

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of)	
Rocky Mountain Power for Authority To)	DOCKET NO. 07-035-93
Increase its Retail Electric Utility Service)	Exhibit No. DPU 7.0
Rates in Utah and for Approval of Its)	
Proposed Electric Service Schedules and)	
Electric Service Regulations, Consisting)	Erratum Testimony
of a General Rate Increase of)	Matthew Croft
Approximately \$161.2 Million Per Year,)	
and for Approval of a New Large Load)	
Surcharge)	

**FOR THE DIVISION OF PUBLIC UTILITIES
DEPARTMENT OF COMMERCE
STATE OF UTAH**

**Erratum Testimony of
Matthew Croft**

April 21, 2008

1 **Q. Please state your name and occupation?**

2 **A.** My name is Matthew Allen Croft. I am employed by the Utah Division of Public
3 Utilities (“Division”) as a Utility Analyst.

4 **Q. Have you submitted direct testimony in this proceeding?**

5 **A.** Yes. I submitted direct testimony on April 7, 2008.

6 **Q. What is the purpose of your erratum?**

7 **A.** The purpose of this erratum is to correct the following:

- 8 • The JAM effect of Mr. Charles Peterson’s capital cost adjustments.
9 • The JAM effect and deferred tax effect of my adjustment to rate base.
10 • The Division’s Adjusted Revenue Requirement.

11 **Q. Please explain your correction to the JAM effect of Mr. Charles Peterson’s**
12 **capital cost adjustment?**

13 **A.** In Dr. Brill’s testimony, column H of filed DPU Exhibit 3.2 shows an adjustment of
14 \$22,441,061. This number was calculated incorrectly. The adjustment should be
15 \$22,820,267. This corrected amount is reflective of the capital structure and cost
16 proposed by Mr. Charles Peterson in his direct testimony (DPU Exhibit 2.0). The
17 revised DPU Exhibit 3.2, called DPU Exhibit 3.2R, shows these corrections.

18 **Q. Please explain your correction to the JAM effect and deferred tax effect of your**
19 **adjustment to rate base.**

20 **A.** My filed direct testimony as well as filed DPU Exhibit 3.2 indicates a revenue
21 requirement reduction of \$7,589,88. This was the result of a \$144 million reduction to
22 the Company’s rate base. The \$144 million figure is correct, but the revenue

23 requirement reduction should be \$8,689,740. Filed DPU Exhibit 7.3.0 is correct with
24 the exception of the explanation of the deferred tax expense and the \$7,589,881 that
25 was stated as the decrease in revenue requirement. The revised DPU Exhibit 7.3.0,
26 called DPU Exhibit 7.3.0R, shows these corrections. Filed DPU Exhibits 7.3.1
27 through 7.3.3 are correct as stated.

28 The increase in deferred tax expense as a result of this rate base adjustment is stated
29 in filed DPU Exhibit 3.2 and filed DPU Exhibit 7.3.0 as approximately \$1.1 million.
30 This increase should be changed to \$112,418. This number is only an estimate and
31 was derived using the best information available. The revised DPU Exhibit 3.2, called
32 DPU Exhibit 3.2R, shows these corrections.

33 **Q. Please explain your correction to the DPU's Adjusted Revenue Requirement in**
34 **filed DPU Exhibit 3.2.**

35 **A.** After making the corrections to the two adjustments mentioned above, the DPU's
36 revised Adjusted Revenue Requirement comes to \$44,581,000. This amount is
37 \$1,478,330 below the \$46,059,330 stated in filed DPU Exhibit 3.2. The revised DPU
38 Exhibit 3.2, called DPU Exhibit 3.2R, shows these corrections.

39 **Q. Does this conclude your erratum?**

40 **A.** Yes.