

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE )  
APPLICATION OF ROCKY ) CASE NO. PAC-E-13-03  
MOUNTAIN POWER FOR )  
AUTHORITY TO INCREASE RATES ) Direct Testimony of Joelle R. Steward  
BY \$2.2 MILLION TO RECOVER )  
DEFERRED NET POWER COSTS )  
THROUGH THE ENERGY COST )  
ADJUSTMENT MECHANISM )**

**ROCKY MOUNTAIN POWER**

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**CASE NO. PAC-E-13-03**

**February 2013**

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

3 A. My name is Joelle R. Steward. My business address is 825 NE Multnomah Street,  
4 Suite 2000, Portland, Oregon, 97232. My present position is Director of Pricing, Cost  
5 of Service, and Regulatory Operations in the Regulation Department.

6 **Qualifications**

7 **Q. Briefly describe your education and business experience.**

8 A. I have a B.A. degree in Political Science from the University of Oregon and an M.A.  
9 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 Commission. I  
12 joined the Company in March 2007 as Regulatory Manager, responsible for all  
13 regulatory filings and proceedings in Oregon. I assumed my current position in  
14 February 2012.

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

16 A. Yes. I have testified in regulatory proceedings in Idaho, Oregon and Washington.

17 **Q. What is the purpose of your testimony in this proceeding?**

18 A. I support the Company’s proposed rates in this case.

19 **Background**

20 **Q. What level of revenues is Schedule 94, Energy Cost Adjustment, currently**  
21 **designed to collect?**

22 A. Schedule 94 is designed to collect approximately \$13.0 million—\$2.4 million for

1 Tariff Contract 400, \$0.2 million for Tariff Contract 401, and \$10.4 million for the  
2 standard tariff customers—based on Idaho loads from Case No. PAC-E-11-07.

3 **Proposed Rate Change for Schedule 94**

4 **Q. Please describe Rocky Mountain Power's proposed rate change in this case.**

5 A. In this 2013 ECAM filing, the Company proposes no change to its current ECAM  
6 surcharge collection rates for standard tariff customers. For Tariff Contracts 400 and  
7 401, the Company proposes to increase the tariff surcharge rates in Tariff Schedule 94  
8 with a collection rate of approximately \$4.5 million and \$0.3 million, respectively, on  
9 an annual basis from April 1, 2013 to March 31, 2014.

10 **Q. Why is the Company proposing no change to the ECAM collection rates for  
11 standard tariff customers?**

12 A. The Company projects that the current collection surcharge for standard tariff  
13 customers designed to collect approximately \$10.4 million is adequate to collect all  
14 and maybe slightly more than the ECAM balance as of November 30, 2012, adjusted  
15 for anticipated collections through March 31, 2013, for these customers. This is  
16 consistent with the Company's 2012 ECAM Application, Case No. PAC-E-12-03,  
17 where no rate change was proposed for the standard tariff customers with the  
18 expectation that this would avoid a 2013 rate change. The current balance for the  
19 standard tariff customers is in line with the 2012 projections; therefore, the Company  
20 proposes to make no change to the collection rates for these customers. Any balance  
21 as a result of these rates will be carried forward to the 2014 ECAM filing.

22 **Q. Please explain the proposed rate change for Tariff Contracts 400 and 401.**

23 A. The proposed rate change for Tariff Contracts 400 and 401 covers the amortization

1 for two ECAM deferral periods. The first is related to the 2011 ECAM deferral for  
2 the period of December 1, 2010 through November 30, 2011. As agreed to by parties  
3 in the stipulation in the Company's 2011 general rate case, approved by Commission  
4 Order No. 32432, the 2011 ECAM deferral is being amortized over three years. This  
5 filing includes the second year of amortization for that deferral—\$2.4 million for  
6 Tariff Contract 400 and \$0.2 million for Tariff Contract 401.

7 The second is for the ECAM deferral period of December 1, 2011 through  
8 November 30, 2012. As supported in Mr. Brian S. Dickman's testimony, Tariff  
9 Contract 400 is responsible for \$6.3 million and Tariff Contract 401 is responsible for  
10 \$0.5 million. Commission Order No. 32432 also approved amortization of the 2012  
11 ECAM deferral amounts over three years. Therefore, this filing includes \$2.1 million  
12 for Tariff Contract 400 and \$0.1 million for Tariff Contract 401, which is one-third of  
13 the applicable 2012 ECAM deferral amounts.

