

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Service Rates in Utah and for Approval of Its Proposed Electric Service Schedules and Electric Utility Service Schedules and Electric Service Regulations)	DOCKET NO. 11-035-200
)	DPU Exhibit 5.0 Reb-Rev Req
)	Rebuttal Revenue Requirement
)	Testimony and Exhibits
)	Matthew Croft

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

**Rebuttal Revenue Requirement Testimony of
Matthew Croft**

July 13, 2012

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 Utilities
3 (“Division”) as a Utility Analyst.

4 **Q. Did you previously provide direct testimony in this Docket concerning revenue**
5 **requirement?**

6 A. Yes.

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

8 A. The purpose of my testimony is to clarify the impact of the line loss adjustment proposed by
9 Mr. George Evans in his direct testimony. After reviewing the line loss adjustment proposed
10 by Mr. Falkenburg and Ms. Ramas on behalf of the Office of Consumer Services (“Office”)
11 and after conferring with DPU witness Mr. Evans, it appears that the loads used in the DPU
12 JAM need to be adjusted to reflect the full impact of Mr. Evan’s line loss adjustment. These
13 loads affect the jurisdictional allocation factors which therefore affect Utah’s allocated costs,
14 revenues, and rate base.

15 **Q. What is the impact of Mr. Evan’s line loss adjustment on the loads used to develop the**
16 **jurisdictional allocation factors?**

17 A. The table below shows the impact of Mr. Evan’s line loss adjustment on the loads used in the
18 “Factors” tab in the JAM.

	Pac. Power CA	Pac. Power OR	Pac. Power WA	Pac. Power WY	R.M.P. UT	R.M.P. ID	R.M.P. WY	R.M.P. FERC
DPU Adjusted Loads (Rebuttal)	931,473	14,429,068	4,403,079	7,845,420	25,222,037	3,724,234	2,193,893	222,962
DPU Loads (Direct)	934,630	14,369,130	4,414,500	7,822,450	25,388,962	3,768,096	2,187,470	222,962
Difference	(3,157)	59,938	(11,421)	22,970	(166,925)	(43,861)	6,423	0

19
20 The calculations used to develop the loads in the table above are shown in DPU Exhibit 5.1
21 Reb-Rev Req (DPU Rebuttal JAM, see the “Line Loss Adj” tab). While the proposed line

22 loss percentages used by Mr. Evans are different than what is being proposed by the Office, I
23 have used the same methodology as the Office for determining the effect of the line loss
24 percentages on the loads used for calculating the jurisdictional allocation factors. A data
25 request has been sent to the Company concerning the correct implementation of Mr. Evan's
26 line loss adjustment on the jurisdictional loads as well as its effects, if any, on the cost-of-
27 service model. If needed, the Division will correct any implementation issues of Mr. Evan's
28 line loss adjustment in surrebuttal testimony.

29 **Q. What is the revenue requirement impact of Mr. Evan's line loss adjustment with**
30 **respect to the change in allocation factors?**

31 A. Mr. Evan's line loss adjustment reduces the Division's recommended revenue requirement
32 increase by \$3,350,524. This is in addition to the \$1,802,777 revenue requirement impact
33 already reflected in the Division's direct testimony (See DPU Exhibit 2.5 Dir-Rev Req).

34 **Q. Does this conclude your testimony?**

35 A. Yes.