

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

**In the Matter of the Investigation of the Costs)
and Benefits of PacifiCorp's Net Metering)
Program)**

Docket No. 14-035-114

DPU Exhibit 3.0SR

Surrebuttal Testimony of

Myunghee Sim Tuttle

Division of Public Utilities

August 8, 2017

1 **Q: Please state your name for the record.**

2 A: My name is Myunghee Sim Tuttle.

3 **Q: Have you previously filed testimony in this docket?**

4 A: Yes. On behalf of the Division of Public Utilities (“Division”), I filed rebuttal testimony
5 on July 25, 2017,

6 **Q: Please briefly describe the purpose of your surrebuttal testimony.**

7 A: The purpose of my surrebuttal testimony is to respond to Rocky Mountain Power’s (the
8 “Company”) witness Ms. Joelle Steward’s statement regarding the Commission’s 1985
9 methodology in her rebuttal testimony.

10 **Q: Ms. Steward implies in her testimony that the Commission’s 1985 methodology is**
11 **antiquated to determine the customer charge in this proceeding and therefore**
12 **provides a justification for the higher customer charge proposed by the Company.**
13 **What is the Division’s view?**

14 A: The Division believes that the 1985 methodology should be the basis for calculating the
15 residential customer charge. However, if the 1985 methodology is indeed antiquated, as
16 Ms. Steward argues, then the re-evaluation of the 1985 methodology should occur in the
17 next general rate case. By doing so, any changes determined during the re-evaluation can
18 be applied to all residential customers, not just to NEM customers. Further, the
19 Commission can explore the applicability of such changes to other rate classes.
20 Therefore, the Division believes that applying a higher customer charge to NEM
21 customers in this proceeding because 1985 methodology is antiquated is not appropriate.

22 **Q: What justification did the Company provide for the re-evaluation of the 1985**
23 **methodology? What is the Division’s view?**

24 A: Ms. Steward states that “the changes in technology, growth in customer generation, and
25 in particular, the present circumstance of net metering”¹ warrant a re-evaluation of the
26 1985 methodology. The Division agrees with the idea that methodologies can change in
27 light of changing conditions. The quoted statement by the Division’s witness Dr. Artie
28 Powell in Ms. Steward’s rebuttal shows the support for this idea: “rate-making must be
29 sufficiently flexible to adapt to changing circumstances.”²

30 **Q: If the Division agrees with the idea that methodologies can change in light of**
31 **changing conditions, then why is the Division opposed to the Company’s proposed**
32 **customer charge?**

33 A: There are other instances when the Division proposed or supported a customer charge
34 calculated with the modified methodology³. In my rebuttal testimony, the Division
35 showed support for OCS’s customer charge, which had modifications. However, the
36 Division views the modifications proposed by OCS to be reasonable and generally
37 consistent with the principles stated in 1985 methodology. To avoid singling out one
38 group of customers, our support for OCS’s customer charge was coupled with the
39 recommendation not to adopt any rates outside of a general rate case.
40 In comparison, the Division views that the Company’s customer charge is not a
41 modification of the 1985 methodology, but instead alters the methodology drastically.
42 This is evident in Ms. Steward’s statement claiming that there is a need for a re-
43 evaluation of the 1985 methodology. As I stated above, the Division believes that
44 drastically altering the methodology to calculate the customer charge in this proceeding is

¹ See Rebuttal Testimony of Joelle Stewards in Docket 14-035-114, p. 13-14, lines 264-265.

² See Direct Testimony of Artie Powell in Docket 14-035-114, p.8, lines 137-138.

³ See Direct Testimony of Stan Faryniarz in Docket 13-035-184.

45 not appropriate because changes resulting from the re-evaluation should not be applied
46 just to a one group of customers. If the methodology needs to be changed, then the
47 change should be applied across the entire customer class. Therefore, the re-evaluation
48 and the changes resulting from the re-evaluation should occur in the next general rate.

49 **Q: Does that conclude your surrebuttal testimony?**

50 **A:** Yes it does.