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**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

IN THE MATTER OF THE APPLICATION)
OF DAYTON POWER AND LIGHT)
COMPANY FOR APPROVAL OF ITS)
ELECTRIC SECURITY PLAN)

Case No. 08-1094-EL-SSO

IN THE MATTER OF THE APPLICATION)
OF DAYTON POWER AND LIGHT)
COMPANY FOR APPROVAL OF)
REVISED TARIFFS)

Case No. 08-1095-EL-ATA

IN THE MATTER OF THE APPLICATION)
OF DAYTON POWER AND LIGHT)
COMPANY FOR APPROVAL OF)
CERTAIN ACCOUNTING AUTHORITY)
PURSUANT TO OHIO REV. CODE §4905.13)

Case No. 08-1096-EL-AAM

IN THE MATTER OF THE APPLICATION)
OF DAYTON POWER AND LIGHT)
COMPANY FOR APPROVAL OF ITS)
AMENDED CORPORATE SEPARATION)
PLAN)

Case No. 08-1097-EL-UNC

DIRECT TESTIMONY OF KEVIN C. HIGGINS

On Behalf of The Kroger Co.

January 26, 2009

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1 **DIRECT TESTIMONY OF KEVIN C. HIGGINS**

2

3 **Introduction**

4 **Q. Please state your name and business address.**

5 A. Kevin C. Higgins, 215 South State Street, Suite 200, Salt Lake City, Utah,
6 84111.

7 **Q. By whom are you employed and in what capacity?**

8 A. I am a Principal in the firm of Energy Strategies, LLC. Energy Strategies
9 is a private consulting firm specializing in economic and policy analysis
10 applicable to energy production, transportation, and consumption.

11 **Q. On whose behalf are you testifying in this proceeding?**

12 A. My testimony is being sponsored by The Kroger Co. ("Kroger"), one of
13 the largest grocers in the United States. Kroger has over 30 facilities in the
14 Dayton Power and Light ("DP&L") service territory that collectively consume
15 over 90 million kWh per year.

16 **Q. Please describe your professional experience and qualifications.**

17 A. My academic background is in economics, and I have completed all
18 coursework and field examinations toward a Ph.D. in Economics at the University
19 of Utah. In addition, I have served on the adjunct faculties of both the University
20 of Utah and Westminster College, where I taught undergraduate and graduate
21 courses in economics from 1981 to 1995. I joined Energy Strategies in 1995,
22 where I assist private and public sector clients in the areas of energy-related

1 economic and policy analysis, including evaluation of electric and gas utility rate
2 matters.

3 Prior to joining Energy Strategies, I held policy positions in state and local
4 government. From 1983 to 1990, I was economist, then assistant director, for the
5 Utah Energy Office, where I helped develop and implement state energy policy.
6 From 1991 to 1994, I was chief of staff to the chairman of the Salt Lake County
7 Commission, where I was responsible for development and implementation of a
8 broad spectrum of public policy at the local government level.

9 **Q. Have you ever testified before this Commission?**

10 A. Yes. In 2008, I testified in AEP's Electric Security Plan ("ESP")
11 proceeding, Case No. 08-917-EL-SSO, et al; FirstEnergy's Market Rate Offer
12 proceeding, Case No. 08-936-EL-SSO; FirstEnergy's ESP proceeding, Case No.
13 08-935-EL-SSO; and the FirstEnergy Distribution proceeding, Case No. 07-551-
14 EL-AIR, et al.

15 In 2005, I testified in the AEP IGCC cost recovery proceeding, Case No.
16 05-376-EL-UNC, and in 2004, I testified in the FirstEnergy Rate Stabilization
17 Plan proceeding, Case No. 03-2144-EL-ATA.

18 **Q. Have you testified before utility regulatory commissions in other states?**

19 A. Yes. I have testified in over one hundred proceedings on the subjects of
20 utility rates and regulatory policy before state utility regulators in Alaska,
21 Arizona, Arkansas, Colorado, Georgia, Idaho, Illinois, Indiana, Kansas,
22 Kentucky, Michigan, Minnesota, Missouri, Montana, Nevada, New Mexico, New
23 York, Oklahoma, Oregon, Pennsylvania, South Carolina, Texas, Utah, Virginia,

1 Washington, West Virginia, and Wyoming. I have also filed affidavits in
2 proceedings at the Federal Energy Regulatory Commission.

3 A more detailed description of my qualifications is contained in
4 Attachment A, attached to this testimony.

5

6 **Overview and Conclusions**

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

8 A. My testimony addresses certain aspects of the proposed Electric Security
9 Plan filed by DP&L.

10 **Q. What are your recommendations to the Commission regarding DP&L's**
11 **proposed ESP?**

12 A. (1) DP&L is seeking accounting authority to defer fuel, fuel-related, and
13 purchased power expenses incurred from January 1, 2009 through December 31,
14 2010 that the Company claims are not being recovered in current rates. I
15 recommend that this provision in DP&L's proposed ESP be rejected by the
16 Commission. Fuel and purchased power expenses should not be deferred, nor
17 should Standard Service Offer rates be increased until the end of 2010, consistent
18 with the terms in the extension of the Rate Stabilization Plan negotiated by the
19 Company and approved by the Commission in Case No. 05-276-EL-AIR.
20 Permitting deferred fuel and purchased power treatment would unfairly and
21 unreasonably deprive ratepayers of benefits of the bargain contained in the
22 stipulation approved by the Commission in Case No. 05-276-EL-AIR. In my
23 opinion, such a change in response to Am. Sub. SB 221 is inconsistent with the

1 preservation of the essential economic relationships in the stipulation and should
2 be rejected outright.

3 (2) Even if the Company's fuel deferral proposal did not unreasonably
4 deprive customers of the benefit of the bargain from the stipulation, DP&L does
5 not present clear evidence that the Company is unable to recover its fuel and
6 purchased power expense under current rates. Further, to the extent that DP&L
7 may not be able to fully recover its fuel and purchased power expense in current
8 rates, the Company's filing does not demonstrate that the "unrecovered" costs are
9 equal to those costs in excess of 1.8 cents per kWh, as claimed in the Application.

10 (3) According to the Company's fuel deferral proposal, customers would
11 be responsible for the incremental cost of any purchased power expense, but
12 would not receive a reciprocal credit from non-jurisdictional sales made by the
13 Company. Such an asymmetrical arrangement is unreasonable. If the
14 Commission allows DP&L to defer fuel and purchased power expense, then I
15 recommend that the determination of any such deferral include a credit to
16 customers for margins from non-jurisdictional opportunity sales.

17 (4) DP&L is also proposing that the requested fuel deferral be booked as a
18 regulatory asset that would earn a carrying charge based on the Company's cost of
19 capital, plus a gross-up for taxes. In my opinion, if fuel deferral is approved for
20 DP&L as part of the ESP, the recovery of those costs alone is a substantial
21 windfall for the Company in the context of the Rate Stabilization Plan it
22 negotiated. There is no reasonable basis to boost this windfall further by adding
23 in carrying charges plus a gross-up. If a fuel deferral is awarded to DP&L in this

1 proceeding, then I recommend that no carrying charges or tax gross-up be added
2 on top of it.

3 (5) The revenue requirement projected by DP&L for its proposed Energy
4 Efficiency Rider ("EER") indicates that this proposal will be very costly for
5 customers. For example, the Company projects that by 2015 the EER will cost
6 \$.0068217 per kWh. Of great concern is that fact that of the \$77 million revenue
7 requirement projected by the Company for 2015, only \$22 million (28 percent) is
8 associated with expenditures that are directed to energy efficiency projects. The
9 lion's share of the cost – \$55 million (or 72 percent) – is associated with
10 compensating DP&L for alleged "lost revenues." In my opinion, the Company's
11 attempt to include "lost revenue" recovery in its EER proposal is an unreasonable
12 diversion of customer dollars to utility shareholders that would significantly dilute
13 any energy savings benefits from the program. The Company's proposal for "lost
14 revenue" recovery in its proposed EER should be rejected.

15 (6) DP&L is also proposing to retain 50 percent of the savings benefits
16 produced by the EER by not recognizing the full reduction in utility fixed cost
17 attributable to these programs as a credit against the EER revenue requirement.
18 This "shared savings" approach should be rejected. Instead, if lost revenues are
19 included in cost recovery, then 100 percent of the cost reductions experienced by
20 the utility should be passed through to customers as a credit against the EER
21 revenue requirement each year. Alternatively, if lost revenue is not included in
22 cost recovery, then 100 percent of the cost reductions experienced by the utility

1 should be passed through to customers on a going-forward basis at such times that
2 SSO rates are reset by the Commission.

3 (7) DP&L's application states that the EER will be bypassable for any
4 mercantile customer that implements its own energy efficiency measures and
5 meets the criteria set forth in the Commission's rules for exemption. I support the
6 thrust of DP&L's bypassability proposal and recommend that it be strengthened
7 by incorporating an explicit exemption or opt-out provision for non-residential
8 customers above a threshold aggregate load size who pursue energy efficiency
9 and/or demand reduction investments on their own.

10 (8) If the very sizable investment in Advanced Metering Infrastructure
11 proposed by DP&L goes forward, I strongly recommend that customers be
12 granted access to their own meter information on a real-time basis without
13 additional charge. Providing this information is one way to ensure that the
14 propagation of advanced metering provides direct benefits to customers.

15 (9) I recommend that DP&L's ESP be modified to incorporate a
16 generation aggregation program that would allow a non-residential customer
17 with multiple accounts to aggregate its loads on a given rate schedule for the
18 purpose of determining its monthly peak demand for generation service. This
19 type of aggregation would allow the customer to capture the diversity within its
20 loads for billing purposes and provides an additional tool for customers to
21 control load. Pilot generation aggregation programs are currently underway in
22 the Consumers Energy and Detroit Edison service territories in Michigan.

23

1 **Framework for Evaluation**

2 **Q. What is your understanding of the framework for evaluating DP&L's**
3 **proposed ESP?**

4 A. My understanding is that the framework for the Commission's evaluation
5 of any proposed ESP is set out in Am. Sub. Senate Bill 221. I am informed by
6 counsel that according to the requirements of §4928.143 of the Revised Code, the
7 Commission shall approve, or modify and approve, an application for an ESP if
8 the Commission finds that the proposed ESP is more favorable in the aggregate
9 than what would otherwise be expected to obtain under §4928.142 of the Revised
10 Code. This latter section of the Revised Code describes the process of
11 determining Standard Service Offer rates through a Market Rate Offer.

