

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

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	)	<b>DOCKET NO. 11-035-T10</b>
	)	<b>Exhibit No. DPU 1.0 R</b>
<b>In the Matter of the Rocky Mountain</b>	)	
<b>Power Proposed Schedule 94, Energy</b>	)	
<b>Balancing Account (EBA) Pilot Program</b>	)	<b>Rebuttal Testimony and Exhibits</b>
<b>Tariff</b>	)	<b>Charles E. Peterson</b>
	)	
	)	

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

**Rebuttal Testimony of  
Charles E. Peterson**

**March 15, 2012**

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1                   **Rebuttal Testimony of Charles E. Peterson**

2                                   **I. INTRODUCTION AND SUMMARY**

3  
4   **Q. Please state your name, business address and title.**

5   A. My name is Charles E. Peterson; my business address is 160 East 300 South, Salt Lake City,  
6       Utah 84114; I am a Technical Consultant in the Utah Division of Public Utilities (Division,  
7       or DPU).

8  
9   **Q. On whose behalf are you testifying?**

10   A. The Division.

11  
12   **Q. Have you filed testimony previously in this docket?**

13   A. Yes, I filed direct testimony in this docket on February 23, 2012.

14  
15   **Q. What is the purpose of your testimony in this matter?**

16   A. My rebuttal testimony is divided primarily into two sections to respond first to comments  
17       made by UIEC’s witness Maurice Brubaker, and second to Office of Consumer Services’  
18       (Office) witness Daniel Gimble in their respective direct, pre-filed testimonies in this docket.

19  
20       In addition to my testimony, Matthew Croft will be filing rebuttal testimony that is also in  
21       response to Mr. Brubaker’s direct testimony.

23 **Q. Are you responding at all to the UAE witness Kevin Higgins or to Rocky Mountain**  
24 **Power's two witnesses?**

25 A. At this time, I am only commenting on the UAE and RMP witnesses incidental to my  
26 responses to Messrs. Brubaker and Gimble.

27

28 However, silence on issues raised by the UAE and RMP witnesses does not necessarily  
29 constitute agreement or advocacy of any of their positions. Similarly, I do not comment on  
30 all issues discussed by Messrs. Brubaker and Gimble; again, silence should not be  
31 necessarily construed as agreement, or disagreement.

32

33

34 **II. COMMENTS ON MAURICE BRUBAKER'S DIRECT**  
35 **TESTIMONY**

36

37 **Q. What are Mr. Brubaker's primary areas of concern?**

38 A. Mr. Brubaker identifies six areas that he is concerned with that he designates:

- 39 1. "Transparency"  
40 2. Special Contracts  
41 3. Deferral Formula  
42 4. Allocation to rate schedules  
43 5. Time for evaluation  
44 6. Carrying charge<sup>1</sup>  
45

46 **Q. Please briefly outline what you understand each of these six topic areas to mean.**

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<sup>1</sup> Prefiled Testimony of Maurice Brubaker, Docket No. 11-035-T10, p. 2, lines 17-20.

47 A. By “Transparency” Mr. Brubaker means the clear identification of costs and revenues in the  
48 EBA tariff and process. “Special Contracts” refers to the treatment of retail contract  
49 customers both in the tariff and in the EBA process generally. Under “Deferral Formula” Mr.  
50 Brubaker discusses whether the proposed tariff correctly states the Commission’s approved  
51 formulae with additional discussion regarding the scalar derived in the Stipulation in the  
52 settlement of the last general rate case, Docket No. 10-035-124. “Allocation to rate  
53 schedules” is fairly self-explanatory; it refers to how the total Utah EBA balance gets  
54 allocated among the various rate schedules. “Time for evaluation” refers to the time the  
55 Division (and, potentially, other intervening parties) has to audit the EBA balances and make  
56 a recommendation to the Commission. Finally, the “carrying charge” issue relates to how the  
57 Company will calculate the carrying charge for the EBA. Mr. Brubaker argues, among other  
58 things, that contract retail customers should be able to have their EBA payments trued-up  
59 monthly, or even bi-weekly, and therefore should not have to pay (or receive) carrying  
60 charges.

61

62 **Q. What issue does Mr. Brubaker initially discuss?**

63 A. Mr. Brubaker initially argues that the EBA increases risks to customers (item #1, p.2, also  
64 see his testimony on pp. 3-4, lines 65-85.).

