

1 **Q. Are you the same William R. Griffith who has previously testified in this**
2 **proceeding?**

3 A. Yes I am.

4 **Purpose of Testimony**

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

6 A. The purpose of my supplemental direct testimony is to revise my direct testimony
7 filed in this docket in response to the Commission's Order on Test Period issued on
8 February 14, 2008. My supplemental direct testimony utilizes a forecast 12 month
9 test period ending December 31, 2008 and a proposed price change of \$99.8 million.

10 **Q. Please describe Exhibit RMP ___(WRG-1S).**

11 A. Exhibit RMP___(WRG-1S) details the Company's updated proposed changes to class
12 revenues to be implemented in this case. On an overall basis, based on the forecast
13 12 month test period ending December 2008, these revisions produce a 7.5 percent
14 rate increase to tariff customers in Utah.

15 **Q. Please describe the Company's updated proposal for the allocation of the**
16 **revenue requirement.**

17 A. The updated proposal relies on the same principles for allocating the revenue
18 requirement as proposed in my direct testimony. The Company proposes the
19 following updated allocation of the rate increase for the major customer classes.

	<u>Customer Class</u>	<u>Proposed Rate Change</u>
20		
21	Residential	7.8%
22	General Service	
23	Schedule 23	7.8%
24	Schedule 6	6.5%
25	Schedule 8	7.8%
26	Schedule 9	7.8%
27	Irrigation	15.0%

28 **Q. Please explain the proposed rate spread.**

29 A. The updated proposed rate spread continues to be designed to reflect cost of service
30 results while balancing the impact of the rate change across customer classes. Based
31 on the cost of service results for the target return on rate base (Exhibit RMP____(CCP-
32 1S)), for the major customer classes which fall within four percentage points of the
33 overall proposed rate change (Column M) including most lighting schedules, the
34 Company continues to propose a uniform percentage increase.

35 The updated cost of service results continue to reflect a smaller increase to
36 Schedule 6, outside the four percentage point band. As a result the Company
37 recommends a rate increase one percentage point less than the jurisdictional increase.
38 For Schedule 23, the updated cost of service results no longer recommend an increase
39 greater than four percentage points above the jurisdictional average. The Company,
40 therefore, recommends the same uniform percentage increase be applied to Schedule
41 23 as we have proposed for most of the other rate schedules. We no longer support a
42 rate increase one percentage point more than the jurisdictional increase for Schedule
43 23 as indicated in my direct testimony.

44 **Q. Please explain the updated proposed rate increase for irrigation Schedule 10.**

45 A. Based on the updated cost of service results which recommend an increase in excess
46 of 30 percent for Schedule 10, the Company continues to propose an increase equal to
47 two times the overall jurisdictional average, equal to 15 percent for irrigation
48 customers based on the revised revenue requirement and test period.

49

50 **Rate Design**

51 **Q. Please describe the Company's proposed updated rate design changes.**

52 A. In this supplemental filing, the Company continues to support and propose the rate
53 design changes contained in my direct testimony. The billing determinants and rate
54 design revisions for this supplemental direct testimony are contained in Exhibit
55 RMP___(WRG-4S). They reflect the revised revenue requirement and continue to
56 support the rate design structures presented in my direct testimony except for the
57 revisions noted below.

58 **Q. Please describe the changes to the proposals in your written, direct testimony**
59 **due to this update filed in response to the Commission's Order on Test Period.**

60 A. In my direct testimony, the Company had proposed a two-block energy charge in the
61 five "summer" months with a rate of 8.7929 cents per kWh for the first 1000 kWh
62 and 11.8704 cents per kWh for all additional kWh. Based on the revised revenue
63 requirement for the December 2008 test period, for residential customers, the
64 Company proposes a two-block energy charge in the five "summer" months of
65 8.0812 cents per kWh for the first 1000 kWh and 10.9096 cents per kWh for all
66 additional kWh.

67 **Q. Are there any revisions proposed to the rate design structures proposed for**
68 **Schedule 8 and Schedule 9 from what you proposed in your direct testimony?**

69 A. Yes. As a result of the cost of service update, the Company has revised its Customer
70 Service Charge proposal for Schedules 8 and 9. In my direct testimony, for Schedule
71 8 the Company had proposed to increase the monthly Customer Service Charge from
72 \$25 to \$65. In this supplemental filing, in line with cost of service analysis using the

73 Commission's preferred methodology for calculating a customer charge, the
74 Company proposes to increase the monthly Customer Service Charge from \$25 to
75 \$60.

76 Similarly for Schedule 9, in my direct testimony, the Company had proposed
77 to increase the monthly Customer Service Charge from \$170 to \$235. In this
78 supplemental filing, in line with cost of service analysis, the Company proposes to
79 increase the monthly Customer Service Charge from \$170 to \$220.

80 **Irrigation Schedule 10**

81 **Q. How does the Company propose to implement the rate change for Schedule 10?**

82 A. The Company proposes to implement the rate change for Schedule 10 uniformly to
83 demand and energy charges and to increase the Annual Customer Service Charge by
84 approximately 15 percent, rather than the 24 percent amount proposed in my direct
85 testimony.

86 **Q. Do you have any other changes to your written direct testimony filed in this**
87 **case?**

88 A. No.

89 **Revised Exhibits**

90 **Residential Customer Charge Exhibit**

91 **Q. Please explain Exhibit RMP__(WRG-2S).**

92 A. Exhibit RMP__(WRG-2S) replaces Exhibit RMP__(WRG-3) in its entirety.
93 Exhibit RMP__(WRG-2S) contains a revised calculation of the Residential
94 Customer Charge using the Commission's preferred methodology. It indicates that a
95 monthly customer charge of \$4.17 per month is supported by the Commission's

96 preferred methodology.

97 **Monthly Billing Comparisons**

98 **Q. Please explain Exhibit No. RMP___(WRG-3S).**

99 A. Exhibit RMP___(WRG-3S) replaces Exhibit RMP___(WRG-5) in its entirety.
100 Exhibit RMP___(WRG-3S) details the customer impacts of the Company's proposed
101 pricing changes based on the December 2008 test period. For each rate schedule, it
102 shows the dollar and percentage change in monthly bills for various load and usage
103 levels.

104 **Billing Determinants**

105 **Q. Please explain Exhibit RMP___(WRG-4S).**

106 A. Exhibit RMP___(WRG-4S) replaces in its entirety Exhibit RMP___(WRG-6) filed in
107 my direct testimony. Exhibit RMP___(WRG-4S) details the billing determinants
108 used in preparing the pricing proposals in this case. It shows billing quantities and
109 prices at present rates and proposed rates.

110 **Q. Please explain Exhibit RMP___(WRG-5S).**

111 A. Exhibit RMP___(WRG-5S) replaces Exhibit RMP___(WRG-7) in its entirety. It
112 contains the billing determinants used in preparing the proposed street lighting
113 pricing proposals in this case. The changes to street lighting rate structures were
114 presented in the direct testimony of Mr. Daren H. Dixon.

115 **Q. Does this conclude your supplemental direct testimony?**

116 A. Yes.