12 **Q. Are there any special circumstances concerning DP&L's rates that are**
13 **relevant to this proceeding?**

14 A. Yes. As discussed in DP&L's Application, the Company's rates are
15 subject to the terms of its Rate Stabilization Plan ("RSP"), which established rates
16 for DP&L's customers through December 31, 2010. The RSP was submitted as
17 part of a stipulation that was approved by the Commission in its Order and
18 Opinion issued December 28, 2005 in Case No.05-276-EL-AIR.

19 **Q. Given this framework, what general approach have you adopted in offering**
20 **recommendations to the Commission in this proceeding?**

21 A. Given this framework, I offer comments and recommendations to the
22 Commission as to the reasonableness of certain provisions in DP&L's ESP
23 proposal. In some instances, I recommend that the Commission's take action to

1 modify the ESP before approving it. I do not address all aspects of the Company's
2 proposal. Absence of comment on a particular feature of the proposal does not
3 convey support or opposition to that feature.
4

5 **ESP Proposal Overview**

6 **Q. Please provide a brief overview of DP&L's ESP proposal.**

7 A. DP&L's Application is divided into three "books." Book I presents the
8 Company's proposal for its Standard Service Offer ("SSO"). Book II presents
9 DP&L's proposal for Customer Conservation and Energy Management
10 ("CCEM") programs, and Book III contains the Company's proposed Alternative
11 Energy Plan.

12 **Q. What are the chief components of DP&L's SSO proposal?**

13 A. In its SSO proposal, DP&L proposes to: (1) retain the SSO rates required
14 by its RSP for 2009 and 2010; (2) obtain accounting authority to defer fuel, fuel-
15 related, and purchased power expenses incurred from January 1, 2009 through
16 December 31, 2010 that the Company claims are not being recovered in current
17 rates; (3) require customers returning to DP&L's generation service from
18 Competitive Retail Electric Service to pay market rates; (4) introduce provisions
19 for providing rates to encourage economic development; and (5) gain approval of
20 its Second Amended Corporate Separation Plan.

21 **Q. What are the chief components of DP&L's CCEM proposal?**

22 A. The CCEM proposal is presented as a combined integrated infrastructure
23 improvement and energy efficiency plan. The proposal includes the installation of

1 Advanced Metering Infrastructure (“AMI”), Smart Grid technology, and energy
2 efficiency programs. To implement these programs, DP&L anticipates that it will
3 need to invest \$297.1 million in capital and \$185.8 million in O&M over seven
4 years. In its ESP filing, DP&L is requesting approval to recover these and other
5 costs through two riders - the Infrastructure Investment Rider (“IIR”) and Energy
6 Efficiency Rider (“EER”). The IIR is intended to recover costs specific to the
7 AMI metering system, Smart Grid, and software for billing. The EER is intended
8 to recover costs for the energy efficiency component of the program, including
9 alleged “lost revenues.”

10 **Q. What are the chief components of DP&L’s Alternative Energy Plan**
11 **proposal?**

12 A. DP&L's Application states that its plan for achieving the renewable targets
13 in Ohio Rev. Code § 4928.64 is divided into a near-term phase (2009-2010), mid-
14 term phase (2011-2013) and a long-term phase (2014-2025). Near-term, DP&L
15 expects to achieve compliance largely through purchasing Renewable Energy
16 Credits (“RECs”). Mid-term, DP&L intends to achieve compliance with the
17 targets through power purchase agreements, partnering with developers on
18 projects, new construction, as well as through the continued purchase of RECs.
19 To meet its renewable targets in the mid and long term, the Company issued a
20 Request for Proposals soliciting third-party supply offers. DP&L is seeking
21 Commission approval to recover through a rider its renewable energy expenses
22 and recovery of and on its capital expenditures.

23

Proposal to Defer Fuel and Purchased Power Expenses

Q. Please summarize what DP&L is proposing with respect to deferral of fuel and purchased power expenses.

A. As discussed in its Application and in the direct testimony of witnesses Teresa Marinan, Dona Seger-Lawson, and Gregory Campbell, DP&L is seeking accounting authority to defer fuel, fuel-related, and purchased power expenses incurred from January 1, 2009 through December 31, 2010 that the Company claims are not being recovered in current rates. DP&L proposes that these costs would be deferred in account 182.3, Other Regulatory Assets. DP&L also proposes to record an additional deferral as a carrying cost based on the Company's cost of capital, grossed up for taxes. DP&L states that it anticipates that in its 2010 ESP filing, it will seek an effective date of January 1, 2011 to implement a fuel and purchased power cost recovery mechanism and recovery of the deferred costs over a ten-year period.

Q. How does DP&L justify its request to defer these costs in light of the fact that the Company is obligated to provide service at rates that are set in its RSP through the end of 2010?

A. DP&L points to language in Am. Sub. SB 221 as the basis for its request. DP&L cites to Ohio Rev. Code § 4928.143(D), which provides that a utility that has a rate plan that extends beyond December 31, 2008 "may include in its electric security plan under this section . . . provisions for the incremental recovery or the deferral of any costs that are not being recovered under the rate plan and that the utility incurs during that continuation period to comply with

1 section 4928.141.” DP&L also cites to the Legislative Service Commission’s
2 Analysis of S.B. 221, which states: “In its initial ESP application DP&L can
3 request PUCO approval of provisions for the incremental recovery or the deferral
4 of any of the following costs that are not being recovered under its current rate
5 plan and that it incurs during that rate plan continuation period under the ESP: (1)
6 costs to comply with the act’s SSO/default service requirements, (2) costs to
7 comply with the act’s alternative energy requirements... and (3) costs to comply
8 with the act’s energy efficiency requirements . . .” [Legislative Service
9 Commission Final Analysis of Am. Sub. S.B. 221, at 19]. DP&L asserts that it
10 will experience incremental fuel and purchased power expense to comply with the
11 act’s SSO/default service requirements.

12 **Q. How does DP&L determine the amount of fuel and purchased power costs in**
13 **current rates for the purpose of identifying which portion of these costs are**
14 **not being recovered in current rates?**

15 A. DP&L notes that its last fuel clause case was Case No. 99-0105-EL-EFC
16 in 1999. The Company explains that through that case, the Electric Fuel
17 Component (“EFC”) was fixed at 1.3 cents per kWh. When Senate Bill 3 was
18 passed, EFC rates that were in effect at the time were frozen and combined with
19 base rates to establish new generation rates. In March of 2005, DP&L filed Case
20 No. 05-276-EL-AIR to seek implementation of its Rate Stabilization Surcharge
21 (“RSS”), to recover additional fuel, environmental, taxes, security, and cyber
22 security costs. The stipulation approved in that case resulted in DP&L being
23 authorized to recover approximately \$76 million of additional retail fuel and

1 purchased power expenses, or 0.5 cents per kWh, in jurisdictional retail rates
2 related to fuel and purchased power through the RSS rider, plus additional
3 recovery for environmental expense through an Environmental Investment Rider
4 ("EIR"). Based on this history, DP&L claims that the total amount of fuel and
5 purchased power costs currently being recovered in DP&L's jurisdictional retail
6 rates is 1.8 cents per kWh, which is comprised of the original EFC of 1.3 cents
7 per kWh, plus the RSS of 0.5 cents per kWh.

8 **Q. What is your assessment of the Company's proposal for authority to defer**
9 **fuel and purchased power expenses?**

10 A. I recommend that this provision in DP&L's proposed ESP be rejected by
11 the Commission. Fuel and purchased power expenses should not be deferred, nor
12 should Standard Service Offer rates be increased until the end of 2010, consistent
13 with the terms in the RSP negotiated by the Company and approved by the
14 Commission in Case No. 05-276-EL-AIR.

15 There are several problems with the Company's proposal. As a
16 fundamental matter, I believe that permitting deferred fuel and purchased power
17 treatment would unfairly and unreasonably deprive ratepayers of the benefits of
18 the bargain contained in the stipulation approved by the Commission in Case No.
19 05-276-EL-AIR. That stipulation and order provided for the establishment of the
20 RSS rider, which increased DP&L rates by 11 percent of the tariff generation
21 rates in effect January 1, 2004, and also established the EIR, which annually
22 increases generation rates by 5.4 percent. The stipulation and order provided
23 assurance of increased revenues for the Company in exchange for rate stability for

1 customers through the end of 2010. Neither the stipulation nor the order contains
2 a provision for fuel adjustment charges or deferred fuel and purchased power
3 expense. In its ESP application, DP&L is now proposing to deprive ratepayers of
4 the benefit of this bargain by seeking to defer fuel and purchased power expense
5 that the Company claims is not recovered in current rates. This type of one-sided
6 “second bite at the apple” should be rejected outright.

7 **Q. But doesn’t Am. Sub. SB 221 provide DP&L opportunity to seek deferral of**
8 **costs necessary to comply with the act’s SSO/default service requirements?**

9 A. As I am not an attorney, I cannot offer a legal interpretation of what is
10 permitted by the legislation. I have read the passages cited by DP&L and
11 acknowledge their existence in the Ohio Revised Code. However, I have also read
12 the stipulation submitted in Case No. 05-276-EL-AIR, as well as the
13 Commission’s order in that docket. Section II.F of the stipulation states, in part:

14 If not fully adopted by the Commission, if rejected by the Supreme Court of
15 Ohio or if **modified by the Ohio General Assembly**, within ten (10) days the
16 Signatory Parties shall make a good faith effort to **preserve the essential**
17 **economic relationships established according to the Stipulation.**
18 [Emphasis added.]
19

20 This language strongly suggests that the possibility of legislative
21 modification was anticipated in the language of the stipulation; further, the
22 stipulation provides a process for preserving the essential economic relationships
23 established in the agreement if a legislative modification occurred.