65

66 **Q. Do you have any comments on this issue?**

67 A. Whether or not the EBA increases customer risk is not an appropriate issue for this docket.  
68 The issue of risk was discussed at length in the ECAM docket, Phases I and II. The  
69 Commission ruled that an ECAM (now called the EBA) was in the public interest.

70 Furthermore, this is a tariff compliance filing and Mr. Brubaker fails to provide a clear nexus  
71 between the level of risks and the compliance of the Company's proposed tariff with  
72 previous Commission orders. In its March 3, 2011 EBA Order, the Commission references  
73 the "risk" or "risks" more than 70 times and explicitly discusses the proposed risk mitigation  
74 (the 70-30 percent sharing bands) on pages 38 to 43 and 69 to 71. In contrast, in its  
75 Prehearing Order of January 20, 2012 in this docket, the Commission does not mention  
76 "risk" at all. Therefore, arguments about the merits of the EBA from a risk perspective are far  
77 outside of this tariff compliance docket and have been previously argued.

78

79 **Q. Please provide more detail regarding your understanding of Mr. Brubaker's**  
80 **"Transparency" issue.**

81 A. Mr. Brubaker raises the issue that there should be more specificity in the FERC account  
82 details (items #2 & #3, p. 2. See also "Transparency" section, pp. 4-10, lines 86-217). Mr.  
83 Brubaker recommends that any ambiguities be resolved in favor of customers (p. 7, lines  
84 154-155). In addition, he claims that RMP should include a listing of the source documents  
85 in the tariff (p. 7, lines 161-168) and he wants details of specific transactions to be part of the  
86 EBA filing (p. 9, lines 21-215; see also Mr. Brubaker's Errata filing and the attachment to the  
87 Errata filing.)

88

89 **Q. What are your comments regarding the "Transparency" issue?**

90 A. The Division generally agrees that there should be additional account information as  
91 discussed in detail in DPU witness Matthew Croft's direct testimony. However, any  
92 ambiguities should be resolved by the Commission on a case by case basis where the

93 complexities and dependent facts can be presented and not by some blanket “rule” that  
94 customers automatically get the benefit of any and all doubts.

95

96 With regards to lists of source documents being included in the tariff, the Division does not  
97 believe this to be necessary as the Company’s annual March 15<sup>th</sup> filings and monthly filings  
98 will provide the source documents as outlined in the Draft EBA Pilot Program Evaluation  
99 Plan. The Division believes the issue of the transaction detail the Company should provide is  
100 outside the scope of this docket. However, the Division believes its Draft EBA Pilot Program  
101 Evaluation Plan adequately outlines the detailed information that should be provided with the  
102 Company’s monthly and annual EBA filings. Further detail may be requested as part of the  
103 Division’s audit.

104

105 **Q. What does Mr. Brubaker say about retail contract customers?**

106 A. Mr. Brubaker believes that there should be no reference whatsoever to retail contract  
107 customers<sup>2</sup> in the EBA tariff. He also claims that the language referring to retail contract  
108 customers is confusing (item #4, p. 2). If the language is confusing, the DPU would support  
109 reasonable editing. However, the issue seems to be that Mr. Brubaker wants the tariff to be  
110 completely silent on contract customers—even the mere existence of such contracts. I think  
111 he raises a legal question as much as a factual one when he references UCA 54-7-  
112 13.5(2)(f)—see line 227. My lay reading of that statute is that contract customers will be  
113 treated according to their contracts. The proposed tariff closely follows the language in the  
114 statute. The Division believes that it is entirely appropriate for the proposed tariff to  
115 reference contract customers in a manner consistent with the statute.

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<sup>2</sup> “Retail contract customers” are primarily large customers that have special service contracts with the Company.

