10 the truth, the whole truth and nothing but the truth,  
11 so help you God?

12 MS. LANDERS: I do.

13 COMMISSIONER CAMPBELL: Mr. Proctor?

14 MR. PROCTOR: Thank you.

15 RICKI LANDERS,

16 called as a witness, being first duly sworn, was

17 examined and testified as follows:

18 DIRECT EXAMINATION

19 BY MR. PROCTOR:

20 Q. Would you state your name, please?

21 A. My name is Ricki Landers. I reside in  
22 Salt Lake County. I'm here on behalf of myself, the  
23 disabled community, Salt Lake Community Action  
24 Program and the Disabled Rights Action Committee.

25 Q. Are you a customer of Rocky Mountain  
26

1 Power?

2 A. Yes, sir.

3 Q. Thank you. Could you provide your  
4 statement.

5 A. I am here to address the rate increase and  
6 the increases that you're talking about from \$75 to  
7 \$100 for reconnect fees. People with disabilities  
8 are living on an income of \$603 a month. A third of  
9 that goes to their rent. I had utility bills as high  
10 as \$289 this last summer for just my power. That's a  
11 lot. That's a big chunk of change out of the \$603  
12 that I get a month. We're supposed to pay our  
13 vehicle insurance, pay taxes, buy food, and keep our  
14 maintenance upkeep on our homes and our vehicles and  
15 exist. That's all we're doing is just existing.  
16 We're not surviving, we're not living. I don't go to  
17 the movies, I don't go shopping. I get to go to the  
18 grocery store on occasion.

19 I do receive assistance from the church  
20 because for the last 17 years I worked at the Magna  
21 Bishop's Storehouse doing groceries for them. But  
22 there are people that aren't as capable with their  
23 disabilities as I am. And it's not fair to the low  
24 income. We seem to be the ones that are just taking  
25 the total impact of all this price increases, whether

26

1 it be gas, electric, power, food, everything is  
2 affected, you know. We don't have any more money to  
3 give, guys. I'm in the hole, I'm in the red every  
4 month.

5 For the last three years I've had to ask  
6 my mom and dad for help. Well, my father has been in  
7 the hospital for three weeks out of every month for  
8 the last six months. He no longer can assist me. So  
9 I would like to say that you, this Commission, has  
10 the power in you to make this change and not increase  
11 these rates. And we would appreciate it.

12 Thank you very much for your time.

13 COMMISSIONER CAMPBELL: Are there any  
14 questions for Ms. Landers?

15 MR. HUNTER: No questions.

16 MR. PROCTOR: I have one, Mr. Chairman.

17 COMMISSIONER CAMPBELL: Go ahead.

18 MR. PROCTOR: Could you describe the  
19 impact upon your monthly budget if this Commission  
20 were to raise the monthly fixed customer charge for  
21 Rocky Mountain Power from 98 cents, which is what it  
22 is now, to \$3.40?

23 MS. LANDERS: Oh, it would be traumatic.  
24 I wouldn't be able to buy a loaf of bread, a gallon  
25 of milk, eggs, things that are basic essentials for  
26

1 one to survive, to eat every day. I wouldn't be able  
2 to purchase -- I wouldn't be able to pay my van  
3 insurance. All of this is -- I'm in the hole at  
4 least \$70 to \$80 a month now. And that's a lot to  
5 me.

6 I'm a working girl. I work with West  
7 Valley Victim Services. I volunteer 40 hours a week.  
8 I work at the Magna Bishop's Storehouse and, you  
9 know, I'm doing the very best that I can do, although  
10 I can't work 12 months out of every year because my  
11 disability doesn't allow me to. The impact that that  
12 rate, that rate just in itself, would be traumatic  
13 for me.