24 **Q. In your opinion as a regulatory economist, does DP&L’s proposal to defer**
25 **fuel and purchased power expenses preserve the essential economic**
26 **relationships established according to the stipulation?**

1 A. No, not at all. According to the stipulation approved by the Commission,
2 DP&L was permitted to increase its rates annually per a fixed schedule. On the
3 other side of the bargain, customers received stable rates through the end of 2010.
4 As I discussed above, the stipulation does not provide for a fuel adjustor or fuel
5 deferrals. This means that under the approved stipulation, DP&L would benefit to
6 the extent that rates negotiated in that agreement over-recovered the Company's
7 expenses, including fuel cost. At the same time, DP&L was responsible for the
8 risk that higher fuel prices could result in an under-recovery of expenses. The
9 Company's proposal to begin deferring fuel and purchased power expenses
10 effective January 1, 2009 alters this fundamental economic relationship in a one-
11 sided manner, to the benefit of the Company and to the detriment of ratepayers. In
12 my opinion, such a change is inconsistent with the preservation of the essential
13 economic relationships in the stipulation and should be rejected outright.

14 **Q. Aside from this fundamental problem with the proposal, are there other**
15 **reasons to reject DP&L's deferral proposal?**

16 A. Yes. Even if the Company's fuel deferral proposal did not unreasonably
17 deprive customers of the benefit of the bargain from the stipulation, DP&L does
18 not present clear evidence that the Company is unable to recover its fuel and
19 purchased power expense under current rates. Further, to the extent that DP&L
20 may not be able to fully recover its fuel and purchased power expense in current
21 rates, the Company's filing does not demonstrate that the "unrecovered" costs are
22 equal to those costs in excess of 1.8 cents per kWh, as claimed in the Application.

23 **Q. Please explain.**

1 A. The Company's proposal for measuring unrecovered fuel and purchased
2 power expense, as described above in my testimony, is based on a calibration
3 exercise that imputes 1.8 cents per kWh in current rates to recovery of these costs.
4 All remaining revenues currently recovered in DP&L's generation rates are
5 assumed to be unrelated to fuel and purchased power costs. However, the actual
6 alignment of DP&L's *total* generation-related revenues and the Company's *total*
7 generation costs is not presented by DP&L in its filing. Absent this information, it
8 is simply not possible to determine whether DP&L is able to fully recover the
9 costs of providing SSO/default generation service in 2009, including fuel and
10 purchased power expense. Contrary to DP&L's assertion, the answer to this
11 question does not depend on whether the cost of fuel and purchased power
12 exceeds an average of 1.8 cents per kWh; rather, it depends on a comparison of
13 total generation-related revenues and total generation-related costs, inclusive of
14 margins earned from non-jurisdictional opportunity sales. The upshot is if DP&L
15 is to be allowed to defer fuel and purchased power expense, then DP&L should be
16 required first to demonstrate that such an increase is necessary it to recover its
17 actual generation-related costs. DP&L has not done so, nor has the Company
18 proposed a deferral mechanism that would accomplish such a showing.

19 **Q. Do you have any other concerns regarding DP&L's fuel and purchased**
20 **power deferral?**

21 A. Yes. In determining the amount of any fuel and purchased power cost
22 deferral, DP&L is proposing to exclude the margins from non-jurisdictional
23 opportunity sales. That is, under the Company's proposal, customers would be

1 responsible for the incremental cost of any purchased power expense, but would
2 not receive a reciprocal credit from non-jurisdictional sales made by the
3 Company.¹ Such an asymmetrical arrangement is unreasonable. If the
4 Commission allows DP&L to defer fuel and purchased power expense, then I
5 recommend that the determination of any such deferral include a credit to
6 customers for margins from non-jurisdictional opportunity sales.

7 **Q. Do you have any other objections to the Company's fuel deferral proposal?**

8 A. Yes. As I discussed above, DP&L is proposing that the requested fuel
9 deferral be booked as a regulatory asset that would earn a carrying charge based
10 on the Company's cost of capital, plus a gross-up for taxes. In my opinion, this
11 additional recovery is unduly generous to DP&L under the current circumstances.
12 As discussed above, according to the RSP negotiated by the Company and
13 approved by the Commission, there is no deferral of fuel costs. If fuel deferral is
14 approved for DP&L as part of the ESP, the mere recovery of those costs is a
15 substantial windfall for the Company in the context of the RSP it negotiated.
16 There is no reasonable basis to boost this windfall further by adding in carrying
17 charges plus a gross-up. If a fuel deferral is awarded to DP&L in this proceeding,
18 then I recommend that no carrying charges or tax gross-up be added on top of it.

19
20 **Customer Conservation and Energy Management Proposal**

21 **Q. Do you have any concerns regarding the CCEM proposal advanced by**
22 **DP&L?**

¹Direct testimony of Teresa F. Marrinan, pp. 7-9.

1 A. Yes. I will address my concerns regarding the Infrastructure Investment
2 Rider (“IIR”) and Energy Efficiency Rider (“EER”) separately. As I stated above,
3 the IIR is intended to recover costs specific to the AMI metering system, Smart
4 Grid, and software for billing. The EER is intended to recover costs for the energy
5 efficiency component of the program, including lost revenues.

6 **Q. What are your concerns regarding the EER?**

7 A. The revenue requirement projected by DP&L for the EER-funded
8 programs indicates that it will be very costly for customers. For example, DP&L’s
9 Schedule E-2 indicates that the Company projects that by 2015 the EER will cost
10 \$.0068217 per kWh. Of great concern is that fact that of the \$77 million revenue
11 requirement projected by the Company for 2015, only \$22 million (28 percent) is
12 associated with expenditure on energy efficiency projects. The lion’s share of the
13 cost – \$55 million (or 72 percent) – is associated with compensating DP&L for
14 alleged “lost revenues”. [See DP&L Schedule A-3.] In my opinion, an energy
15 efficiency rider that directs less than one out of every three customer dollars to
16 energy conservation and diverts the balance to shareholders to compensate for
17 alleged “lost revenues” has the makings of a boondoggle of astounding
18 proportions.

19 **Q. What is the basis for DP&L’s “lost revenues” claim?**

20 A. DP&L cites to ORC §4928.143(B)(2)(h) to support this claim.²

21 **Q. What does ORC §4928.143(B)(2)(h) state?**

22 A. This provision states:

(h) Provisions regarding the utility's distribution service, including, without limitation and notwithstanding any provision of Title XLIX of the Revised Code to the contrary, provisions regarding single issue ratemaking, a revenue decoupling mechanism or any other incentive ratemaking, and provisions regarding distribution infrastructure and modernization incentives for the electric distribution utility. The latter may include a long-term energy delivery infrastructure modernization plan for that utility or any plan providing for the utility's recovery of costs, including lost revenue, shared savings, and avoided costs, and a just and reasonable rate of return on such infrastructure modernization. As part of its determination as to whether to allow in an electric distribution utility's electric security plan inclusion of any provision described in division (B)(2)(h) of this section, the commission shall examine the reliability of the electric distribution utility's distribution system and ensure that customers' and the electric distribution utility's expectations are aligned and that the electric distribution utility is placing sufficient emphasis on and dedicating sufficient resources to the reliability of its distribution system. [Emphasis added]

Q. ORC §4928.143(B)(2)(h) refers to the possible application of lost revenue associated with the recovery of costs for distribution infrastructure modernization. Is the lost revenue proposal advanced by DP&L for its proposed EER associated with distribution infrastructure modernization?

A. No. Distribution infrastructure improvements occur on *utility-owned* facilities. Energy efficiency programs are implemented in *customer* facilities. As explained in the Company's Application, DP&L calculated lost revenues associated with *energy efficiency* projects implemented in customer facilities. Specifically, DP&L states that its "lost revenue" projection was calculated by estimating the annual energy savings impact from its proposed energy efficiency programs for each tariff class; then, the estimated rates by tariff class were applied to those energy savings to determine the revenue reduction. The level of fuel expenses imputed in rates was then backed out of this calculation with the

² DP&L Application, Book II, p. 34.

1 expectation that if the retail energy sale did not occur, the fuel expense would not
2 be incurred by the Company. The lost revenues that resulted were summed and
3 added to the EER revenue requirement.³

4 **Q. What do you conclude based on this discussion?**

5 A. The “lost revenue” calculated by the Company is based on projections of
6 reductions in distribution and generation revenue attributable to customer energy
7 efficiency projects. The “lost revenue” that DP&L is seeking to recover is not
8 associated with distribution infrastructure improvements referenced in the statute
9 cited by the Company.

10 **Q. What is your recommendation to the Commission on this issue?**

11 A. I recommend that DP&L’s proposal to recover “lost revenue” in its
12 proposed EER be rejected. To the extent that DP&L is seeking recovery of lost
13 revenue for energy efficiency projects by relying on statutes that may allow for
14 lost revenue recovery for distribution infrastructure improvements, this reliance
15 appears to be misplaced. Further, to the extent that DP&L may be seeking
16 recovery of lost revenue on its own merit, then I recommend that the proposal
17 also be denied as lacking in merit.

18 **Q. Please explain.**

19 A. Any “lost revenues” from investments in energy efficiency are short-term
20 in nature. To the extent that energy efficiency reduces sales levels, the utility is
21 able to re-establish its margins in its next rate filing reflecting the new sales
22 volumes. DP&L’s filing takes no account of this fact, and projects a continued
23 compounding of lost revenue until it makes up over 70 percent of the projected

³ Ibid., p. 34.

1 EER revenue requirement – thereby considerably overstating the lost revenue that
2 is likely from energy efficiency programs. Further, energy efficiency investment
3 should also allow the utility to avoid incurring new fixed cost. This fixed cost
4 avoidance is not reflected in DP&L's lost revenue calculation either, although the
5 Company indicates that it intends to share 50 percent of utility cost savings from
6 efficiency programs with customers via a credit against the EER revenue
7 requirement.

8 **Q. Do you believe that a 50 percent sharing of savings from energy efficiency**
9 **programs between the Company and customers is a reasonable element of**
10 **the Company's proposal?**

11 A. No, I do not. DP&L is proposing that customers pay for the full cost of
12 the efficiency programs plus 100 percent of "lost revenue" – measured in a way
13 that is likely to grossly inflate this value – and then proposes to retain 50 percent
14 of the benefit for itself by not recognizing the full reduction in utility fixed cost
15 attributable to these programs as a credit against the EER revenue requirement.
16 This "shared savings" approach should be rejected. Instead, if lost revenues are
17 included in cost recovery, then 100 percent of the cost reductions experienced by
18 the utility should be passed through to customers as a credit against the EER
19 revenue requirement each year. Alternatively, if lost revenue is not included in
20 cost recovery, then 100 percent of the cost reductions experienced by the utility
21 should be passed through to customers on a going-forward basis at such times that
22 SSO rates are reset by the Commission.

