

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

---

In the Matter of the Application of Rocky Mountain Power for Authority to Increase Its Retail Electric Utility Service Rates in Utah and for Approval of Its Proposed Electric Service Schedules and Electric Service Regulations	)	Docket No. 20-035-04
	)	Direct Testimony
	)	of Donna Ramas
	)	For the Office of
	)	Consumer Services

---

DIRECT TESTIMONY

OF

Donna Ramas

FOR THE OFFICE OF CONSUMER SERVICES

February 26, 2020

1 **Q. WHAT IS YOUR NAME, OCCUPATION AND BUSINESS ADDRESS?**

2 A. My name is Donna Ramas. I am a Certified Public Accountant licensed in  
3 the State of Michigan and Principal at Ramas Regulatory Consulting, LLC,  
4 with offices at 4654 Driftwood Drive, Commerce Township, Michigan  
5 48382.

6 **Q. HAVE YOU PREPARED A SUMMARY OF YOUR QUALIFICATIONS  
7 AND EXPERIENCE?**

8 A. Yes. I have attached Appendix I, which is a summary of my regulatory  
9 experience and qualifications.

10 **Q. ON WHOSE BEHALF ARE YOU APPEARING?**

11 A. I was retained by the Utah Office of Consumer Services (OCS) to review  
12 the request of Rocky Mountain Power (RMP) for Public Service  
13 Commission (PSC) approval of the test period RMP intends to use in its  
14 next general rate case. Accordingly, I am appearing on behalf of the  
15 OCS.

16 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

17 A. I present the OCS's position with regards to the test period RMP proposes  
18 to use in its next general rate case.

19 **Q. WHAT TEST PERIOD HAS RMP PROPOSED?**

20 A. RMP has expressed its intent to submit a general rate case filing on or  
21 around May 5, 2020 with a requested rate-effective date of January 1,  
22 2021. In *Rocky Mountain Power's Notice of Intent to File a General Rate  
23 Case and Request for Approval of Test Period* submitted on January 17,

24 2020, and in the direct testimony of Steven R. McDougal submitted with  
25 the filing, RMP proposes to use the twelve-months ending December 21,  
26 2021 with a 13-month average rate base as the test period in the  
27 upcoming rate case. In explaining how RMP plans to develop the revenue  
28 requirements for its proposed test period, Mr. McDougal explains that  
29 RMP will begin with the twelve-months ended December 31, 2019 as the  
30 base period. The revenue requirement components for this historical base  
31 period ended December 31, 2019 will then be "...analyzed to determine if  
32 an adjustment is warranted to reflect normal operating conditions  
33 expected to occur during the 2021 Proposed Test Period."<sup>1</sup>

34 **Q. BASED ON YOUR REVIEW OF RMP'S APPLICATION AND THE**  
35 **DIRECT TESTIMONY OF STEVEN R. MCDUGAL, ARE YOU**  
36 **CHALLENGING THE TEST PERIOD PROPOSED BY RMP FOR ITS**  
37 **UPCOMING GENERAL RATE CASE FILING?**

38 A. No, I am not. If RMP files its upcoming general rate case within a  
39 reasonable proximity to its currently anticipated filing date of on or about  
40 May 5, 2020, I do not object to RMP's intent to utilize an historic base  
41 period ended December 31, 2019 and a proposed future test period  
42 ending December 31, 2021 with a 13-month average rate base. However,  
43 if there is a substantial delay beyond the currently anticipated May 2020  
44 filing date, then a different base period may be appropriate based on  
45 historic data that is in closer proximity to the later filing date.

---

<sup>1</sup> Direct Testimony of Steven R. McDougal, page 4, lines 92 – 98.

46 **Q. DOES YOUR SILENCE REGARDING SPECIFIC STATEMENTS**  
47 **CONTAINED IN THE DIRECT TESTIMONY OF RMP WITNESS STEVEN**  
48 **R. MCDOUGAL MEAN THAT YOU AGREE WITH ALL OF THE**  
49 **STATEMENTS MADE IN HIS TESTIMONY?**

50 A. No, not necessarily. The request that is currently before the PSC is for  
51 approval of RMP's proposed test period ending December 31, 2021 with a  
52 13-month average rate base. Since I am not challenging the test period  
53 proposed by RMP, it is my opinion that a point-by-point response to Mr.  
54 McDougal's testimony would not be productive in aiding the PSC in  
55 deciding whether or not to approve the test period requested by RMP for  
56 its upcoming general rate case filing.

57 **Q. ARE THERE ANY STATEMENTS OR COMMENTS CONTAINED IN MR.**  
58 **MCDOUGAL'S DIRECT TESTIMONY THAT YOU WISH TO ADDRESS**  
59 **IN THIS TESTIMONY?**

60 A. Yes, briefly. In his direct testimony, at lines 228 through 245, Mr.  
61 McDougal discusses the wind repowering, new wind and new  
62 transmission projects, asserting that RMP's proposed test period does  
63 "...not give the Company the opportunity to recover its prudently incurred  
64 costs occurring prior to January 1, 2021." He also contends that: "In  
65 order to have the opportunity to recover its prudently incurred costs prior  
66 to January 1, 2021, the Company would need a deferral mechanism." He  
67 then discusses RMP's perceived inequity absent a deferral mechanism  
68 and indicates that this "inequity" associated with the wind repowering

69 projects are being addressed in Docket No. 19-035-45. It is not clear to  
70 me how or why RMP considers this testimony to be informative for  
71 purposes of determining whether or not the proposed test year ending  
72 December 31, 2021 should be approved by the PSC.

73 It is within RMP's discretion based on its intimate knowledge of its  
74 operations and finances, including information not available to other  
75 parties, to decide whether or not it needs to file a rate case and when to  
76 file a rate case. The wind repowering, new wind and new transmission  
77 projects discussed by Mr. McDougal are not the only changes that have  
78 occurred for RMP and its operations since its last rate case filing. Many  
79 things change between rate cases, particularly when many years have  
80 elapsed since the prior rate case. It is my opinion that this proceeding  
81 addressing the test period for the upcoming rate case is not the  
82 appropriate forum to evaluate RMP's requested deferral mechanism.

83 **Q. IN WHAT FORUM IS THE DEFERRAL MECHANISM DISCUSSED**  
84 **BRIEFLY IN MR. MCDUGAL'S TESTIMONY BEING ADDRESSED?**

85 A. On December 30, 2019, RMP filed an application requesting an  
86 accounting order from the PSC to allow RMP to defer certain costs related  
87 to the repowered wind projects. Subsequently, RMP filed testimony in  
88 support of its request on January 22, 2020. As indicated in Mr.  
89 McDougal's testimony in this docket, the requested accounting order, as  
90 well as an alternative proposed by RMP if the requested accounting  
91 deferral is rejected, is being considered in Docket No. 19-035-45. The

92 OCS's position regarding the requested accounting order will be  
93 presented in pre-filed direct testimony in the appropriate docket, Docket  
94 No. 19-035-45, which is currently due to be filed on March 4, 2020.  
95 Regardless of the outcome of that separate docket, I am not challenging  
96 RMP's request in this docket for PSC approval of the test period ended  
97 December 31, 2021 with a 13-month average rate base in the upcoming  
98 rate case. However, my position in this docket should not be understood  
99 as support of any position RMP has taken or may take in Docket No. 19-  
100 035-45.

101 **Q. DOES THIS COMPLETE YOUR PREFILED DIRECT TESTIMONY?**

102 A. Yes.