116

117 **Q. What does Mr. Brubaker say about the scalar that was used in the settlement**118 **stipulation in the last general rate case; Docket No. 10-035-124?**

119 A. Mr. Brubaker supports a dynamic scalar (item #5, p. 2). Mr. Brubaker agrees that the  
120 Company has appropriately included the concept of the scalar from the settlement of the rate  
121 case in the tariff (p. 12, lines 270-272). However, going forward he wants to separately  
122 calculate the SE and SG factors for each month using actual data. He wants this done so that  
123 monthly adjustments to rates can be made so that customers can get better price signals and  
124 avoid paying carrying charges. (see pp. 12-13, lines 273-292)

125

126 **Q. Does the Division agree with Mr. Brubaker in this regard?**

127 A. Generally, the DPU would agree with a dynamic scalar. As discussed in my direct testimony,  
128 the monthly calculations are only used for determining the carrying charge or carrying credit,  
129 and therefore the method applied wasn't too significant. The monthly true-ups and implicit  
130 rate changes suggested by Mr. Brubaker are problematic in that it would add to the  
131 complexity of the EBA including increasing the auditing problem, but it would not do away  
132 with annual true-ups and ultimately determining final rates from the, now monthly (if I  
133 understand correctly), interim rates.

134

135 UIEC wants actual monthly calculations and monthly collections and refunds (item #6, p. 2,  
136 see also item #5, above). As discussed at length in my direct testimony, only annual  
137 allocation factors are available, so the monthly true-ups that Mr. Brubaker is requesting  
138 would be estimates and require later auditing and vetting. Differences from the monthly



139 true-ups would still be subject to carrying charges or credits. This would add complexity. The  
140 monthly true-ups would be an example of monthly allocations made to specific rate classes  
141 (and customers) which is something the Commission has already ruled against in its EBA  
142 Order.<sup>3</sup> Therefore, this discussion and recommendation by Mr. Brubaker is outside the  
143 issues that should be considered in this tariff compliance filing docket, based upon my lay  
144 understanding.

145

146 **Q. Mr. Brubaker brings up issues regarding the carrying charge; please discuss your**  
147 **understanding of these issues.**

148 A. Mr. Brubaker argues that the 6 percent interest rate ordered by the Commission (and largely  
149 advocated by parties) is too high so that customers—but, primarily, only transmission level  
150 customers—should have the opportunity to avoid the carrying charge (or, by implication,  
151 avoid any carrying credit). As discussed above, this will be implemented by having monthly  
152 EBA changes as soon as they can be reasonably estimated, with a later true-up and  
153 adjustments (p. 15-16, lines 336-361).

154

155 In conjunction with the monthly true-up billings, Mr. Brubaker further argues that it is  
156 important to bill monthly or even *twice* a month, so that customers can avoid the carrying  
157 charge (pp. 17-18, lines 391-406).<sup>4</sup> If the Commission adopts Mr. Brubaker's suggestion, he  
158 advocates incorporating a lead-lag factor into the calculation of the carrying charges. Mr.  
159 Brubaker argues that because there is a delay between the time the Company incurs the  
160 expense and the time it actually pays out the cash, the accrual of the carrying charge should

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<sup>3</sup> EBA/ECAM Report and Order, Docket 09-035-15, pp. 76-77

<sup>4</sup> Mr. Brubaker mischaracterizes the carrying charge to make it appear that the 6 percent and the monthly accrual are an "RMP proposal" rather than something already ordered by the Commission. See page 17, lines 391-394.

161 be delayed by 20 days. Mr. Brubaker seems to recognize that the lag is a one-time event.<sup>5</sup>  
162 Again, as discussed above, anyone being billed for the EBA on a monthly true-up basis  
163 would not have to pay (or, presumably receive a carrying credit) any carrying charge. (See  
164 full discussion on pp.17-20, lines 390-450, and Exhibit UIEC\_MEB-2).

165

166 **Q. What is your response to the issue of monthly true-ups and the 6 percent carrying**  
167 **charge?**

168 A. If the Company could provide actual monthly Utah NPC, the DPU might be in favor of its  
169 incorporation, in some way, into the EBA tariff. The Division does not support monthly  
170 collections and refunds unless it could be shown that rate stability would not be too affected  
171 and that it would not increase the complexity of the Division's already complex auditing  
172 program. The 20-day lag may, for practical purposes, be a one-time event, period: after the  
173 initial 20-day lag, the EBA process would simply operate month to month.

174

175 Finally, the 6 percent carrying charge has already been determined and ordered by the  
176 Commission in its EBA Order.<sup>6</sup> The Division believes that carrying charge issues and the  
177 new EBA design proposals by Mr. Brubaker are administrative details that the Commission  
178 warned are not best discussed in this docket.<sup>7</sup> Therefore, the Division believes that these  
179 issues are outside the issues appropriate to the proposed tariff compliance filing.

