

1 **Q. Please state your name, business address and present position with**  
2 **PacifiCorp (“Company”).**

3 A. My name is Peter C. Eelkema, my business address is 825 N.E. Multnomah, Suite  
4 600, Portland, Oregon 97232, and my present position is Lead/Senior Consultant,  
5 Load and Revenue Forecasting.

6 **Q. Are you the same Peter C. Eelkema that filed direct testimony in this case?**

7 A. Yes.

8 **Q. What is the purpose of your rebuttal testimony?**

9 A. I address concerns regarding Mr. Jonathan Nunes’ recommendations to this  
10 Commission.

11 **Q. What is the scope of Mr. Nunes testimony?**

12 A. Mr. Nunes only addresses the forecasting methodology for the Utah industrial  
13 class.

14 **Q. What are Mr. Nunes’ recommendations to this Commission?**

15 A. Mr. Nunes has two recommendations. First, Mr. Nunes recommends “that, for  
16 this rate case, the Company should revisit its forecast for the industrial class and,  
17 if differences in cost of service warrant, revise its filing accordingly.” Second,  
18 Mr. Nunes recommends that in the longer run the Company should replace or  
19 augment the industrial class forecast with an econometric model.

20 **Q. What is the basis of Mr. Nunes first recommendation?**

21 A. Based on Mr. Nunes comparison of the difference between the Company’s Utah  
22 industrial forecast and actual industrial sales for January to July, 2009, Mr. Nunes  
23 concludes that the Company has over forecasted industrial sales by approximately

24 2.4 percent.

25 **Q. What is your response to Mr. Nunes first recommendation?**

26 A. Mr. Nunes first recommendation is vague. He does not present a threshold level  
27 of changes which would warrant a revision to the filing.

28 Notwithstanding, I updated what was presented as Table 7 in my direct testimony  
29 to include four additional months of usage data. The updated table is presented as  
30 Table 1 below.

31 **Table 1, Utah Weather Normalized Sales and Forecast (MWh)**

	January to October 2009	
	Actual	GRC Forecast
Residential	5,380,458	5,455,694
Commercial	6,252,150	6,217,084
Industrial	6,056,728	6,059,662
Irrigation	207,639	186,090
Public Authority	381,570	371,010
Lighting	65,699	64,020
<b>Total</b>	<b>18,344,244</b>	<b>18,353,560</b>

32 This table indicates that January to October 2009, residential sales are about 1.4  
33 percent less than forecasted sales, commercial sales are about 0.6 percent more  
34 than forecasted sales, and industrial sales are about 0.05 percent less than  
35 forecasted sales. Also, the table indicates that, for the same period of time, Utah  
36 sales are just 0.05 percent less than forecasted Utah sales.

37 **Q. Do you still consider this forecast to be reasonable?**

38 A. Yes. As shown in Table 1, this forecast is tracking very well against weather  
39 normalized actual data. Also, the Company has continued to receive forecasting  
40 information from its Customer and Community Managers (“CCMs”) which  
41 indicate that overall the Company’s industrial forecast is still on track.

42 **Q. Please return to Mr. Nunes' second point, that longer term, the Company**  
43 **should replace or augment its forecasting procedure with an econometric**  
44 **approach. Do you agree with Mr. Nunes that an econometric approach is a**  
45 **better forecasting process for the industrial class?**

46 A. No. Large industrial customer load profiles are not homogeneous either across  
47 industries or within an industry. Also, industrial customer usage can be "lumpy,"  
48 with additions ramping up quickly and, as we have seen recently, reductions also  
49 occurring quickly as local operations are reduced or shut down.

50 By its very nature, an econometric model does not utilize customer specific  
51 information; instead the customer usage is driven by national or state level  
52 statistics. Aggregating each company's load profile into an econometric model  
53 will not accurately reflect each customer's unique load profile therefore leading to  
54 larger difference between the forecast and actual sales.

55 **Q. What is your recommendation to this Commission?**

56 A. I recommend that this Commission accept the Company's forecast as reasonable  
57 and not require the Company to change its forecasting methodology for large  
58 industrial customers.

59 **Q. Does this conclude your rebuttal testimony?**

60 A. Yes.