14 MR. PROCTOR: That's all.

15 COMMISSIONER CAMPBELL: Any other  
16 questions?

17 All right. Thank you.

18 Barbara Frederick. Do you wish to provide  
19 sworn or unsworn?

20 MS. FREDERICK: Unsworn.

21 COMMISSIONER CAMPBELL: Okay. Go ahead  
22 and have a seat and turn the microphone on.

23 MS. FREDERICK: Excuse me. I don't know  
24 the protocol. I have never done this.

25 COMMISSIONER CAMPBELL: That's all right.

26

1 We'll have Mr. Proctor help you through it.

2 BARBARA FREDERICK,

3 called as a witness, was examined and testified

4 as follows:

5 DIRECT EXAMINATION

6 BY MR. PROCTOR:

7 Q. Could you state your name, please?

8 A. My name is Barbara Frederick. I live in  
9 Salt Lake County.

10 Q. Are you a customer of Rocky Mountain  
11 Power?

12 A. I am a customer of Rocky Mountain Power,  
13 yes.

14 Q. Are you appearing here today on your own  
15 half or are you representing others or both?

16 A. I guess on my own behalf, but I would like  
17 to say that there's many of us that are disabled and  
18 the disabilities don't show physically. We're not in  
19 wheelchairs or have speech problems or whatever, but  
20 we are still struggling to be independent, struggling  
21 to make ends meet, are overwhelmed, and every dime  
22 makes a difference.

23 It makes a difference to our emotional  
24 well-being because we are in a constant state of  
25 overwhelm. It makes a difference to our mental  
26

1 capacity because we need to have hope, we need to  
2 some day feel like we can at least break even, get  
3 ahead and find a way to fulfill our potential. And  
4 so that's basically why I'm here. Yes, every dime  
5 makes a difference.

6 Q. Go ahead with your statement about this  
7 particular matter.

8 A. Okay. I just have been through almost  
9 getting my power shut off because my electricity over  
10 the summer was far greater than I -- I have never had  
11 central air before and I'm in a situation where I  
12 have no choice. The central air is there and I get  
13 very ill if I don't use it. So trying to recover  
14 from the summer bills of the electricity prevented me  
15 from being able to get the prescriptions I need to  
16 make my prescription co-payments, to make my hospital  
17 co-payments, to be able to run my vehicle safely. I  
18 don't -- the impact is far greater than people  
19 realize. And there are a lot of us out there that  
20 are struggling.

21 COMMISSIONER CAMPBELL: Does that conclude  
22 your statement?

23 MS. FREDERICK: I think so.

24 COMMISSIONER CAMPBELL: Thank you.

25 MS. FREDERICK: Thank you.

26

1           COMMISSIONER CAMPBELL: Jeanna Cornia. Do  
2 you wish to provide sworn or unsworn.

3           MS. CORNIA: Sworn.

4           COMMISSIONER CAMPBELL: Please stand. Do  
5 you swear that the testimony you're about to give in  
6 this proceeding is the truth, the whole truth and  
7 nothing but the truth, so help you God?

8           MS. CORNIA: Yes.

9           COMMISSIONER CAMPBELL: Thank you.

10          Mr. Proctor?

11                       JEANNA CORNIA,

12          called as a witness, being first duly sworn, was

13          examined and testified as follows:

14                       DIRECT EXAMINATION

15          BY MR. PROCTOR:

16               Q.     Would you state your name and spell your  
17 last name?

18               A.     Jeanna Cornia, C-O-R-N-I-A.

19               Q.     And do you reside within the State of  
20 Utah?

21               A.     Yes.

22               Q.     Are you a customer of Rocky Mountain  
23 Power?

24               A.     Yes.

25               Q.     And are you appearing here today on your  
26



1 own behalf or representing others or both?

2 A. I am here on behalf of Utahns Against  
3 Hunger.

4 Q. Okay. Thank you.

5 A. Thank you.

6 Utahns Against Hunger is concerned about  
7 how these changes will impact low income households.  
8 Utah has the fifth highest rate of food insecurity in  
9 the country, which means 14.8 percent of Utahns have  
10 a difficult time making ends meet or meeting their  
11 nutritional needs. Utah also has the 10th highest  
12 rate of hunger in the country; 4.6 percent of Utahns  
13 experience hunger.

14 The ability of families to meet their  
15 needs is determined by income and is the single  
16 biggest factor in reducing hunger and food  
17 insecurity. While these increases may seem modest,  
18 it will impact low income families. While it may  
19 seem difficult for you to believe that this increase  
20 could make a difference, I can tell you that UAH  
21 frequently talks to families who are counting change  
22 to figure out how they're going to buy groceries to  
23 feed their children.

24 Thank you.

25 COMMISSIONER CAMPBELL: Are there any

26

1 questions?