1 Viewed as a whole, the Company's attempt to include "lost revenue"
2 recovery in its EER proposal is an unreasonable diversion of customer dollars to
3 utility shareholders that would significantly dilute any energy savings benefits
4 from the program. I urge the Commission to reject it.

5 **Q. Do you have any further comments on DP&L's EER proposal?**

6 A. Yes. ORC § 4928.66 (A)(2)(c) allows a mercantile customer that
7 implements its own energy efficiency programs to avoid the energy efficiency
8 rider if certain conditions are met. DP&L's application recognizes this exemption
9 and states that the EER will be bypassable for any mercantile customer that
10 implements its own energy efficiency measures and meets the criteria set forth in
11 the Commission's rules.

12 I support the thrust of DP&L's bypassability proposal and recommend that
13 it be strengthened by incorporating an explicit exemption or opt-out provision for
14 non-residential customers above a threshold aggregate load size who pursue
15 energy efficiency and/or demand reduction investments (collectively, "DSM") on
16 their own. I believe a reasonable threshold for this purpose is a minimum monthly
17 demand of 10 MW at a single site, or aggregated at multiple sites within the
18 DP&L service territory. An exemption or opt-out provision is appropriate, as
19 customers who pursue DSM on their own provide benefits to the system without
20 using program dollars.

21 **Q. How should an opt out provision be structured?**

22 A. I believe an opt out provision should balance the need for assurance of
23 bona fide DSM activity with administrative feasibility. I recommend that at the

1 time of the election to opt out, the customer self-certify or attest to DP&L that, for
2 each facility for which the customer seeks to opt out, the customer has conducted
3 an energy audit or analysis within the past three years and has implemented, or
4 has plans for implementing, the cost effective measures identified for installation
5 in that audit or analysis. DP&L should collect and maintain the self-certifications
6 for the duration of the program and make them available to the Commission at its
7 request, subject to appropriate confidential treatment of materials.

8 **Q. Do you have any comments on DP&L's proposed Infrastructure Investment**
9 **Rider?**

10 A. Yes. The majority of IIR capital expenditures, \$255.0 million, are in
11 support of AMI, including the meters to be installed at customers' homes and
12 businesses, as well as equipment to be used by customers to access the data from
13 the advanced meters and related communication and information technology
14 systems. A large proportion of these costs are customer-related, and DP&L
15 appropriately proposes to recover the customer-related cost through a customer
16 charge. I support this rate design.

17 At the same time, if the very sizable investment in AMI technology
18 proposed by DP&L goes forward, I strongly recommend that customers be
19 granted access to their own meter information on a real-time basis without
20 additional charge. Providing this information is one way to ensure that the
21 propagation of advanced metering provides direct benefits to customers. This
22 should be made a high priority if the AMI expenditure is to be justified.

1 **Generation Aggregation**

2 **Q. What are you recommending with respect to generation aggregation?**

3 A. I recommend that DP&L's ESP be modified to incorporate a generation
4 aggregation program that would allow a non-residential customer with multiple
5 accounts to aggregate its loads on a given rate schedule for the purpose of
6 determining its monthly peak demand for generation service. This type of
7 aggregation would allow the customer to capture the diversity within its loads for
8 billing purposes. For example, a customer may have multiple accounts that
9 experience peak demands at different times. Currently, the customer is billed for
10 generation service based on each individual account's peak demand during the
11 month. A generation aggregation program would instead bill the customer for
12 power supply demand based on the customer's peak demand for its aggregated
13 load. As such, it provides multi-site customers the opportunity to benefit
14 appropriately from the operational diversity of their loads on the system and
15 measures their billing demand comparably to a single-site customer of the same
16 size. This better aligns costs with cost causation, and as such, is inherently
17 reasonable. It is also comparable to how the customer's load would be viewed by
18 a competitive supplier. Moreover, it is consistent with the Company's intent to
19 take fuller advantage of advances in metering technology and provides an
20 additional tool for customers to control load. If it would improve the prospect of
21 program acceptance, the generation aggregation program could be implemented
22 on a pilot basis.

23 **Q. Are you familiar with other similar programs?**

1 A. Yes. Both Consumers Energy Company and Detroit Edison in Michigan
2 have generation aggregation pilot programs in place. Because they are pilots, both
3 Michigan programs have total participation limitations.

4 In the Consumers Energy program, a customer must have at least seven
5 accounts with an average billing demand of 250 kW on the same rate schedule
6 that can be aggregated. The Detroit Edison program requires at least seven
7 accounts with a minimum aggregate demand of 5 MW. Either of these
8 requirements would constitute reasonable parameters for a DP&L program.

9 **Q. What are the implications for generation demand charges if a generation**
10 **aggregation program is adopted?**

11 A. Generation aggregation would reduce the total billing demand for the rate
12 schedule, thereby requiring a small, revenue-neutral increase in the demand
13 charge for the rate schedule. The amount of adjustment needed in the demand
14 charge can be constrained at the outset through implementation on a pilot basis.

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

16 A. Yes, it does.

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Vitae

PROFESSIONAL EXPERIENCE

Principal, Energy Strategies, L.L.C., Salt Lake City, Utah, January 2000 to present. Responsible for energy-related economic and policy analysis, regulatory intervention, and strategic negotiation on behalf of industrial, commercial, and public sector interests. Previously Senior Associate, February 1995 to December 1999.

Adjunct Instructor in Economics, Westminster College, Salt Lake City, Utah, September 1981 to May 1982; September 1987 to May 1995. Taught in the economics and M.B.A. programs. Awarded Adjunct Professor of the Year, Gore School of Business, 1990-91.

Chief of Staff to the Chairman, Salt Lake County Board of Commissioners, Salt Lake City, Utah, January 1991 to January 1995. Senior executive responsibility for all matters of county government, including formulation and execution of public policy, delivery of approximately 140 government services, budget adoption and fiscal management (over \$300 million), strategic planning, coordination with elected officials, and communication with consultants and media.

Assistant Director, Utah Energy Office, Utah Department of Natural Resources, Salt Lake City, Utah, August 1985 to January 1991. Directed the agency's resource development section, which provided energy policy analysis to the Governor, implemented state energy development policy, coordinated state energy data collection and dissemination, and managed energy technology demonstration programs. Position responsibilities included policy formulation and implementation, design and administration of energy technology demonstration programs, strategic management of the agency's interventions before the Utah Public Service Commission, budget preparation, and staff development. Supervised a staff of economists, engineers, and policy analysts, and served as lead economist on selected projects.

Utility Economist, Utah Energy Office, January 1985 to August 1985. Provided policy and economic analysis pertaining to energy conservation and resource development, with an emphasis on utility issues. Testified before the state Public Service Commission as an expert witness in cases related to the above.

Acting Assistant Director, Utah Energy Office, June 1984 to January 1985. Same responsibilities as Assistant Director identified above.

Research Economist, Utah Energy Office, October 1983 to June 1984. Provided economic analysis pertaining to renewable energy resource development and utility issues. Experience includes preparation of testimony, development of strategy, and appearance as an expert witness for the Energy Office before the Utah PSC.

Operations Research Assistant, Corporate Modeling and Operations Research Department, Utah Power and Light Company, Salt Lake City, Utah, May 1983 to September 1983. Primary area of responsibility: designing and conducting energy load forecasts.

Instructor in Economics, University of Utah, Salt Lake City, Utah, January 1982 to April 1983. Taught intermediate microeconomics, principles of macroeconomics, and economics as a social science.

Teacher, Vernon-Verona-Sherrill School District, Verona, New York, September 1976 to June 1978.

EDUCATION

Ph.D. Candidate, Economics, University of Utah (coursework and field exams completed, 1981).

Fields of Specialization: Public Finance, Urban and Regional Economics, Economic Development, International Economics, History of Economic Doctrines.

Bachelor of Science, Education, State University of New York at Plattsburgh, 1976 (cum laude).

Danish International Studies Program, University of Copenhagen, 1975.

SCHOLARSHIPS AND FELLOWSHIPS

University Research Fellow, University of Utah, Salt Lake City, Utah 1982 to 1983.

Research Fellow, Institute of Human Resources Management, University of Utah, 1980 to 1982.

Teaching Fellow, Economics Department, University of Utah, 1978 to 1980.

New York State Regents Scholar, 1972 to 1976.

EXPERT TESTIMONY

“Application of Oncor Electric Delivery Company LLC for Authority to Change Rates,” Public Utility Commission of **Texas**, SOAH Docket No. 473-08-3681, PUC Docket No. 35717. Direct testimony submitted November 26, 2008.

“In the Matter of the Application of Columbus Southern Power Company for Approval of Its Electric Security Plan; An Amendment to Its Corporate Separation Plan; and the Sale of Certain Generating Assets”, Public Utilities Commission of **Ohio**, Case No. 08-917-EL-SSO; “In the Matter of the Application of Ohio Power Company for Approval of Its Electric Security Plan; and an Amendment to Its Corporate Separation Plan,” Case No. 08-918-EL-SSO. Direct testimony submitted October 31, 2008. Cross examined November 25, 2008.

“Application of Louisville Gas and Electric Company for an Adjustment of Its Electric and Gas Base Rates,” **Kentucky** Public Service Commission, Case No. 2008-00252. Direct testimony submitted October 28, 2008.

“Application of Kentucky Utilities Company for an Adjustment of Base Rates,” **Kentucky** Public Service Commission, Case No. 2008-00251. Direct testimony submitted October 28, 2008.

“In the Matter of the Application of Idaho Power Company for Authority to Increase its Rates and Charges for Electric Service,” **Idaho** Public Utilities Commission, Case No. IPC-E-08-10. Direct testimony submitted October 24, 2008. Rebuttal testimony submitted December 3, 2008. Cross examined December 19, 2008.

“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,” **Utah** Public Service Commission, Docket No. 08-035-38. Direct testimony submitted October 7, 2008 (test period). Cross examined October 28, 2008 (test period).