14 The combined amortization of the two ECAM deferral periods for Tariff  
15 Contracts 400 and 401 equal approximately \$4.5 million for Tariff Contract 400 and  
16 \$0.3 million for Tariff Contract 401 on an annual basis. Schedule 94 surcharge rates  
17 have been designed to collect these annual amounts from these customers. The  
18 Company will track the recovery of the two different deferral period amounts by  
19 proportioning the collections consistent with each contract customers' annual  
20 amortization balance. For example, Tariff Contract 400's 2011 ECAM deferral  
21 amortization amount is 52.7 percent of the total collection target of \$4.5 million, so  
22 52.7 percent of the collections from Schedule 94 from April 1, 2013 to March 31,  
23 2014, will be applied against the 2011 ECAM deferral balance.

1 **Q. What is the impact from the above ECAM rate change proposals?**

2 A. As summarized in Exhibit No. 2, these rate change proposals result in a 2.6 percent  
3 increase for Tariff Contract 400 and 2.4 percent increase for Tariff Contract 401. As  
4 indicated above, the Company proposes no changes for the standard tariff customers.

5 **Proposed Rates for Schedule 94**

6 **Q. How were the proposed Schedule 94 rates developed for Tariff Contract 400 and**  
7 **Tariff Contract 401?**

8 A. The proposed rates for these two customers were developed by dividing their total  
9 collection targets identified above by their kWh consumption at the transmission  
10 voltage level. As a result, the Company proposes a Schedule 94 rate of 0.324 cents per  
11 kWh for Tariff Contract 400, and 0.301 cents per kWh for Tariff Contract 401.

12 **Q. Please describe Exhibit No. 2.**

13 A. Exhibit No. 2 illustrates the metered loads, the line loss adjusted loads, the allocation  
14 of the ECAM price change, and the percentage change by rate schedule based on the  
15 second year present revenues ordered in the Company's 2011 general rate case (Case  
16 No. PAC-E-11-07).

17 **Q. Please describe Exhibit No. 3.**

18 A. Exhibit No. 3 contains clean and legislative copies of the proposed Electric Service  
19 Schedule No. 94, Energy Cost Adjustment, designed to collect approximately \$15.2  
20 million of the ECAM deferred balance. Again, the only revisions to Schedule 94  
21 surcharge proposed in this case are the proposed new rates for Tariff Contracts 400  
22 and 401 discussed above. Rates for the standard tariff customers are unchanged.

1 Consistent with the ECAM mechanism, the Company proposes that these rate changes  
2 become effective on April 1, 2013.

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

4 **A. Yes.**

Case No. PAC-E-13-03  
Exhibit No. 2  
Witness: Joelle R. Steward

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

ROCKY MOUNTAIN POWER

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Exhibit Accompanying Direct Testimony of Joelle R. Steward

February 2013

**EXHIBIT 2  
ESTIMATED IMPACT OF PROPOSED ECAM ADJUSTMENT  
FROM ELECTRIC SALES TO ULTIMATE CONSUMERS  
DISTRIBUTED BY RATE SCHEDULES IN IDAHO  
HISTORIC 12 MONTHS ENDED DECEMBER 2010**

