

1 **Q. Please state your name, business address and position with PacifiCorp dba**  
2 **Rocky Mountain Power (“the Company”).**

3 A. My name is Joelle R. Steward. My business address is 1407 West North Temple,  
4 Salt Lake City, Utah 84116. My present position is Director, Rates & Regulatory  
5 Affairs.

6 **Qualifications**

7 **Q. Briefly describe your educational and professional background.**

8 A. I have a B.A. degree in Political Science from the University of Oregon and an  
9 M.A. in Public Affairs from the Hubert Humphrey Institute of Public Policy at the  
10 University of Minnesota. Between 1999 and March 2007, I was employed as a  
11 Regulatory Analyst with the Washington Utilities and Transportation  
12 Commission. I joined the Company in March 2007 as a Regulatory Manager,  
13 responsible for all regulatory filings and proceedings in Oregon. In February  
14 2012, I assumed responsibilities overseeing cost of service and pricing for  
15 PacifiCorp. In May 2015, I assumed my current position, with broader oversight  
16 over Rocky Mountain Power’s regulatory affairs in addition to the cost of service  
17 and pricing responsibilities.

18 **Q. Have you appeared as a witness in previous regulatory proceedings?**

19 A. Yes. I have testified in regulatory proceedings in Idaho, Oregon, Utah,  
20 Washington and Wyoming.

21 **Purpose and Summary of Testimony**

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

23 A. The purpose of my testimony is to present the Company’s proposed rate spread

24 and rates in Schedule 98 to recover the deferred renewable energy credit (“REC”)  
25 revenues in the REC Balancing Account (“RBA”).

26 **Q. Please summarize the rate impacts for the proposed change in rates to**  
27 **Schedule 98 for this filing.**

28 A. The net change in Schedule 98 is a decrease of \$1.3 million, or 0.07 percent. This  
29 net change is the difference between the current collection level of \$8.5 million  
30 and the new proposed collection level of \$7.1 million for the 2016 RBA.  
31 Exhibit RMP\_\_\_(JRS-1), page 1, shows the net impact by rate schedule.

32 **Proposed RBA Rate Spread**

33 **Q. What is the total deferred RBA balance in this case and the requested annual**  
34 **recovery amount in Schedule 98?**

35 A. The total deferred REC revenue balance is a surcharge to customers of \$7.1  
36 million, as shown in Mr. Terrell H. Spackman’s Exhibit RMP\_\_\_(THS-1). Of this  
37 amount, \$7.5 million is related to the on-going amortization for the 2013 deferral  
38 approved in Docket No. 14-035-30 (“2014 RBA”) and 2014 deferral approved in  
39 Docket No. 15-035-27 (“2015 RBA”) and -\$0.4 million is related to the 2015  
40 deferral proposed for this 2016 RBA. Consistent with the terms of the stipulation  
41 approved by the Public Service Commission of Utah in Docket No. 11-035-200  
42 (“2012 General Rate Case” (“GRC”)), the Company proposes to recover the  
43 balance for the 2015 deferral over one year, beginning June 1, 2016. This amount  
44 is in addition to the current recovery on Schedule 98 for the 2014 RBA and 2015  
45 RBA, which were authorized for recovery over three years and two years  
46 respectively. Therefore, the proposed combined annual recovery on Schedule 98,

47 beginning June 1, 2016, is \$7.1 million.

48 **Q. How does the Company propose to allocate the balance of the 2014 RBA and**  
49 **2015 RBA across customer classes?**

50 A. As shown in Mr. Spackman's Exhibit RMP\_\_\_\_(THS-1), the estimated balance of  
51 2014 RBA and 2015 RBA as of May 31, 2016, is approximately \$7.5 million. The  
52 company proposes to spread this amount across customer classes proportionally  
53 based on the spread of the \$8.5 million approved in Docket No. 15-035-27.

54 **Q. How does the Company propose to allocate the 2016 RBA deferral revenue**  
55 **across customer classes?**

56 A. The Company proposes to allocate the 2016 RBA deferral revenue across  
57 customer classes based on the rate spread approved in the rate cases where the  
58 corresponding Base RBA revenues were set. Specifically, the Company proposes  
59 to use the rate spread from the Docket No. 13-035-184 ("2014 GRC") (Step 1) for  
60 the portion of the deferral related to the months of January through August 2015,  
61 which is approximately -\$0.1 million, because this rate spread is consistent with  
62 the Base RBA revenues set in 2014 GRC Step 1. Similarly, the Company  
63 proposes to use the rate spread from the 2014 GRC Step 2, for the portion of the  
64 deferral related to September through December 2015, which is approximately -  
65 \$0.2 million, since this spread is consistent with the Base RBA revenues  
66 beginning September 2015.

67 **Q. Did the Company make any other modifications to rate spread?**

68 A. Yes, the Company made two modifications, both of which are consistent with  
69 modifications made in past RBA filings. First, since the rate spread in the 2012

70 and 2014 GRCs for Schedules 7, 11, 12 and 15 were zero, the deferred RBA  
71 revenue allocations for Schedules 7, 11, 12 and 15 were calculated with the total  
72 deferred RBA revenue times the percentage of these schedules' deferred RBA  
73 revenue allocation from last RBA proceeding in Docket No. 12-035-68.

74 Second, consistent with the terms of the contract approved by the Public  
75 Service Commission of Utah in Docket No. 15-035-81, the 2016 RBA revenue  
76 allocation for Contract Customer 1 is based on the overall 2016 RBA percentage  
77 to tariff customers in Utah. Then, the rest of the deferred REC revenues are  
78 allocated to the other customer classes consistent with the approved rate spread in  
79 the corresponding general rate case. Exhibit RMP\_\_\_\_(JRS-1), page 2, contains the  
80 Company's proposed rate spread. Based on the forecast test period 12-months  
81 ending June 2015 from the 2014 GRC, this proposal would result in an overall  
82 decrease of 0.07 percent from current rates.

83 **Proposed Rates for Schedule 98**

84 **Q. How were the proposed Schedule 98 rates developed for each rate schedule?**

85 A. Consistent with the previous RBA filings, the proposed rate for each schedule was  
86 developed as a percentage surcharge to apply to customers' Monthly Power  
87 Charges and Energy Charges. The percentage for each rate schedule is calculated  
88 by dividing the allocated deferred REC revenue amount by the corresponding  
89 present revenues. Exhibit RMP\_\_\_\_(JRS-2) contains the billing determinants and  
90 the calculations of the proposed RBA rates in this case.

91 **Q. Please describe Exhibit RMP\_\_\_\_(JRS-3).**

92 A. Exhibit RMP\_\_\_\_(JRS-3) contains the proposed Schedule 98 reflecting the new

93 rates. The Company requests that the proposed Schedule 98 rates become  
94 effective on June 1, 2016.

95 **Q. Did you include workpapers with this filing?**

96 A. Yes. Workpapers have been included with this filing that details the calculations  
97 shown in my exhibits.

98 **Q. Does this conclude your direct testimony?**

99 A. Yes, it does.