“In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Authority to Establish a Standard Service Offer Pursuant to R.C. § 4928.143 in the Form of an Electric Security Plan,” Public Utility Commission of **Ohio**, Case No. 08-935-EL-SSO. Direct testimony submitted September 29, 2008. Deposed October 13, 2008. Cross examined October 21, 2008.

“In the Matter of the Application of Westar Energy, Inc. and Kansas Gas and Electric Company for Approval to Make Certain Changes In Their Charges for Electric Service,” State Corporation Commission of **Kansas**, Docket No. 08-WSEE-1041-RTS. Direct testimony submitted September 29, 2008. Cross Answer testimony submitted October 8, 2008.

"In the Matter of Appalachian Power Company's Application for Increase in Electric Rates," Virginia State Corporation Commission, Case No. PUE-2008-00046. Direct testimony submitted September 26, 2008.

"In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications with Reconciliation Mechanism and Tariffs for Generation Service," Public Utility Commission of Ohio, Case No. 08-936-EL-SSO. Direct testimony submitted September 9, 2008. Deposed September 16, 2008.

"In the Matter of the Application of Arizona Public Service Company for a Hearing to Determine the Fair Value of the Utility Property of the Company for Ratemaking Purposes, to Fix a Just and Reasonable Rate of Return Thereon, to Approve Rate Schedules Designed to Develop Such Return," Arizona Corporation Commission, Docket No. E-01345A-08-0172. Direct testimony submitted August 29, 2008 (interim rates), December 19, 2008 (revenue requirement), and January 9, 2009 (cost of service, rate design). Cross examined September 16, 2008 (interim rates).

"Verified Joint Petition of Duke Energy Indiana, Inc., Indianapolis Power & Light Company, Northern Indiana Public Service Company and Vectren Energy Delivery of Indiana, Inc. for Approval, if and to the Extent Required, of Certain Changes in Operations That Are Likely To Result from the Midwest Independent System Operator, Inc.'s Implementation of Revisions to Its Open Access Transmission and Energy Markets Tariff to Establish a Co-Optimized, Competitive Market for Energy and Ancillary Services Market; and for Timely Recovery of Costs Associated with Joint Petitioners' Participation in Such Ancillary Services Market," Indiana Utility Regulatory Commission, Cause No. 43426. Direct testimony submitted August 6, 2008. Direct testimony in opposition to Settlement Agreement submitted November 12, 2008.

"In The Matter of the Application of The Detroit Edison Company for Authority to Increase Its Rates, Amend Its Rate Schedules and Rules Governing the Distribution and Supply of Electric Energy, and for Miscellaneous Accounting Authority," Michigan Public Service Commission, Case No. U-15244. Direct testimony submitted July 15, 2008. Rebuttal testimony submitted August 8, 2008.

"Portland General Electric General Rate Case Filing," Public Utility Commission of Oregon, Docket No. UE-197. Direct testimony submitted July 9, 2008. Surrebuttal testimony submitted September 15, 2008.

"In the Matter of PacifiCorp, dba Pacific Power, 2009 Transition Adjustment Mechanism, Schedule 200, Cost-Based Supply Service," Public Utility Commission of Oregon, Docket No.

UE-199. Reply testimony submitted June 23, 2008. Joint testimony in support of stipulation submitted September 4, 2008.

"2008 Puget Sound Energy General Rate Case," Washington Utilities and Transportation Commission, Docket Nos. UE-072300 and UG-072301. Response testimony submitted May 30, 2008. Cross-Answer testimony submitted July 3, 2008. Joint testimony in support of partial stipulations submitted July 3, 2008 (gas rate spread/rate design), August 12, 2008 (electric rate spread/rate design), and August 28, 2008 (revenue requirements). Cross examined September 3, 2008.

"Verified Petition of Duke Energy Indiana, Inc. Requesting the Indiana Utility Regulatory Commission to Approve an Alternative Regulatory Plan Pursuant to the Ind. Code 8-1-2.5, Et Seq., for the Offering of Energy Efficiency Conservation, Demand Response, and Demand-Side Management Programs and Associated Rate Treatment Including Incentives Pursuant to a Revised Standard Contract Rider No. 66 in Accordance with Ind. Code 8-1-2.5-1Et Seq. and 8-1-2-42(a); Authority to Defer Program Costs Associated with Its Energy Efficiency Portfolio of Programs; Authority to Implement New and Enhanced Energy Efficiency Programs in Its Energy Efficiency Portfolio of Programs; and Approval of a Modification of the Fuel Adjustment Clause Earnings and Expense Tests," Indiana Utility Regulatory Commission, Cause No. 43374. Direct testimony submitted May 21, 2008. Testimony withdrawn pursuant to stipulation.

"Cinergy Corp., Duke Energy Ohio, Inc., Cinergy Power Investments, Inc., Generating Facilities LLCs," Federal Energy Regulatory Commission, Docket No. EC-08-78-000. Affidavit filed May 14, 2008.

"Application of Entergy Gulf States, Inc. for Authority to Change Rates and to Reconcile Fuel Costs, Public Utility Commission of Texas, Docket No. 34800 [SOAH Docket No. 473-08-0334]. Direct testimony submitted April 11, 2008. Testimony withdrawn pursuant to stipulation.

"Central Illinois Light Company d/b/a AmerenCILCO Proposed General Increase in Electric Delivery Service Rates, Central Illinois Public Service Company d/b/a AmerenCIPS Proposed General Increase in Electric Delivery Service Rates, Illinois Power Company d/b/a/ AmerenIP Proposed General Increase in Electric Delivery Service Rates, Central Illinois Light Company d/b/a AmerenCILCO, Proposed General Increase in Gas Delivery Service Rates, Central Illinois Public Service Company d/b/a AmerenCIPS Proposed General Increase in Gas Delivery Service Rates, Illinois Power Company d/b/a/ AmerenIP Proposed General Increase in Gas Delivery Service Rates," Illinois Commerce Commission, Docket Nos. 07-0585, 07-0586, 07-0587, 07-0588, 07-0589, 07-0590. Direct testimony submitted March 14, 2008. Rebuttal testimony submitted April 8, 2008.

"In the Matter of the Application of Public Service Company of Colorado for Authority to Implement an Enhanced Demand Side Management Cost Adjustment Mechanism to Include

Current Recovery and Incentives," Colorado Public Utilities Commission, Docket No. 07A-420E. Answer testimony submitted March 10, 2008. Cross examined April 25, 2008.

"An Investigation of the Energy and Regulatory Issues in Section 50 of Kentucky's 2007 Energy Act," Kentucky Public Service Commission, Administrative Case No. 2007-00477. Direct testimony submitted February 29, 2008. Supplemental direct testimony submitted April 1, 2008. Cross examined April 30, 2008.

In the Matter of the Application of Tucson Electric Power Company for the Establishment of Just and Reasonable Rates and Charges Designed to Realize a Reasonable Rate of Return on the Fair Value of Its Operations throughout the State of Arizona, Arizona Corporation Commission, Docket No. E-01933A-07-0402. Direct testimony submitted February 29, 2008 (revenue requirement), March 14, 2008 (rate design), and June 12, 2008 (settlement agreement). Cross examined July 14, 2008.

"Commonwealth Edison Company Proposed General Increase in Electric Rates," Illinois Commerce Commission, Docket No. 07-0566. Direct testimony submitted February 11, 2008. Rebuttal testimony submitted April 8, 2008.

"In the Matter of the Application of Questar Gas Company to File a General Rate Case," Utah Public Service Commission, Docket No. 07-057-13. Direct testimony submitted January 28, 2008 (test period), March 31, 2008 (rate of return), April 21, 2008 (revenue requirement), and August 18, 2008 (cost of service, rate spread, rate design). Rebuttal testimony submitted September 22, 2008 (cost of service, rate spread, rate design). Surrebuttal testimony submitted May 12, 2008 (rate of return) and October 7, 2008 (cost of service, rate spread, rate design). Cross examined February 8, 2008 (test period), May 21, 2008 (rate of return), and October 15, 2008 (cost of service, rate spread, rate design).

"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, Consisting of a General Rate Increase of Approximately \$161.2 Million Per Year, and for Approval of a New Large Load Surcharge," Utah Public Service Commission, Docket No. 07-035-93. Direct testimony submitted January 25, 2008 (test period), April 7, 2008 (revenue requirement), and July 21, 2008 (cost of service, rate design). Rebuttal testimony submitted September 3, 2008 (cost of service, rate design). Surrebuttal testimony submitted May 23, 2008 (revenue requirement) and September 24, 2008 (cost of service, rate design). Cross examined February 7, 2008 (test period).

"In the Matter of the Application of Ohio Edison Company, The Cleveland Electric Illuminating Company and The Toledo Edison Company for Authority to Increase Rates for Distribution Service, Modify Certain Accounting Practices and for Tariff Approvals," Public Utilities

Commission of **Ohio**, Case Nos. 07-551-EL-AIR, 07-552-EL-ATA, 07-553-EL-AAM, and 07-554-EL-UNC. Direct testimony submitted January 10, 2008.

"In the Matter of the Application of Rocky Mountain Power for Authority to Increase Its Retail Electric Utility Service Rates in Wyoming, Consisting of a General Rate Increase of Approximately \$36.1 Million per Year, and for Approval of a New Renewable Resource Mechanism and Marginal Cost Pricing Tariff," **Wyoming** Public Service Commission, Docket No. 20000-277-ER-07. Direct testimony submitted January 7, 2008. Cross examined March 6, 2008.

"In the Matter of the Application of Idaho Power Company for Authority to Increase Its Rates and Charges for Electric Service to Electric Customers in the State of Idaho," **Idaho** Public Utilities Commission, Case No. IPC-E-07-8. Direct testimony submitted December 10, 2007. Cross examined January 23, 2008.

"In The Matter of the Application of Consumers Energy Company for Authority to Increase Its Rates for the Generation and Distribution Of Electricity and Other Relief," **Michigan** Public Service Commission, Case No. U-15245. Direct testimony submitted November 6, 2007. Rebuttal testimony submitted November 20, 2007.

