

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

| | | |
|---|---|--|
| |) | DOCKET NO. 11-035-T10 |
| |) | |
| |) | |
| In the Matter of the Rocky Mountain Power |) | Exhibit No. DPU 2.0R |
| Proposed Schedule 94, Energy Balancing |) | |
| Account (EBA) Pilot Program Tariff |) | Rebuttal Testimony and Exhibits |
| |) | |
| |) | Matthew Croft |
| |) | |

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

Rebuttal Testimony of

Matthew Croft

March 15, 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. What is your business address?**

5 A. Heber M. Wells Office Building, 160 East 300 South, Salt Lake City, Utah, 84111.

6 **Q. Did you testify previously in this docket?**

7 A. Yes. I provided direct testimony concerning the FERC accounts detailed in the Company’s
8 proposed tariff. I also briefly testified concerning the finality of rates.

9 **Q. In general, do any of the other parties agree with your direct testimony that more detail
10 is needed in the tariff with respect to the FERC accounts and sub-accounts to be
11 included and excluded from the EBA?**

12 A. Yes. It appears from Mr. Brubaker’s testimony that UIEC believes more FERC account
13 detail is needed in the tariff. However, I am not aware at this point if any of the parties or
14 Rocky Mountain Power (“Company”) agree with any of my proposed FERC account detail
15 levels. If necessary, I will respond to their rebuttal comments in my sur-rebuttal testimony.

16 **Q. Do you have any clarifications you would like to make?**

17 A. Yes. After reading Mr. Brubaker’s testimony it appears there may be some confusion
18 concerning the various reports the Division intends to provide concerning the EBA.

19 **Q. Can you please explain the types of reports the Division intends to provide concerning
20 the EBA?**

21 A. Yes. There are three separate reports the Division intends to provide concerning the EBA.
22 These reports consist of the 45 Day Review Report, the Audit Report on the Annual Filing,
23 and the Evaluation Report.

24 **Q. Can you please tell us about the first type of report?**

25 A. Yes. The Review Report will be provided 45 days after Rocky Mountain Power's annual
26 March 15th filing. The Division agrees with UIEC that 45 days would be too short if the EBA
27 rate changes were going to be final instead of interim. However, the Review Report is a high
28 level report in which the Division will recommend whether *interim rates* should or should
29 not be established. This report will focus on, but not necessarily be limited to things such as
30 whether the Company conformed its filing to the expectations set forth in the Division's
31 Draft EBA Pilot Program Evaluation Plan, whether the EBA formula was implemented
32 correctly, whether the correct FERC accounts, sub accounts and sub-sub accounts were used
33 in the EBA deferral calculations, overall mathematical accuracy, general review of Company
34 explanations for deviations between actual and base EBA costs, proper implementation of the
35 Commission approved rate spread,¹ and a general review of the forecasted loads for the EBA
36 Rate Effective Period.

37 **Q. Can you please tell us about the second type of report?**

38 A. Yes. The Audit Report will report more in depth on prudence issues. It is anticipated that the
39 audit associated with this report will take considerably longer than 45 days after the
40 Company's March 15th filing. As mentioned in my direct testimony, the Division has not
41 established a specific time period for providing this report.

42 **Q. Can you please tell us about the third type of report?**

43 A. Yes. The third type of report is the Evaluation Report, which will consist of two consecutive
44 reports. In the first evaluation report, covering a preliminary evaluation of the program, it is
45 intended that the Division address issues or concerns with the program. The first report is to

¹ As will be determined in this docket.

46 be completed within four months after the conclusion of the second calendar year of the pilot
47 program (four months after December 31, 2013). The second report will contain the
48 Division's final evaluation of the pilot program and is to be completed within four months
49 after the conclusion of the third calendar year of the pilot (four months after December 31,
50 2014).

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

52 A. Yes.