2 MR. HUNTER: No questions.

3 MR. PROCTOR: No functions.

4 COMMISSIONER CAMPBELL: Thank you.

5 THE WITNESS: Thank you.

6 COMMISSIONER CAMPBELL: Kenneth, is it

7 Wulle?

8 MR. WULLE: Yeah.

9 COMMISSIONER CAMPBELL: Do you wish to  
10 provide sworn?

11 MR. WULLE: Sworn.

12 COMMISSIONER CAMPBELL: Do you swear that  
13 the testimony you're about to give in this proceeding  
14 is the truth, the whole truth and nothing but the  
15 truth, so help you God?

16 MR. WULLE: Yes.

17 COMMISSIONER CAMPBELL: Mr. Proctor?

18 KENNETH WULLE,  
19 called as a witness, being first duly sworn, was  
20 examined and testified as follows:

21 DIRECT EXAMINATION

22 BY MR. PROCTOR:

23 Q. Mr. Wulle, would you state your name and  
24 spell your last name?

25 A. Kenneth Wulle, W-U-L-L-E.

26

1 Q. Mr. Wulle, do you reside within the State  
2 of Utah?

3 A. I do.

4 Q. And are you a customer of Rocky Mountain  
5 Power?

6 A. The bill is not in my name. I pay half of  
7 it every month.

8 Q. On whose behalf are you appearing here  
9 today, your own or others?

10 A. I'm on behalf of myself and the Disabled  
11 Rights Action Committee.

12 Q. Thank you. Go ahead.

13 A. I'm fortunate. As I say, I'm paying half  
14 a utility bill, I'm paying half a house bill. I  
15 share a place. My expenses aren't that great. I  
16 have a small pension and I get Social Security and  
17 it's not going to hurt me that much when it goes up.

18 But I'm not a generous person. I don't  
19 contribute to too many charities, but the last few  
20 months I'm a member of a food co-op, we give food.  
21 And the last few months we have people who are  
22 disabled that haven't been getting enough food that  
23 myself and other members, members, let's say, who are  
24 better off, have been providing food to through that  
25 food co-op because these people cannot eat. They

26

1 can't afford to eat or get their prescriptions.

2 Now, we're in a state that's one of the  
3 most progressive in the country so far as wages and  
4 so far as taxes. And our public utilities are  
5 monopolies. We're not talking about free enterprise  
6 where we have a choice. It's either go with  
7 electricity or go without electricity or go with the  
8 company that's here. And I think they have an  
9 obligation to take it a little easier on the people  
10 who don't make as much or are having a hard time  
11 getting by. They have an obligation to not rip us  
12 off to the effect that I believe they are.

13 Thank you.

14 COMMISSIONER CAMPBELL: Are there any  
15 questions?

16 MR. PROCTOR: No thank you.

17 COMMISSIONER CAMPBELL: Thank you, Mr.  
18 Wulle.

19 Clare Geddes.

20 Do you swear that the testimony you're  
21 about to give in this proceeding is the truth, the  
22 whole truth and nothing but the truth, so help you  
23 God?

24 MS. GEDDES: I do.

25 And I've got a handout. I'm sorry these  
26

1 are poor copies, but -- and I hope I have enough for  
2 everybody, but I'll try to.

3 COMMISSIONER CAMPBELL: I'm going to turn  
4 to Mr. Proctor.

5 CLARE GEDDES,  
6 called as a witness, being first duly sworn, was  
7 examined and testified as follows:

8 DIRECT EXAMINATION

9 BY MR. PROCTOR:

10 Q. Would you state your name and spell your  
11 last name, please.

12 A. Clare Geddes, G-E-D-D-E-S.

13 Q. And do you reside within Salt Lake County?

14 A. Yes, I do.

15 Q. And are you a customer of Rocky Mountain  
16 Power?

17 A. Yes, I am.

18 Q. On whose behalf are you appearing to  
19 testify today?

20 A. On behalf of myself and my mother. This  
21 is her utility bill that I passed out. My mother is  
22 85 years old. She is not on the poverty level, she's  
23 just above it, but she lives on far less than I know  
24 anyone at any of these tables could even begin to try  
25 to live on.

26

1           If you notice her bill, she doesn't have a  
2 summer peak. She's one of these individuals who has  
3 a winter peak. She uses probably most of the time  
4 less than 500 kilowatts and she's the one that if  
5 what the utility company wants goes into effect will  
6 take the largest percentage of an increase. Very  
7 disproportionate.