"In the Matter of Montana-Dakota Utilities Co., Application for Authority to Establish Increased Rates for Electric Service," **Montana** Public Service Commission, Docket No. D2007.7.79. Direct testimony submitted October 24, 2007.

"In the Matter of the Application of Public Service Company of New Mexico for Revision of its Retail Electric Rates Pursuant to Advice Notice No. 334," **New Mexico** Public Regulation Commission, Case No. 07-0077-UT. Direct testimony submitted October 22, 2007. Rebuttal testimony submitted November 19, 2007. Cross examined December 12, 2007.

"In The Matter of Georgia Power Company's 2007 Rate Case," **Georgia** Public Service Commission, Docket No. 25060-U. Direct testimony submitted October 22, 2007. Cross examined November 7, 2007.

"In the Matter of the Application of Rocky Mountain Power for an Accounting Order to Defer the Costs Related to the MidAmerican Energy Holdings Company Transaction," **Utah** Public Service Commission, Docket No. 07-035-04; "In the Matter of the Application of Rocky Mountain Power, a Division of PacifiCorp, for a Deferred Accounting Order To Defer the Costs of Loans Made to Grid West, the Regional Transmission Organization," Docket No. 06-035-163; "In the Matter of the Application of Rocky Mountain Power for an Accounting Order for Costs related to the Flooding of the Powerdale Hydro Facility," Docket No. 07-035-14. Direct testimony submitted September 10, 2007. Surrebuttal testimony submitted October 22, 2007. Cross examined October 30, 2007.

“In the Matter of General Adjustment of Electric Rates of East Kentucky Power Cooperative, Inc.,” Kentucky Public Service Commission, Case No. 2006-00472. Direct testimony submitted July 6, 2007. Supplemental direct testimony submitted March 14, 2008.

“In the Matter of the Application of Semptra Energy Solutions for a Certificate of Convenience and Necessity for Competitive Retail Electric Service,” Arizona Corporation Commission, Docket No. E-03964A-06-0168. Direct testimony submitted July 3, 2007. Rebuttal testimony submitted January 17, 2008.

“Application of Public Service Company of Oklahoma for a Determination that Additional Electric Generating Capacity Will Be Used and Useful,” Oklahoma Corporation Commission, Cause No. PUD 200500516; “Application of Public Service Company of Oklahoma for a Determination that Additional Baseload Electric Generating Capacity Will Be Used and Useful,” Cause No. PUD 200600030; “In the Matter of the Application of Oklahoma Gas and Electric Company for an Order Granting Pre-Approval to Construct Red Rock Generating Facility and Authorizing a Recovery Rider,” Cause No. PUD200700012. Responsive testimony submitted May 21, 2007. Cross examined July 26, 2007.

“Application of Nevada Power Company for Authority to Increase Its Annual Revenue Requirement for General Rates Charged to All Classes of Electric Customers and for Relief Properly Related Thereto,” Public Utilities Commission of Nevada, Docket No. 06-11022. Direct testimony submitted March 14, 2007 (Phase III – revenue requirements) and March 19, 2007 (Phase IV – rate design). Cross examined April 10, 2007 (Phase III – revenue requirements) and April 16, 2007 (Phase IV – rate design).

“In the Matter of the Application of Entergy Arkansas, Inc. for Approval of Changes in Rates for Retail Electric Service,” Arkansas Public Service Commission, Docket No. 06-101-U. Direct testimony submitted February 5, 2007. Surrebuttal testimony submitted March 26, 2007.

“Monongahela Power Company and The Potomac Edison Company, both d/b/a Allegheny Power – Rule 42T Application to Increase Electric Rates and Charges,” Public Service Commission of West Virginia, Case No. 06-0960-E-42T; “Monongahela Power Company and The Potomac Edison Company, both d/b/a Allegheny Power – Information Required for Change of Depreciation Rates Pursuant to Rule 20,” Case No. 06-1426-E-D. Direct and rebuttal testimony submitted January 22, 2007.

“In the Matter of the Tariffs of Aquila, Inc., d/b/a Aquila Networks-MPS and Aquila Networks-L&P Increasing Electric Rates for the Services Provided to Customers in the Aquila Networks-MPS and Aquila Networks-L&P Missouri Service Areas,” Missouri Public Service Commission, Case No. ER-2007-0004. Direct testimony submitted January 18, 2007 (revenue requirements) and January 25, 2007 (revenue apportionment). Supplemental direct testimony

submitted February 27, 2007.

"In the Matter of the Filing by Tucson Electric Power Company to Amend Decision No. 62103, **Arizona** Corporation Commission, Docket No. E-01933A-05-0650. Direct testimony submitted January 8, 2007. Surrebuttal testimony filed February 8, 2007. Cross examined March 8, 2007.

"In the Matter of Union Electric Company d/b/a AmerenUE for Authority to File Tariffs Increasing Rates for Electric Service Provided to Customers in the Company's Missouri Service Area," **Missouri** Public Service Commission, Case No. ER-2007-0002. Direct testimony submitted December 15, 2006 (revenue requirements) and December 29, 2006 (fuel adjustment clause/cost-of-service/rate design). Rebuttal testimony submitted February 5, 2007 (cost-of-service). Surrebuttal testimony submitted February 27, 2007. Cross examined March 21, 2007.

"In the Matter of Application of The Union Light, Heat and Power Company d/b/a Duke Energy Kentucky, Inc. for an Adjustment of Electric Rates," **Kentucky** Public Service Commission, Case No. 2006-00172. Direct testimony submitted September 13, 2006.

"In the Matter of Appalachian Power Company's Application for Increase in Electric Rates," **Virginia** State Corporation Commission, Case No. PUE-2006-00065. Direct testimony submitted September 1, 2006. Cross examined December 7, 2006.

"In the Matter of the Application of Arizona Public Service Company for a Hearing to Determine the Fair Value of the Utility Property for Ratemaking Purposes, to Fix a Just and Reasonable Rate of Return Thereon, To Approve Rate Schedules Designed to Develop Such Return, and to Amend Decision No. 67744, **Arizona** Corporation Commission," Docket No. E-01345A-05-0816. Direct testimony submitted August 18, 2006 (revenue requirements) and September 1, 2006 (cost-of-service/rate design). Surrebuttal testimony submitted September 27, 2006. Cross examined November 7, 2006.

"Re: The Tariff Sheets Filed by Public Service Company of Colorado with Advice Letter No 1454 – Electric," **Colorado** Public Utilities Commission, Docket No. 06S-234EG. Answer testimony submitted August 18, 2006.

"Portland General Electric General Rate Case Filing," Public Utility Commission of **Oregon**, Docket No. UE-180. Direct testimony submitted August 9, 2006. Joint testimony regarding stipulation submitted August 22, 2006.

"2006 Puget Sound Energy General Rate Case," **Washington** Utilities and Transportation Commission, Docket Nos. UE-060266 and UG-060267. Response testimony submitted July 19, 2006. Joint testimony regarding stipulation submitted August 23, 2006.

"In the Matter of PacifiCorp, dba Pacific Power & Light Company, Request for a General Rate Increase in the Company's Oregon Annual Revenues," Public Utility Commission of **Oregon**, Docket No. UE-179. Direct testimony submitted July 12, 2006. Joint testimony regarding stipulation submitted August 21, 2006.

"Petition of Metropolitan Edison Company for Approval of a Rate Transition Plan," **Pennsylvania** Public Utilities Commission, Docket Nos. P-00062213 and R-00061366; "Petition of Pennsylvania Electric Company for Approval of a Rate Transition Plan," Docket Nos. P-0062214 and R-00061367; Merger Savings Remand Proceeding, Docket Nos. A-110300F0095 and A-110400F0040. Direct testimony submitted July 10, 2006. Rebuttal testimony submitted August 8, 2006. Surrebuttal testimony submitted August 18, 2006. Cross examined August 30, 2006.

"In the Matter of the Application of PacifiCorp for approval of its Proposed Electric Rate Schedules & Electric Service Regulations," **Utah** Public Service Commission, Docket No. 06-035-21. Direct testimony submitted June 9, 2006 (Test Period). Surrebuttal testimony submitted July 14, 2006.

"Joint Application of Questar Gas Company, the Division of Public Utilities, and Utah Clean Energy for the Approval of the Conservation Enabling Tariff Adjustment Option and Accounting Orders," **Utah** Public Service Commission, Docket No. 05-057-T01. Direct testimony submitted May 15, 2006. Rebuttal testimony submitted August 8, 2007. Cross examined September 19, 2007.

"Central Illinois Light Company d/b/a AmerenCILCO, Central Illinois Public Service Company d/b/a AmerenCIPS, Illinois Power Company d/b/a AmerenIP, Proposed General Increase in Rates for Delivery Service (Tariffs Filed December 27, 2005)," **Illinois** Commerce Commission, Docket Nos. 06-0070, 06-0071, 06-0072. Direct testimony submitted March 26, 2006. Rebuttal testimony submitted June 27, 2006.

"In the Matter of Appalachian Power Company and Wheeling Power Company, both dba American Electric Power," Public Service Commission of **West Virginia**, Case No. 05-1278-E-PC-PW-42T. Direct and rebuttal testimony submitted March 8, 2006.

"In the Matter of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in Minnesota," **Minnesota** Public Utilities Commission, Docket No. G-002/GR-05-1428. Direct testimony submitted March 2, 2006. Rebuttal testimony submitted March 30, 2006. Cross examined April 25, 2006.

"In the Matter of the Application of Arizona Public Service Company for an Emergency Interim Rate Increase and for an Interim Amendment to Decision No. 67744," **Arizona** Corporation

Commission, Docket No. E-01345A-06-0009. Direct testimony submitted February 28, 2006. Cross examined March 23, 2006.

"In the Matter of the Applications of Westar Energy, Inc. and Kansas Gas and Electric Company for Approval to Make Certain Changes in Their Charges for Electric Service," State Corporation Commission of **Kansas**, Case No. 05-WSEE-981-RTS. Direct testimony submitted September 9, 2005. Cross examined October 28, 2005.

"In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Recover Costs Associated with the Construction and Ultimate Operation of an Integrated Combined Cycle Electric Generating Facility," Public Utilities Commission of **Ohio**," Case No. 05-376-EL-UNC. Direct testimony submitted July 15, 2005. Cross examined August 12, 2005.