Line No.	Description	Sch.	Average		Present	At Meter			At	ECAM Proposal				Present	Net Change	
			Cust	MWH	Rev (\$000)	MWh by Voltage			Generation MWh <sup>1</sup>	Rev (\$000)	Rate ¢/kWh <sup>2</sup>			ECAM Rev (\$000) <sup>3</sup>	(\$000)	%
	(1)	(2)	(3)	(4)	(5)	S	P	T	(9)	(10)	S	P	T	(14)	(15)	(16)
<b>Residential Sales</b>																
1	Residential Service	1	42,207	424,153	\$46,306	424,153			467,196	\$2,413	0.569	0.550	0.535	\$2,413	\$0	0.0%
2	Residential Optional TOD	36	14,902	285,516	\$26,124	285,516			314,490	\$1,625	0.569	0.550	0.535	\$1,625	\$0	0.0%
3	AGA Revenue				\$3											
4	Total Residential		57,109	709,669	\$72,433	709,669	0	0	781,686	\$4,038				\$4,038	\$0	0.0%
<b>Commercial &amp; Industrial</b>																
6	General Service - Large Power	6	1,055	270,876	\$21,003	225,143	45,732		296,685	\$1,533	0.569	0.550	0.535	\$1,533	\$0	0.0%
7	General Svc. - Lg. Power (R&F)	6A	235	32,618	\$2,795	32,618			35,929	\$186	0.569	0.550	0.535	\$186	\$0	0.0%
8	Subtotal-Schedule 6		1,289	303,494	\$23,798	257,762	45,732	0	332,613	\$1,718				\$1,718	\$0	0.0%
9	General Service - High Voltage	9	12	112,052	\$6,713			112,052	116,092	\$599	0.569	0.550	0.535	\$599	\$0	0.0%
10	Irrigation	10	4,845	555,304	\$48,512	555,304			611,656	\$3,160	0.569	0.550	0.535	\$3,160	\$0	0.0%
11	Comm. & Ind. Space Heating	19	127	6,225	\$512	6,225			6,856	\$35	0.569	0.550	0.535	\$35	\$0	0.0%
12	General Service	23	6,681	133,757	\$12,795	132,608	1,149		147,288	\$761	0.569	0.550	0.535	\$761	\$0	0.0%
13	General Service (R&F)	23A	1,586	19,973	\$2,001	19,973			22,000	\$114	0.569	0.550	0.535	\$114	\$0	0.0%
14	Subtotal-Schedule 23		8,267	153,730	\$14,797	152,581	1,149	0	169,288	\$875				\$875	\$0	0.0%
15	General Service Optional TOD	35	3	1,639	\$117	1,639			1,806	\$9	0.569	0.550	0.535	\$9	\$0	0.0%
16	Contract 1 <sup>4</sup>	400	1	1,378,699	\$78,194			1,378,699	1,428,401	\$4,471			0.324	\$2,413	\$2,058	2.6%
17	Contract 2 <sup>4</sup>	401	1	104,412	\$5,765			104,412	108,176	\$314			0.301	\$171	\$143	2.4%
18	AGA Revenue				\$749											
19	Total Commercial & Industrial		14,546	2,615,555	\$179,157	973,510	46,881	1,595,163	2,774,888	\$11,182				\$8,981	\$2,201	1.2%
<b>Public Street Lighting</b>																
21	Security Area Lighting	7	200	251	\$95	251			276	\$1	0.569	0.550	0.535	\$1	\$0	0.0%
22	Security Area Lighting (R&F)	7A	151	118	\$48	118			130	\$1	0.569	0.550	0.535	\$1	\$0	0.0%
23	Street Lighting - Company	11	29	99	\$44	99			109	\$1	0.569	0.550	0.535	\$1	\$0	0.0%
24	Street Lighting - Customer	12	313	2,366	\$421	2,366			2,606	\$13	0.569	0.550	0.535	\$13	\$0	0.0%
25	AGA Revenue				\$0											
26	Total Public Street Lighting		694	2,833	\$608	2,833	0	0	3,120	\$16				\$16	\$0	0.0%
27	<b>Total Sales to Ultimate Customers</b>		<b>72,348</b>	<b>3,328,057</b>	<b>\$252,198</b>	<b>1,686,012</b>	<b>46,881</b>	<b>1,595,163</b>	<b>3,559,694</b>	<b>\$15,236</b>				<b>\$13,035</b>	<b>\$2,201</b>	<b>0.8%</b>
29	<sup>1</sup> Equal to MWh sales by voltage times the corresponding loss factors in this line:					1.10148	1.06475	1.03605		\$10,451	< Tariff Cust			Present		
30	<sup>2</sup> Total Proposed ECAM Revenue (\$000) and Rate by Voltage (cents/kWh):					0.569	0.550	0.535	0.517	\$4,471	< Sch 400			0.175 < Sch 400		
31	<sup>3</sup> Equal to MWh sales by voltage times the corresponding present rate in this line:					0.569	0.550	0.535		\$314	< Sch 401			0.164 < Sch 401		
32	<sup>4</sup> Rates designed to amortize the ECAM Deferral Balances for Schedules 400 and 401 over three years.															