180

181 **Q. What does Mr. Brubaker have to say about rate spread?**

182 A. Mr. Brubaker recommends that the last GRC rate spread is followed (item #7, p. 2).

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<sup>5</sup> Pages 19-20, lines 438-441.

<sup>6</sup> EBA Order, Op. Cit., p. 75.

<sup>7</sup> Prehearing Order, Docket No. 11-035-T10, January 20, 2012, p. 2.

183 However, this agreement is just for this first EBA filing. Going forward on page 15, lines  
184 327-335, he appears to want to implement what the Commission appears to have already  
185 rejected, that is, that there be specific rate spreads within the EBA itself.<sup>8</sup>

186

187 **Q. What is the Division's position on rate spread?**

188 A. The Division would agree that the most recent general rate case rate spread adopted by the  
189 Commission, i.e. from Docket No.10-035-124, should be followed in the March 15, 2012  
190 EBA filing. Similarly, the EBA should follow the new rate spread that will come out of the  
191 current general rate case Docket No. 11-035-200.

192

193 **Q. Is Mr. Brubaker concerned about the time the Division (and other parties) will have to**  
194 **evaluate the Company's March 15 filings?**

195 A. Yes. Mr. Brubaker argues that the Division should have more than apparently 45 days to  
196 evaluate the EBA filing; customers should have at least 30 days to evaluate the DPU's  
197 review (item #10, p. 3, also see Mr. Brubaker's discussion on pp. 16-17, lines 362-389).

198

199 **Q. What is the Division's position regarding the time available to evaluate the Company's**  
200 **EBA filing?**

201 A. The Division agrees that 45 days would be too short if the EBA rate changes were going to  
202 be final instead of interim. The DPU will continue to audit the EBA filing and interim rates  
203 after the 45 day period. At the audit's conclusion, the Division would support at least a 30  
204 day comment period on its audit findings. Mr. Croft makes further, detailed comments on

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<sup>8</sup> See EBA Order p. 76, wherein the Commission states that "[The Commission] will rely on our most recent general rate case revenue spread and rate design decisions for the spread of the deferred balance to rate schedules and to rate elements. For simplicity, we decline to adopt UIEC's proposal to account for the balance by rate schedule."

205 this issue in his Rebuttal Testimony.

206

207 **Q. What does Mr. Brubaker say should be done with imprudent costs, and what is the**  
208 **Division's response?**

209 A. Mr. Brubaker argues that if any costs are found to be imprudent, the customers will be  
210 refunded those costs and any accrued carrying charge. He also argues that mark-to-market  
211 calculations should not incur carrying charges (pp. 20-21, lines 451-470). This appears  
212 reasonable to the Division. However, the Division notes that in the EBA Filing, there should  
213 only be actual costs and not any mark-to-market non-cash accounting entries. The Division's  
214 position is that actual costs, that are not found to be imprudent, should be subject to carrying  
215 charges.

216

217 **Q. The Division sent a data request to UIEC and Mr. Brubaker regarding lines 242-249 of**  
218 **Mr. Brubaker's Direct Testimony. Does the Division have any comments regarding**  
219 **these lines of testimony?**

220 A. In the response to the data request, UIEC/Mr. Brubaker stated that the only purpose of that  
221 testimony was "to provide a high level explanation of why some type of scalar factor is  
222 used." That being the case, the Division has no further comment on those lines of testimony.

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229 **III. COMMENTS ON DANIEL GIMBLE'S DIRECT TESTIMONY**

230

231 **Q. What does Mr. Gimble say are the primary issues and recommendations raised by the**  
232 **Office?**

233 Mr. Gimble's direct testimony addressed the following issues:<sup>9</sup>

- 234 • The appropriate allocation factors to apply in order to achieve a cost-based spread  
235 of EBA costs to rate schedules;
- 236 • Whether Utah's share of EBA costs should be calculated based on dynamic or  
237 static allocation;
- 238 • Whether the proposed tariff adequately details the types of costs that will be  
239 recorded in the EBA, consistent with the EBA Order and the September GRC  
240 Order; and
- 241 • Whether the proposed tariff is consistent with the EBA Order in the manner for  
242 which it provides for the finality of rates.