"In the Matter of the Filing of General Rate Case Information by Tucson Electric Power Company Pursuant to Decision No. 62103," **Arizona** Corporation Commission, Docket No. E-01933A-04-0408. Direct testimony submitted June 24, 2005.

"In the Matter of Application of The Detroit Edison Company to Unbundle and Realign Its Rate Schedules for Jurisdictional Retail Sales of Electricity," **Michigan** Public Service Commission, Case No. U-14399. Direct testimony submitted June 9, 2005. Rebuttal testimony submitted July 1, 2005.

"In the Matter of the Application of Consumers Energy Company for Authority to Increase Its Rates for the Generation and Distribution of Electricity and Other Relief," **Michigan** Public Service Commission, Case No. U-14347. Direct testimony submitted June 3, 2005. Rebuttal testimony submitted June 17, 2005.

"In the Matter of Pacific Power & Light, Request for a General Rate Increase in the Company's Oregon Annual Revenues," Public Utility Commission of **Oregon**, Docket No. UE 170. Direct testimony submitted May 9, 2005. Surrebuttal testimony submitted June 27, 2005. Joint testimony regarding partial stipulations submitted June 2005, July 2005, and August 2005.

"In the Matter of the Application of Trico Electric Cooperative, Inc. for a Rate Increase," **Arizona** Corporation Commission, Docket No. E-01461A-04-0607. Direct testimony submitted April 13, 2005. Surrebuttal testimony submitted May 16, 2005. Cross examined May 26, 2005.

"In the Matter of the Application of PacifiCorp for Approval of its Proposed Electric Service Schedules and Electric Service Regulations," **Utah** Public Service Commission, Docket No. 04-

035-42. Direct testimony submitted January 7, 2005.

"In the Matter of the Application by Golden Valley Electric Association, Inc., for Authority to Implement Simplified Rate Filing Procedures and Adjust Rates," **Regulatory Commission of Alaska**, Docket No. U-4-33. Direct testimony submitted November 5, 2004. Cross examined February 8, 2005.

"Advice Letter No. 1411 - Public Service Company of Colorado Electric Phase II General Rate Case," **Colorado Public Utilities Commission**, Docket No. 04S-164E. Direct testimony submitted October 12, 2004. Cross-answer testimony submitted December 13, 2004. Testimony withdrawn January 18, 2005, following Applicant's withdrawal of testimony pertaining to TOU rates.

"In the Matter of Georgia Power Company's 2004 Rate Case," **Georgia Public Service Commission**, Docket No. 18300-U. Direct testimony submitted October 8, 2004. Cross examined October 27, 2004.

"2004 Puget Sound Energy General Rate Case," **Washington Utilities and Transportation Commission**, Docket Nos. UE-040641 and UG-040640. Response testimony submitted September 23, 2004. Cross-answer testimony submitted November 3, 2004. Joint testimony regarding stipulation submitted December 6, 2004.

"In the Matter of the Application of PacifiCorp for an Investigation of Interjurisdictional Issues," **Utah Public Service Commission**, Docket No. 02-035-04. Direct testimony submitted July 15, 2004. Cross examined July 19, 2004.

"In the Matter of an Adjustment of the Gas and Electric Rates, Terms and Conditions of Kentucky Utilities Company," **Kentucky Public Service Commission**, Case No. 2003-00434. Direct testimony submitted March 23, 2004. Testimony withdrawn pursuant to stipulation entered May 2004.

"In the Matter of an Adjustment of the Gas and Electric Rates, Terms and Conditions of Louisville Gas and Electric Company," **Kentucky Public Service Commission**, Case No. 2003-00433. Direct testimony submitted March 23, 2004. Testimony withdrawn pursuant to stipulation entered May 2004.

"In the Matter of the Application of Idaho Power Company for Authority to Increase Its Interim and Base Rates and Charges for Electric Service," **Idaho Public Utilities Commission**, Case No. IPC-E-03-13. Direct testimony submitted February 20, 2004. Rebuttal testimony submitted March 19, 2004. Cross examined April 1, 2004.

"In the Matter of the Applications of the Ohio Edison Company, the Cleveland Electric Illuminating Company and the Toledo Edison Company for Authority to Continue and Modify Certain Regulatory Accounting Practices and Procedures, for Tariff Approvals and to Establish Rates and Other Charges, Including Regulatory Transition Charges Following the Market Development Period," Public Utilities Commission of **Ohio**, Case No. 03-2144-EL-ATA. Direct testimony submitted February 6, 2004. Cross examined February 18, 2004.

"In the Matter of the Application of Arizona Public Service Company for a Hearing to Determine the Fair Value of the Utility Property of the Company for Ratemaking Purposes, To Fix a Just and Reasonable Rate of Return Thereon, To Approve Rate Schedules Designed to Develop Such Return, and For Approval of Purchased Power Contract," **Arizona** Corporation Commission, Docket No. E-01345A-03-0437. Direct testimony submitted February 3, 2004. Rebuttal testimony submitted March 30, 2004. Direct testimony regarding stipulation submitted September 27, 2004. Responsive / Clarifying testimony regarding stipulation submitted October 25, 2004. Cross examined November 8-10, 2004 and November 29-December 3, 2004.

"In the Matter of Application of the Detroit Edison Company to Increase Rates, Amend Its Rate Schedules Governing the Distribution and Supply of Electric Energy, etc.," **Michigan** Public Service Commission, Case No. U-13808. Direct testimony submitted December 12, 2003 (interim request) and March 5, 2004 (general rate case).

"In the Matter of PacifiCorp's Filing of Revised Tariff Schedules," Public Utility Commission of **Oregon**, Docket No. UE-147. Joint testimony regarding stipulation submitted August 21, 2003.

"Petition of PSI Energy, Inc. for Authority to Increase Its Rates and Charges for Electric Service, etc.," **Indiana** Utility Regulatory Commission, Cause No. 42359. Direct testimony submitted August 19, 2003. Cross examined November 5, 2003.

"In the Matter of the Application of Consumers Energy Company for a Financing Order Approving the Securitization of Certain of its Qualified Cost," **Michigan** Public Service Commission, Case No. U-13715. Direct testimony submitted April 8, 2003. Cross examined April 23, 2003.

"In the Matter of the Application of Arizona Public Service Company for Approval of Adjustment Mechanisms," **Arizona** Corporation Commission, Docket No. E-01345A-02-0403. Direct testimony submitted February 13, 2003. Surrebuttal testimony submitted March 20, 2003. Cross examined April 8, 2003.

"Re: The Investigation and Suspension of Tariff Sheets Filed by Public Service Company of Colorado, Advice Letter No. 1373 – Electric, Advice Letter No. 593 – Gas, Advice Letter No. 80 – Steam," **Colorado** Public Utilities Commission, Docket No. 02S-315 EG. Direct testimony submitted November 22, 2002. Cross-answer testimony submitted January 24, 2003.

"In the Matter of the Application of The Detroit Edison Company to Implement the Commission's Stranded Cost Recovery Procedure and for Approval of Net Stranded Cost Recovery Charges," **Michigan** Public Service Commission, Case No. U-13350. Direct testimony submitted November 12, 2002.

"Application of South Carolina Electric & Gas Company: Adjustments in the Company's Electric Rate Schedules and Tariffs," Public Service Commission of **South Carolina**, Docket No. 2002-223-E. Direct testimony submitted November 8, 2002. Surrebuttal testimony submitted November 18, 2002. Cross examined November 21, 2002.

"In the Matter of the Application of Questar Gas Company for a General Increase in Rates and Charges," **Utah** Public Service Commission, Docket No. 02-057-02. Direct testimony submitted August 30, 2002. Rebuttal testimony submitted October 4, 2002.

"The Kroger Co. v. Dynegy Power Marketing, Inc.," **Federal Energy Regulatory Commission**, EL02-119-000. Confidential affidavit filed August 13, 2002.

"In the matter of the application of Consumers Energy Company for determination of net stranded costs and for approval of net stranded cost recovery charges," **Michigan** Public Service Commission, Case No. U-13380. Direct testimony submitted August 9, 2002. Rebuttal testimony submitted August 30, 2002. Cross examined September 10, 2002.

"In the Matter of the Application of Public Service Company of Colorado for an Order to Revise Its Incentive Cost Adjustment," **Colorado** Public Utilities Commission, Docket 02A-158E. Direct testimony submitted April 18, 2002.

"In the Matter of the Generic Proceedings Concerning Electric Restructuring Issues," **Arizona** Corporation Commission, Docket No. E-00000A-02-0051, "In the Matter of Arizona Public Service Company's Request for Variance of Certain Requirements of A.A.C. R14-2-1606," Docket No. E-01345A-01-0822, "In the Matter of the Generic Proceeding Concerning the Arizona Independent Scheduling Administrator," Docket No. E-00000A-01-0630, "In the Matter of Tucson Electric Power Company's Application for a Variance of Certain Electric Competition Rules Compliance Dates," Docket No. E-01933A-02-0069, "In the Matter of the Application of Tucson Electric Power Company for Approval of its Stranded Cost Recovery," Docket No. E-01933A-98-0471. Direct testimony submitted March 29, 2002 (APS variance request); May 29, 2002 (APS Track A proceeding/market power issues); and July 28, 2003 (Arizona ISA). Rebuttal testimony submitted August 29, 2003 (Arizona ISA). Cross examined June 21, 2002 (APS Track A proceeding/market power issues) and September 12, 2003 (Arizona ISA).

"In the Matter of Savannah Electric & Power Company's 2001 Rate Case," **Georgia** Public Service Commission, Docket No. 14618-U. Direct testimony submitted March 15, 2002. Cross examined March 28, 2002.

"Nevada Power Company's 2001 Deferred Energy Case," Public Utilities Commission of **Nevada**, PUCN 01-11029. Direct testimony submitted February 7, 2002. Cross examined February 21, 2002.

"2001 Puget Sound Energy Interim Rate Case," **Washington** Utilities and Transportation Commission, Docket Nos. UE-011570 and UE-011571. Direct testimony submitted January 30, 2002. Cross examined February 20, 2002.

"In the Matter of Georgia Power Company's 2001 Rate Case," **Georgia** Public Service Commission, Docket No. 14000-U. Direct testimony submitted October 12, 2001. Cross examined October 24, 2001.