8           With increasing the cost to \$3.40 a month,  
9 this is going to be very difficult on her. You know,  
10 I'm concerned about these studies that come in late  
11 and if the Division doesn't have time to analyze  
12 them, and the Company apparently just came in with  
13 them, I would hope you wouldn't look at those. Quite  
14 frankly, these are the statistics that count. I can  
15 come in and show you people. And I believe there's  
16 probably a lot of people out there.

17           As I drove in today, I live up on the east  
18 side, but not in the one of the big homes, but I  
19 drove by so many huge homes that I know their air  
20 conditioning and heating bills have got to be  
21 humongous. And to say that these people should have  
22 a smaller portion, a disproportionately smaller  
23 increase than someone like my mother is terribly  
24 unfair. And I would urge you not to raise it to that  
25 degree. That's -- it seems so unfair.

26

1                   And I'm concerned that we would even look  
2 at using something the Company has put out if -- a  
3 study, if no one has analyzed it. If they don't have  
4 time, I mean, quite frankly, that's the Division's  
5 mandate. And so I would hope that you wouldn't take  
6 that into consideration. I think it only makes  
7 sense, these people that don't have air conditioning  
8 and who are living on poverty wages, and those are --  
9 couldn't be the ones that are driving the new  
10 building. I just don't see that. I mean, I know  
11 they have some percentage of increase, but it  
12 certainly shouldn't be a disproportional amount.

13                   What's driving the building is the summer  
14 peak and the summer peak is with huge air  
15 conditioning bills and huge homes and I think that's  
16 where it should lie.

17                   And also, I'm concerned that it sends the  
18 wrong signal as far as conservation. If we're going  
19 to take the person at the bottom and  
20 disproportionately push this increase on them, then  
21 what does that say to the person on the top who is  
22 using all the electricity and isn't getting the same  
23 proportion of the increase?

24                   COMMISSIONER CAMPBELL: Is that your  
25 statement?

26

1 MS. GEDDES: Yes.

2 COMMISSIONER CAMPBELL: Can we mark this  
3 maybe Public Exhibit 1?

4 Q. (BY MR. PROCTOR) Ms. Geddes, would you  
5 like to offer this Public Exhibit 1, your mother's  
6 electric bill into evidence?

7 A. I sure would.

8 COMMISSIONER CAMPBELL: Yes, Ms. Wolf?

9 MS. WOLF: I just was wondering. I mean,  
10 I'm just wondering from a privacy standpoint if it  
11 might not be appropriate to block out a name or an  
12 address or something that you can use it without  
13 having all the identified information on that.

14 COMMISSIONER CAMPBELL: It's up to you,  
15 Ms. Geddes.

16 MS. GEDDES: That's fine. I just wanted  
17 them to know that it's someone I know and it's a  
18 statistic that's -- I mean, we can throw out the  
19 statistics or these studies, but this is a real live  
20 person here who is going to be adversely impacted by  
21 that.

22 COMMISSIONER CAMPBELL: For our record,  
23 we'll black out the name and address.

24 MR. PROCTOR: And may we also black out  
25 the account number?

26



1 COMMISSIONER CAMPBELL: Yes. All right.

2 So are there any objections to its admission?

3 MR. HUNTER: No objection.

4 MR. FORSGREN: No objection.

5 COMMISSIONER CAMPBELL: All right, it's  
6 admitted. Are there any questions for Ms. Geddes?

7 MR. HUNTER: No questions.

8 COMMISSIONER CAMPBELL: Thank you, Ms.  
9 Geddes.

10 MR. PROCTOR: Mr. Chairman, I understand  
11 that Dawn, and I forget her last name, has elected  
12 not to testify. Is she the next one?

13 COMMISSIONER CAMPBELL: Yes, she is.

14 MR. PROCTOR: However, there's another.

15 COMMISSIONER CAMPBELL: We have a couple  
16 on the phone as well that we've been waiting on.

17 MR. PROCTOR: This is Mr. Smith.

18 COMMISSIONER CAMPBELL: Okay. Let's go  
19 ahead to those on the telephone. Mr. Geller, are you  
20 still there?

21 MR. GELLER: Yes, I am.

22 COMMISSIONER CAMPBELL: Would you like to  
23 offer public testimony?

24 MR. GELLER: I would, please.

25 COMMISSIONER CAMPBELL: Would you please  
26

1 raise your right arm to the square? Do you testify  
2 -- it's been a long day so far.

