

1 **Q. Please state your name, business address and present position with Rocky**
2 **Mountain Power (the Company), a division of PacifiCorp.**

3 A. My name is William R. Griffith. My business address is 825 NE Multnomah
4 Street, Suite 2000, Portland, Oregon 97232. My present position is Director,
5 Pricing, Cost of Service, and Regulatory Operations in the Regulation
6 Department.

7 **Qualifications**

8 **Q. Briefly describe your educational and professional background.**

9 A. I have a B.A. degree with High Honors and distinction in Political Science and
10 Economics from San Diego State University and an M.A. in Political Science
11 from that same institution; I was subsequently employed on the faculty. I
12 attended the University of Oregon and completed all course work towards a Ph.D.
13 in Political Science. I joined the Company in the Rates & Regulation Department
14 in December 1983. In June 1989, I became Manager, Pricing in the Regulation
15 Department. In February 2001, I assumed my present responsibilities.

16 **Q. What are your responsibilities?**

17 A. I am responsible for regulated retail rates, cost of service analysis, and regulatory
18 filings and documentation in the Company's six state service territory.

19 **Q. Have you appeared as a witness in previous regulatory proceedings?**

20 A. Yes. I have testified for the Company in regulatory proceedings in Utah,
21 Wyoming, Idaho, Oregon, Washington, and California.

22

23 **Purpose of Testimony**

24 **Q. What is the purpose of your testimony?**

25 A. The purpose of my testimony is to present the Company's proposed tariff
26 Schedule 94 – Energy Cost Adjustment and to discuss the proposal for the rate
27 spread and rate design in this Energy Cost Adjustment Mechanism (ECAM)
28 application.

29 **Schedule 94 - Energy Cost Adjustment**

30 **Q. What is the purpose of the proposed tariff Schedule 94?**

31 A. The proposed tariff Schedule 94 is a tariff rider designed to allow the Company to
32 collect or credit the ECAM revenue amount equal to the differences between the
33 actual net power costs (“NPC”) incurred to serve customers in Utah and the
34 amount collected from customers in Utah through rates set in general rate cases as
35 discussed in Mr. Gregory N. Duvall's testimony. RMP Exhibit___(WRG-1)
36 contains the proposed initial Schedule 94 tariff. The Company proposes to
37 implement the ECAM coincident with new rates resulting from the Company's
38 next general rate case which is expected to be filed later in 2009. Initially, the
39 Schedule 94 rates will be zero because there would not be any deferred balance
40 yet in the balancing account. The Company proposes to begin tracking the
41 monthly deferrals following the outcome of the 2009 rate case.

42

43 **Rate Spread**

44 **Q. What is the Company's rate spread proposal for the ECAM?**

45 A. The Company is proposing to spread the ECAM adjustment based on an equal
46 cents per kilowatt-hour basis, after adjusting for voltage level losses, across all
47 customer classes.

48 **Q. What is the rationale for this rate spread proposal?**

49 A. This rate spread is simple, and it will be easy to administer. Moreover, it will
50 directly apply changes in Net Power Costs to customers' energy charges which
51 will send clear signals to customers of changes in energy costs.

52 **Rate Design**

53 **Q. What is the Company's rate design proposal for the ECAM?**

54 A. The Company is proposing that Schedule 94 be applied as an equal cents per
55 kilowatt-hour rate, after adjusting for voltage level losses, for all tariff schedules
56 except time of day Schedules 6A, 8, 9 and 9A.

57 **Q. What is the Company's rate design proposal for Schedules 6A, 8, 9 and 9A?**

58 A. The Company is proposing the equal cents per kWh amount applied to Schedules
59 6A, 8, 9 and 9A be shaped to mirror the structure of the time of day base energy
60 charges for these schedules. More specifically, for these schedules there would be
61 separate on-peak and an off-peak cents per kilowatt-hour Schedule 94 ECAM
62 rates for the periods from May through September and for the periods from
63 October through April. While the overall cents per kWh amount for each of these
64 schedules would be equal to the cents per kWh amount applicable to other non-
65 time of day tariff schedules, after adjusting for voltage level losses, the on-peak

66 and off-peak differentials for the ECAM rates between would be shaped
67 proportionately to follow the base energy rates for these time of day schedules.

68 **Q. Why is the Company proposing time of day ECAM rates for Schedules 6A, 8,**
69 **9 and 9A?**

70 A. This proposal will minimize rate impacts on these customers by reflecting the
71 time of day structure in the Schedule 94 rates applicable to these rate schedules.

72 **Special Contract Customers**

73 **Q. Will proposed Schedule 94 be applied to special contract customers?**

74 A. For special contract customers, the Company proposes that the application of
75 Schedule 94 be governed by the terms of special contract.

76 **Q. Does this conclude your direct testimony?**

77 A. Yes, it does.