243

244 The Office's recommendations include:<sup>10</sup>

- 245 • The "Composite NPC Allocator" should be used to spread EBA costs to rate  
246 schedules and special contracts beginning with the Company's March 2012 EBA  
247 filing. The "Composite NPC Allocator" better reflects cost causation than the  
248 Total Revenue Requirement Allocator for spreading EBA costs.
- 249 • The "Composite NPC Allocator" should be updated after each general rate case  
250 based on a Compliance NPC Study. The Commission should also establish a  
251 review process to verify the accuracy of the Compliance NPC Study and  
252 "Composite NPC Allocator."
- 253 • Dynamic allocation principles should guide the allocation of total EBA costs to  
254 Utah.
- 255 • Dynamic allocation alternatives at the class level should be evaluated over the  
256 EBA pilot period.
- 257 • Minimum filing requirements should be developed through a rulemaking  
258 procedure and applied to the Company's EBA filings to ensure the information

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<sup>9</sup> Direct Testimony of Daniel E. Gimble, Docket No. 11-035-T10, p. 2.

<sup>10</sup> Ibid. p. 3.

259 submitted is complete, minimize discovery and increase the efficiency of the EBA  
260 review process.

- 261 • An EBA Manual should be developed that relates to both the EBA Schedule 94  
262 Tariff and EBA Filing Requirements.
- 263 • A party should have a minimum of 45 days from the time the Division submits its  
264 EBA audit report to prepare a filing that identifies any additional adjustments or  
265 concerns. Final EBA rates should not be established until the Commission  
266 conducts a hearing and takes evidence on the Division's EBA Report and any  
267 other matter raised by the Division, Office or other interested party.  
268

269 **Q. What is your understanding of the term "Composite NPC Allocator"?**

270 A. Mr. Gimble uses the term "Composite NPC Allocator" (CNA) for the allocation factors that  
271 are used in general rate cases to allocate NPC to Utah plus wheeling revenues. He argues that  
272 the CNA is more appropriate than a "Total Revenue Requirement Allocator." Further, he  
273 says, using the CNA is consistent with the allocation methods recently approved in MPA  
274 cases (p. 4, lines 103-116). Mr. Gimble justifies the allowance of the Commission to bring up  
275 this recommendation by quoting from page 5 of the Commission's Prehearing Order. The  
276 CNA would have to be specified in each rate case.

277

278 **Q. Does the Division have an opinion regarding the Office's proposed use of the CNA?**

279 A. Yes. The Division believes that his recommendation appears to be appropriate. The  
280 energy/capacity split on the allocation is approximately 94 percent to 6 percent based on the  
281 last GRC. The Division also believes that Mr. Gimble is correct that the CNA would more  
282 closely match cost causation in the EBA than the general state allocation factor.

283

284 **Q. The Office is recommending GRID compliance studies after each general rate case.**

285 **What is the Division's comment on this recommendation?**

286 A. The Division understands that the Company will be filing annual general rate cases for the  
287 foreseeable future. The Division interprets Mr. Gimble's suggestion as a call for the  
288 Company to file new GRID runs immediately after the Commission has issued its decisions  
289 at the end of a rate case. The purpose of these studies would be to show how the  
290 Commission's GRC Order was being implemented with respect to net power costs. The  
291 Division believes that this recommendation is appropriate and should be implemented at the  
292 end of each general rate case.

293

294 **Q. What is the Office's position regarding the issue of static versus dynamic allocators and**  
295 **scalars?**

296 A. The Office supports the use of dynamic allocators for the actual NPC calculations (pp. 10-11,  
297 lines 277-305). The Office appears to generally support the DPU's position.

298

299 **Q. The Office wants the DPU to study the effects of monthly allocations to different classes**  
300 **(pp. 11-12, lines 307-337). Does the Division have any comments on this**  
301 **recommendation?**

302 A. In this case the Division currently believes that the monthly issue only affects the carrying  
303 charges/credits. Furthermore, such a project would add to the Division's already heavy work  
304 load; therefore, the Division declines to make this study.

305

306 **Q. Mr. Gimble recommends that the Commission begin rule-making to establish the**  
307 **Company's minimum filing requirements for its EBA filing. Does the Division have a**  
308 **position on this recommendation?**

309 A. The DPU is not opposed to having the recommendations by the EBA Filing Requirements  
310 work group be codified in a Rule. The Division would be opposed to having the rule-making  
311 in effect be starting the recommendation process all over again. In other words, the rule  
312 making process should begin with specific acceptance of, or acceptance of with specific  
313 modifications to the work group report. The Division would also support a short time frame  
314 to consider any additions or modifications to the work group report.