3 Do you testify that the testimony you're  
4 about to give in this proceeding is the truth, the  
5 whole truth and nothing but the truth, so help you  
6 God?

7 MR. GELLER: I do.

8 COMMISSIONER CAMPBELL: Thank you.

9 Mr. Proctor, would you please?

10 MR. PROCTOR: Yes.

11 HOWARD GELLER,

12 called as a witness, being first duly sworn, was

13 examined and testified as follows:

14 DIRECT EXAMINATION

15 BY MR. PROCTOR:

16 Q. Mr. Geller, state your name and your  
17 occupation and your employer, please.

18 A. My name is Howard Geller. I'm the  
19 Executive Director of the Southwest Energy Efficiency  
20 Property, SWEEP.

21 Q. Where is SWEEP's headquarters at, please?

22 A. SWEEP is headquartered in Boulder,  
23 Colorado, and I live in Boulder, Colorado.

24 Q. Have you testified before this Commission  
25 in other matters?

26

1           A.     Yes, I have.

2           Q.     And you're appearing, I assume, then on  
3 behalf of SWEEP today?

4           A.     I am.

5           Q.     If you could provide your statement,  
6 please.

7           A.     Thank you.  And good afternoon to the  
8 Chairman and the other members of the Commission.

9                     I'm here to testify in support of the rate  
10 design put forward by the Committee of Consumer  
11 Services.  As other witnesses have indicated, I  
12 believe the CCS proposal will enhance equity by  
13 holding down the customer charge and providing a  
14 lower rate for a larger amount of electricity use.  
15 The lowest block is expanded from 400 to 600 kilowatt  
16 hours per month under the CCS proposal.

17                     I also would like to suggest that the CCS  
18 proposal will do more to stimulate conservation than  
19 the Company's proposal by increasing the third block  
20 rate during the summer and providing a larger  
21 differential between the first block and the third  
22 block.  There will be a price -- a greater price  
23 incentive for those with marginal electricity use in  
24 the third block.  Typically those households with air  
25 conditioning, they'll see this higher price.  I

26

1 believe it's about 1.1 cents per kilowatt higher than  
2 under the CCS proposal.

3           And I would like to note for the record  
4 that my review of the energy conservation price  
5 elasticity literature suggests that there is a  
6 typical short run price elasticity of about minus 0.2  
7 to minus 0.3. In other words, for each 1 percent  
8 increase in electricity price there's typically about  
9 a .2 to .3 percent reduction in electricity use.  
10 That's the conclusion of studies by Charles Rivers  
11 Associates and other consulting firms. So I think  
12 the literature here suggests that, indeed, there is a  
13 price response to higher electricity prices.

14           And promoting conservation during peak  
15 periods is very important given the situation that  
16 exists in the Salt Lake area with Rocky Mountain  
17 Power, particularly the situation where peak demand  
18 is rising more rapidly than total electricity use. I  
19 believe the recent forecasts are for peak demand  
20 growth of 4 to 4.5 percent per year. And, thus,  
21 holding down this growth in peak demand as much as  
22 possible will provide some economic benefits to  
23 everybody, improving the load factor and reducing the  
24 need for investment in peak generation and associated  
25 transmission and distribution facilities.

26

1                   So I want to support the CCS proposal for  
2     its value in promoting greater energy efficiency  
3     which is the mission of my organization, as well as  
4     its benefits in terms of greater equity and greater  
5     fairness to low income and elderly consumers on fixed  
6     income.

7                   COMMISSIONER CAMPBELL: Does that conclude  
8     your statement?

9                   MR. GELLER: That does.

10                  COMMISSIONER CAMPBELL: Thank you, Mr.  
11     Geller.

12                  You are sworn. Are there any questions  
13     for Mr. Geller?

14                  MR. PROCTOR: No questions.

15                  MR. HUNTER: No questions.

16                  MR. FORSGREN: No questions.

17                  COMMISSIONER CAMPBELL: Do we have someone  
18     else on the phone?

19                  MR. MCCULLOUGH: Yes, Barrie McCullough.

20                  COMMISSIONER CAMPBELL: Mr. McCullough,  
21     would you like to provide testimony today?

22                  MR. MCCULLOUGH: Yes.

23                  COMMISSIONER CAMPBELL: Okay. We're  
24     having a hard time hearing you. Is there a way to  
25     turn up this phone? Are you on a speaker phone, Mr.  
26

1 McCullough?

2 MR. MCCULLOUGH: Is this better?

3 COMMISSIONER CAMPBELL: That is better.

4 Would you raise your right arm to the  
5 square?

6 MR. MCCULLOUGH: Okay.

7 COMMISSIONER CAMPBELL: Do you swear that  
8 the testimony you're about to give in this proceeding  
9 is the truth, the whole truth and nothing but the  
10 truth, so help you God?

