

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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| In the Matter of the Application of Rocky Mountain Power For Authority to Increase its Retail Electric Utility Service rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations, Consisting of a General Rate Increase of Approximately \$161.2 Million Per Year, and for Approval of a New Large Load Surcharge |) | |
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| |) | DOCKET NO. 07-035-93 |
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PRE-FILED SUPPLEMENTAL DIRECT TESTIMONY

JAMES B. DALTON

ON BEHALF OF THE

UTAH DIVISION OF PUBLIC UTILITIES

April 30, 2008

1 PRE-FILED SUPPLEMENTAL DIRECT TESTIMONY

2 JAMES B. DALTON

3 DIVISION OF PUBLIC UTILITIES

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5 **Q. Please state your name and employer for the record.**

6 A. My name is James B. Dalton. My employer is the Division of Public Utilities
7 (Division) in the Utah Department of Commerce.

8 **Q. Are you the same James B. Dalton that previously filed Direct Testimony in**
9 **this docket?**

10 A. I am. The additional information contained herein is provided as an addendum to
11 my previously filed direct testimony, dated April 7, 2008.

12 **Q. What information will you be updating in this filing?**

13 A. I will revise the dollar value of the proposed Net Power Cost (NPC) adjustment as
14 contained in my direct testimony.

15 **Q. What is the reason for the proposed revision?**

16 A. As part of our NPC analysis, the Division ran a GRID scenario to account for
17 potential delays in the Company's completion of the Glenrock and Goodnoe Hills
18 wind generation projects.

19 **Q. Can you describe this scenario and summarize how it affects the NPC**
20 **adjustment originally filed?**

21 A. Yes. This scenario adjusted GRID Planned Outages, as described in my direct
22 testimony. The scenario also removes planned Glenrock Wind purchases in GRID

23 for calendar year 2008 based on the assumption that the project will not be
24 complete and on line before the end of the year. In addition, it was assumed that
25 construction scheduling problems would move the online date of the Goodnoe
26 wind project back by one month. As a result, we changed the Goodnoe online date
27 in this GRID scenario from June 1, 2008 to July 1, 2008.

28 **Q. Were these adjustments to the Glenrock and Goodnoe Wind projects**
29 **reflected in your proposed \$3.3 million system-wide reduction to NPC in**
30 **GRID?**

31 A. Yes.

32 **Q. Should your GRID adjustments regarding the Glenrock and Goodnoe Wind**
33 **projects be removed?**

34 A. Yes.

35 **Q. Why should they be removed?**

36 A. The change in the service dates of these units should not have been included in
37 the Planned Outage GRID scenario. Prior to the time the final scenario was run,
38 the Division received information that led me to conclude that the Company will
39 complete these projects within the scheduled timeframes. However, I
40 inadvertently left these change of service dates in the NPC GRID scenario that
41 generated the Division's proposed NPC adjustments for Planned Outages as filed
42 in my direct testimony.

43 **Q. What is the impact of removing the Glenrock and Goodnoe Wind scenario?**

44 A. Removal of the Glenrock and Goodnoe Wind scenario will increase the
45 Division's original NPC original adjustment by \$481,275 on a Utah-allocated
46 basis. As a result, the Division is revising its earlier \$3,052,643 Planned Outage
47 NPC adjustment to a \$3,533,918 reduction in NPC.

48 **Q. Does this complete your supplemental testimony?**

49 A. Yes it does.