315

316 **Q. Mr. Gimble also recommends that an EBA “Manual” be written (p. 13, lines 343-372).**

317 **What is the Division’s position with respect to an EBA “Manual”?**

318 A. With regard to the “Manual,” it is unclear exactly what its purpose would be, who would  
319 write it, and how it would be maintained and updated. Indeed it appears to the DPU that this  
320 “Manual” practically only could be a compilation of the tariff and Commission orders. As  
321 such it appears to be duplicative and probably something that would not be very useful.

322

323 **Q. Mr. Gimble argues that rates would only be final after: (1) the Division issues its audit**  
324 **report; (2) recommendations and comments from parties on the Division’s reports are**  
325 **filed; and (3) parties had at least 45 days to review and comment on the Division’s**  
326 **report before the Commission holds a hearing on whether or not to make the EBA rates**  
327 **final (p. 14). What is the Division’s response to this recommendation?**

328 A. As indicated under the section addressing UIEC’s comments, the DPU generally supports  
329 this position.

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#### **IV. OTHER COMMENTS**

**Q. Do you have any comments with respect to the issue raised by Kevin Higgins, witness for UAE, regarding the \$60 million deferred net power costs that were the subject of the Stipulation in the last general rate case?**

A. The Division supports that the rate spread be according to the Stipulation. However, following the conclusion of the current rate case (Docket No. 11-035-200), the Division supports basing the rate spread upon the Office’s recommendation of using just the SE and SG factors.

**Q. Does the Division have any comments on the direct testimony of the Company’s witnesses?**

A. With the possible exception that the Company’s proposed tariff adequately details the types of costs<sup>11</sup> that will be recorded in the EBA, the Division generally does not disagree with the Company’s witnesses’ comments.

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<sup>11</sup> See the direct testimony of Mr. Croft.

## **V. CONCLUSIONS AND RECOMMENDATIONS**

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**Q. What are your principal conclusions and recommendations regarding the direct testimonies of the Company witnesses and the witnesses for the intervenors?**

A. The Division supports the following recommendations by the intervenors:

- Broadly, the Division supports “transparency” and in direct testimony has recommended that more account detail be included in the proposed tariff.
- The Division supports the use of dynamic allocation factors and scalars with respect to the actual NPC.
- The Division agrees that parties should have at least 30 days to review and respond to the Division’s audit report<sup>12</sup> and recommendations as to whether or not to make interim rates final.
- The Division agrees with Mr. Brubaker’s recommendation that costs found to be imprudent be refunded to customers along with any related carrying charges.
- The Division supports the Office’s rate spread proposal to allocate deferred EBA balances based upon the SE and SG factors (i.e. formulae) used in the rate case to establish Utah NPC costs.
- The Division supports the Office’s proposal for GRID compliance studies.
- The Division is not opposed to rule making for the EBA filing requirements.
- The Division supports using the Office’s proposed CNA for the deferred NPC costs coming out of the Stipulation.

**Q. What are the primary recommendations by intervenors that the Division does not support?**

A. The Division does not support the following recommendations:

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<sup>12</sup> See Mr. Croft’s rebuttal testimony for the distinction between the Audit Report, Review Report and Evaluation report.

- 379           • The Division believes that Mr. Brubaker's comments about risk were already  
380           raised in the ECAM/EBA Docket No. 09-035-15, and are beyond the scope of this  
381           tariff compliance docket.
- 382           • The Division disagrees with Mr. Brubaker's position that there should be no  
383           mention of retail contract customers in the EBA tariff.
- 384           • The Division believes that the Commission has already rejected special  
385           allocations to particular rate classes.
- 386           • The Division believes that Mr. Brubaker's comments and recommendations  
387           regarding the 6 percent carrying charge relate to issues already raised and decided  
388           by the Commission and are beyond the scope of this EBA tariff compliance  
389           docket.
- 390           • At this time the Division does not support the development of an EBA Manual  
391           since it is not well defined and appears to be duplicative of Commission orders,  
392           rules, and Company tariffs.
- 393           • The Division does not support the study of monthly allocation factors since it  
394           believes that this would not result in significant changes to the EBA process or the  
395           deferred balances, primarily carrying charge deferrals.

396

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

398   A. Yes.