11 MR. MCCULLOUGH: Yes, I do.

12 COMMISSIONER CAMPBELL: Thank you.

13 Mr. Proctor?

14 BARRIE MCCULLOUGH,  
15 called as a witness, being first duly sworn, was  
16 examined and testified as follows:

17 DIRECT EXAMINATION

18 BY MR. PROCTOR:

19 Q. Mr. McCullough, state your name and spell  
20 the first and last name, please.

21 A. Barrie McCullough. First name,  
22 B-A-R-R-I-E, last name, M-C-C-U-L-L-O-U-G-H.

23 Q. Where do you reside, Mr. McCullough?

24 A. I reside in Sandy City.

25 Q. And are you a customer of Rocky Mountain  
26

1 Power?

2 A. Yes, I am.

3 Q. On whose behalf are you providing a  
4 statement or testimony here today?

5 A. As an individual consumer.

6 Q. Thank you. Go forward.

7 A. I think we all recognize we have an energy  
8 problem in this country. And my comments were  
9 inspired by the article I read in the paper this  
10 morning, the Salt Lake Tribune, by Steven Oberbeck.

11 And in looking at that article, I fully  
12 agree with the way this article portrayed the  
13 Committee of Consumer Services' opinion that the way  
14 the rate structure has been proposed just sends the  
15 wrong price signals to those people who use a lot of  
16 electricity in a period where we're trying to  
17 encourage energy conservation.

18 I think that just the nature of people is  
19 that when we have a precious commodity like this  
20 energy is becoming, that people tend to respond when  
21 dollars are involved. And so I think it's important  
22 that in making this rate increase that that message  
23 be sent by the Commission that here is an opportunity  
24 to start setting some energy policy in the Salt Lake  
25 area and the Utah area that starts promoting more

26

1 conservation.

2           One thing that I have that I'm looking at  
3 in front of me is my August power bill. And I might  
4 comment that our house in Sandy is probably an  
5 average house, not one of the big, big ones or not  
6 necessarily one of the small ones. We've lived here  
7 for 30 years in the same house and I track our energy  
8 consumption very closely. Looking at our August  
9 bill, and I also might comment, we have a swamp  
10 cooler, we do not have air conditioning and we  
11 continue that way. One, we found the swamp cooler  
12 very effective. And even though there are a few days  
13 we wish we had central air, we have chosen not to add  
14 that expenditure of that modification, plus the added  
15 utility costs that we would expect to experience.

16           So when I look at this August bill as an  
17 example, we use, and this is fairly typical  
18 throughout the year, the variation isn't that much,  
19 our first block which I understand is the current  
20 structure is 400 kilowatts, and then we enter into  
21 the second block which the rate increases 13.5  
22 percent and we used another 199 kilowatt hours. So I  
23 would say that our house, for someone that uses a  
24 swamp cooler, is fairly representative probably of  
25 the area.

26



1           I read in this article that the majority  
2 of this rate increase that Rocky Mountain is pursuing  
3 is because so many people these days, unlike when we  
4 moved here 30 years ago, are using central air. And  
5 what I would suggest is, is that looking at our  
6 typical house, that consumers that use more than what  
7 we do are probably those that have their house  
8 retrofitted or originally built with central air.  
9 And even though this is a nice convenience and  
10 probably more comfortable in some situations,  
11 unfortunately, there's a cost associated with it.

12           So I don't think it's appropriate in our  
13 desire to solve our energy problem, which  
14 conservation is certainly going to be a part of it,  
15 it obviously isn't the total solution, but through  
16 our ratemaking process that is followed by the  
17 Commission there's an opportunity here to start  
18 emphasizing the importance of conservation and  
19 structuring the rates accordingly.