Case No. PAC-E-13-03  
Exhibit No. 3  
Witness: Joelle R. Steward

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ROCKY MOUNTAIN POWER

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Exhibit Accompanying Direct Testimony of Joelle R. Steward

February 2013



I.P.U.C. No. 1

Third Revision of Sheet No. 94.1  
 Cancelling Second Revision of Sheet No. 94.1

**ROCKY MOUNTAIN POWER**  
**ELECTRIC SERVICE SCHEDULE NO. 94**

**STATE OF IDAHO**

**Energy Cost Adjustment**

**AVAILABILITY:** At any point on the Company's interconnected system.

**APPLICATION:** This Schedule shall be applicable to all retail tariff Customers taking service under the Company's electric service schedules.

**ENERGY COST ADJUSTMENT:** The Energy Cost Adjustment is calculated to collect the accumulated difference between total Company Base Net Power Cost and total Company Actual Net Power Cost calculated on a cents per kWh basis.

**MONTHLY BILL:** In addition to the Monthly Charges contained in the Customer's applicable schedule, all monthly bills shall have applied the following cents per kilowatt-hour rate by delivery voltage.

		Delivery Voltage		
		Secondary	Primary	Transmission
Schedule	1	0.569¢ per kWh		
Schedule	6	0.569¢ per kWh	0.550¢ per kWh	
Schedule	6A	0.569¢ per kWh	0.550¢ per kWh	
Schedule	7	0.569¢ per kWh		
Schedule	7A	0.569¢ per kWh		
Schedule	9			0.535¢ per kWh
Schedule	10	0.569¢ per kWh		
Schedule	11	0.569¢ per kWh		
Schedule	12	0.569¢ per kWh		
Schedule	19	0.569¢ per kWh		
Schedule	23	0.569¢ per kWh	0.550¢ per kWh	
Schedule	23A	0.569¢ per kWh	0.550¢ per kWh	
Schedule	24	0.569¢ per kWh	0.550¢ per kWh	
Schedule	35	0.569¢ per kWh	0.550¢ per kWh	
Schedule	35A	0.569¢ per kWh	0.550¢ per kWh	
Schedule	36	0.569¢ per kWh		
Schedule	400			0.324¢ per kWh
Schedule	401			0.301¢ per kWh

Submitted Under Case No. PAC-E-13-03

**ISSUED:** February 1, 2013

**EFFECTIVE:** April 1, 2013



I.P.U.C. No. 1

~~Second~~ Third Revision of Sheet No. 94.1  
 Cancelling ~~First~~ Second Revision of Sheet No. 94.1

**ROCKY MOUNTAIN POWER**  
**ELECTRIC SERVICE SCHEDULE NO. 94**

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	Delivery Voltage		
	Secondary	Primary	Transmission
Schedule 1	0.569¢ per kWh		
Schedule 6	0.569¢ per kWh	0.550¢ per kWh	
Schedule 6A	0.569¢ per kWh	0.550¢ per kWh	
Schedule 7	0.569¢ per kWh		
Schedule 7A	0.569¢ per kWh		
Schedule 9			0.535¢ per kWh
Schedule 10	0.569¢ per kWh		
Schedule 11	0.569¢ per kWh		
Schedule 12	0.569¢ per kWh		
Schedule 19	0.569¢ per kWh		
Schedule 23	0.569¢ per kWh	0.550¢ per kWh	
Schedule 23A	0.569¢ per kWh	0.550¢ per kWh	
Schedule 24	0.569¢ per kWh	0.550¢ per kWh	
Schedule 35	0.569¢ per kWh	0.550¢ per kWh	
Schedule 35A	0.569¢ per kWh	0.550¢ per kWh	
Schedule 36	0.569¢ per kWh		
Schedule 400			0.324175¢ per kWh
Schedule 401			0.301464¢ per kWh

Submitted Under Case No. PAC-E-132-03

**ISSUED:** February 1, 2013~~2~~

**EFFECTIVE:** April 1, 2013~~2~~