20           So again, I fully support the Commission.  
21 I don't have the details like the previous person had  
22 about what the blocks that were suggested by the  
23 Committee of Consumer Services, but it sounded like  
24 it would be something that seemed very appropriate  
25 considering our current energy situation.

26

1                   COMMISSIONER CAMPBELL: Does that  
2 conclude --

3                   MR. MCCULLOUGH: That's my main point. I  
4 support the article in the way it described the  
5 Committee's suggested way the rate structure be  
6 adjusted to accommodate this required rate case by  
7 Rocky Mountain Power.

8                   COMMISSIONER CAMPBELL: Thank you.

9                   Are there questions for Mr. McCullough?

10                  MR. PROCTOR: No questions.

11                  MR. HUNTER: No questions.

12                  MR. FORSGREN: No questions.

13                  COMMISSIONER CAMPBELL: All right. Thank  
14 you for your testimony today.

15                  Is there anyone else on the phone?

16                  All right. Our next witness is Dan Smith.

17 Mr. Smith, come on forward. Do you wish to provide

18 sworn testimony or unsworn? Sworn?

19                  MR. SMITH: It doesn't matter. Sworn

20 testimony. I don't care. What do you want me to

21 say?

22                  COMMISSIONER CAMPBELL: Do you swear that

23 the testimony you're about to give in this proceeding

24 is the truth, the whole truth and nothing but the

25 truth, so help you God?

26

1 MR. SMITH: Yes.

2 COMMISSIONER CAMPBELL: Thank you. Please  
3 be seated. And Mr. Proctor is going to ask you a few  
4 questions to begin with.

5 DAN SMITH,  
6 called as a witness, being first duly sworn, was  
7 examined and testified as follows:

8 DIRECT EXAMINATION

9 BY MR. PROCTOR:

10 Q. Mr. Smith, would you state your full name,  
11 please?

12 A. Dan Smith.

13 Q. And do you reside within Salt Lake County?

14 A. Yes.

15 Q. And are you a customer of Rocky Mountain  
16 Power?

17 A. Yes.

18 Q. On whose behalf of you appearing here  
19 today?

20 A. My own behalf.

21 Q. Thank you.

22 You may provide your statement.

23 A. Well, I'm having a hard enough time  
24 keeping warm as it is. And, you know, I can't afford  
25 to own a car. I go around the neighborhood in the  
26

1 wheelbarrow and collect firewood to supplement my  
2 heat. I have a garden which I can barely afford to  
3 grow vegetables because of the cost of water so they  
4 can have their high-rise apartments in the area and  
5 take all the groundwater.

6           And I would like to mention one thing with  
7 regards to this rate increase. If you're going to  
8 increase or take away 30 percent of the HELP  
9 assistance, the \$8.00 people get, could you increase  
10 it by 30 percent or more instead of taking that 30?  
11 That's going to take 30 percent of the \$8.00 that  
12 people with HELP get. So could you increase that by  
13 30 percent for people like that, the HELP assistance?

14           Anyway, that's about all I have to say is  
15 it's making it extra hard for the people who conserve  
16 the most and have the least. But that's the pattern  
17 today, isn't it? And I just heard a song on the  
18 radio about the levy is going to break. And it is.

19           COMMISSIONER CAMPBELL: Any questions?

20           MR. PROCTOR: No questions.

21           COMMISSIONER CAMPBELL: All right. Thank  
22 you, Mr. Smith.

23           That concludes everyone on my list. Is  
24 there anyone else here that intended to testify or  
25 would like to testify?

26

1                   All right. Thank you. We will recess  
2    until 1:30.

3                                   --ooOoo--

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## C E R T I F I C A T E

STATE OF UTAH )

: ss.

COUNTY OF SALT LAKE)

I, LANETTE SHINDURLING, a Registered Professional Reporter, Certified Realtime Reporter and Notary Public in and for the State of Utah, residing at Salt Lake City, Utah hereby certify;

That the foregoing proceeding was taken before me at the time and place herein set forth, and was taken down by me in stenotype and thereafter transcribed into typewriting;

That pages 1 through 38, contain a full, true and correct transcription of my stenotype notes so taken.

I further certify that I am not of kin or otherwise associated with any of the parties to said cause of action, and that I am not interested in the event thereof.

WITNESS MY HAND and official seal at Salt Lake City, Utah, this 11th day of November, 2006.

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LANETTE SHINDURLING, RPR, CRR  
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