"In the Matter of the Application of PacifiCorp for Approval of Its Proposed Electric Rate Schedules and Electric Service Regulations," **Utah** Public Service Commission, Docket No. 01-35-01. Direct testimony submitted June 15, 2001. Rebuttal testimony submitted August 31, 2001.

"In the Matter of Portland General Electric Company's Proposal to Restructure and Reprice Its Services in Accordance with the Provisions of SB 1149," Public Utility Commission of **Oregon**, Docket No. UE-115. Direct testimony submitted February 20, 2001. Rebuttal testimony submitted May 4, 2001. Joint testimony regarding stipulation submitted July 27, 2001.

"In the Matter of the Application of APS Energy Services, Inc. for Declaratory Order or Waiver of the Electric Competition Rules," **Arizona** Corporation Commission, Docket No. E-01933A-00-0486. Direct testimony submitted July 24, 2000.

"In the Matter of the Application of Questar Gas Company for an Increase in Rates and Charges," **Utah** Public Service Commission, Docket No. 99-057-20. Direct testimony submitted April 19, 2000. Rebuttal testimony submitted May 24, 2000. Surrebuttal testimony submitted May 31, 2000. Cross examined June 6 & 8, 2000.

"In the Matter of the Application of Columbus Southern Power Company for Approval of Electric Transition Plan and Application for Receipt of Transition Revenues," Public Utility Commission of **Ohio**, Case No. 99-1729-EL-ETP; "In the Matter of the Application of Ohio Power Company for Approval of Electric Transition Plan and Application for Receipt of Transition Revenues," Public Utility Commission of **Ohio**, Case No. 99-1730-EL-ETP. Direct testimony prepared, but not submitted pursuant to settlement agreement effected May 2, 2000.

"In the Matter of the Application of FirstEnergy Corp. on Behalf of Ohio Edison Company, The Cleveland Electric Illuminating Company, and the Toledo Edison Company for Approval of Their Transition Plans and for Authorization to Collect Transition Revenues," Public Utility Commission of **Ohio**, Case No. 99-1212-EL-ETP. Direct testimony prepared, but not submitted pursuant to settlement agreement effected April 11, 2000.

"2000 Pricing Process," **Salt River Project** Board of Directors, oral comments provided March 6, 2000 and April 10, 2000.

"Tucson Electric Power Company vs. Cyprus Sierrita Corporation," **Arizona** Corporation Commission, Docket No. E-000001-99-0243. Direct testimony submitted October 25, 1999. Cross examined November 4, 1999.

"Application of Hildale City and Intermountain Municipal Gas Association for an Order Granting Access for Transportation of Interstate Natural Gas over the Pipelines of Questar Gas Company for Hildale, Utah," **Utah** Public Service Commission, Docket No. 98-057-01. Rebuttal testimony submitted August 30, 1999.

"In the Matter of the Application by Arizona Electric Power Cooperative, Inc. for Approval of Its Filing as to Regulatory Assets and Transition Revenues," **Arizona** Corporation Commission, Docket No. E-01773A-98-0470. Direct testimony submitted July 30, 1999. Cross examined February 28, 2000.

"In the Matter of the Application of Tucson Electric Power Company for Approval of its Plan for Stranded Cost Recovery," **Arizona** Corporation Commission, Docket No. E-01933A-98-0471; "In the Matter of the Filing of Tucson Electric Power Company of Unbundled Tariffs Pursuant to A.A.C. R14-2-1601 et seq.," Docket No. E-01933A-97-0772; "In the Matter of the Competition in the Provision of Electric Service Throughout the State of Arizona," Docket No. RE-00000C-94-0165. Direct testimony submitted June 30, 1999. Rebuttal testimony submitted August 6, 1999. Cross examined August 11-13, 1999.

"In the Matter of the Application of Arizona Public Service Company for Approval of its Plan for Stranded Cost Recovery," **Arizona** Corporation Commission, Docket No. E-01345A-98-0473; "In the Matter of the Filing of Arizona Public Service Company of Unbundled Tariffs Pursuant to A.A.C. R14-2-1601 et seq.," Docket No. E-01345A-97-0773; "In the Matter of the Competition in the Provision of Electric Service Throughout the State of Arizona," Docket No. RE-00000C-94-0165. Direct testimony submitted June 4, 1999. Rebuttal testimony submitted July 12, 1999. Cross examined July 14, 1999.

"In the Matter of the Application of Tucson Electric Power Company for Approval of its Plan for Stranded Cost Recovery," **Arizona** Corporation Commission, Docket No. E-01933A-98-0471; "In the Matter of the Filing of Tucson Electric Power Company of Unbundled Tariffs Pursuant to

A.A.C. R14-2-1601 et seq.," Docket No. E-01933A-97-0772; "In the Matter of the Application of Arizona Public Service Company for Approval of its Plan for Stranded Cost Recovery," Docket No. E-01345A-98-0473; "In the Matter of the Filing of Arizona Public Service Company of Unbundled Tariffs Pursuant to A.A.C. R14-2-1601 et seq.," Docket No. E-01345A-97-0773; "In the Matter of the Competition in the Provision of Electric Service Throughout the State of Arizona," Docket No. RE-00000C-94-0165. Direct testimony submitted November 30, 1998.

"Hearings on Pricing," **Salt River Project** Board of Directors, written and oral comments provided November 9, 1998.

"Hearings on Customer Choice," **Salt River Project** Board of Directors, written and oral comments provided June 22, 1998; June 29, 1998; July 9, 1998; August 7, 1998; and August 14, 1998.

"In the Matter of the Competition in the Provision of Electric Service Throughout the State of Arizona," **Arizona** Corporation Commission, Docket No. U-0000-94-165. Direct and rebuttal testimony filed January 21, 1998. Second rebuttal testimony filed February 4, 1998. Cross examined February 25, 1998.

"In the Matter of Consolidated Edison Company of New York, Inc.'s Plans for (1) Electric Rate/Restructuring Pursuant to Opinion No. 96-12; and (2) the Formation of a Holding Company Pursuant to PSL, Sections 70, 108, and 110, and Certain Related Transactions," **New York** Public Service Commission, Case 96-E-0897. Direct testimony filed April 9, 1997. Cross examined May 5, 1997.

"In the Matter of the Petition of Sunnyside Cogeneration Associates for Enforcement of Contract Provisions," **Utah** Public Service Commission, Docket No. 96-2018-01; "In the Matter of the Application of Rocky Mountain Power for an Order Approving an Amendment to Its Power Purchase Agreement with Sunnyside Cogeneration Associates," Docket Nos. 05-035-46, and 07-035-99. Direct testimony submitted July 8, 1996. Oral testimony provided March 18, 2008.

"In the Matter of the Application of PacifiCorp, dba Pacific Power & Light Company, for Approval of Revised Tariff Schedules and an Alternative Form of Regulation Plan," **Wyoming** Public Service Commission, Docket No. 2000-ER-95-99. Direct testimony submitted April 8, 1996.

"In the Matter of the Application of Mountain Fuel Supply Company for an Increase in Rates and Charges," **Utah** Public Service Commission, Case No. 95-057-02. Direct testimony submitted June 19, 1995. Rebuttal testimony submitted July 25, 1995. Surrebuttal testimony submitted August 7, 1995.

"In the Matter of the Investigation of the Reasonableness of the Rates and Tariffs of Mountain Fuel Supply Company," **Utah Public Service Commission**, Case No. 89-057-15. Direct testimony submitted July 1990. Surrebuttal testimony submitted August 1990.

"In the Matter of the Review of the Rates of Utah Power and Light Company pursuant to The Order in Case No. 87-035-27," **Utah Public Service Commission**, Case No. 89-035-10. Rebuttal testimony submitted November 15, 1989. Cross examined December 1, 1989 (rate schedule changes for state facilities).

"In the Matter of the Application of Utah Power & Light Company and PC/UP&L Merging Corp. (to be renamed PacifiCorp) for an Order Authorizing the Merger of Utah Power & Light Company and PacifiCorp into PC/UP&L Merging Corp. and Authorizing the Issuance of Securities, Adoption of Tariffs, and Transfer of Certificates of Public Convenience and Necessity and Authorities in Connection Therewith," **Utah Public Service Commission**, Case No. 87-035-27; Direct testimony submitted April 11, 1988. Cross examined May 12, 1988 (economic impact of UP&L merger with PacifiCorp).

"In the Matter of the Application of Mountain Fuel Supply Company for Approval of Interruptible Industrial Transportation Rates," **Utah Public Service Commission**, Case No. 86-057-07. Direct testimony submitted January 15, 1988. Cross examined March 30, 1988.

"In the Matter of the Application of Utah Power and Light Company for an Order Approving a Power Purchase Agreement," **Utah Public Service Commission**, Case No. 87-035-18. Oral testimony delivered July 8, 1987.

"Cogeneration: Small Power Production," **Federal Energy Regulatory Commission**, Docket No. RM87-12-000. Statement on behalf of State of Utah delivered March 27, 1987, in San Francisco.

"In the Matter of the Investigation of Rates for Backup, Maintenance, Supplementary, and Standby Power for Utah Power and Light Company," **Utah Public Service Commission**, Case No. 86-035-13. Direct testimony submitted January 5, 1987. Case settled by stipulation approved August 1987.

"In the Matter of the Application of Sunnyside Cogeneration Associates for Approval of the Cogeneration Power Purchase Agreement," **Utah Public Service Commission**, Case No. 86-2018-01. Rebuttal testimony submitted July 16, 1986. Cross examined July 17, 1986.

"In the Matter of the Investigation of Demand-Side Alternatives to Capacity Expansion for Electric Utilities," **Utah Public Service Commission**, Case No. 84-999-20. Direct testimony submitted June 17, 1985. Rebuttal testimony submitted July 29, 1985. Cross examined August 19, 1985.

"In the Matter of the Implementation of Rules Governing Cogeneration and Small Power Production in Utah," **Utah** Public Service Commission, Case No. 80-999-06, pp. 1293-1318. Direct testimony submitted January 13, 1984 (avoided costs), May 9, 1986 (security for levelized contracts) and November 17, 1986 (avoided costs). Cross-examined February 29, 1984 (avoided costs), April 11, 1985 (standard form contracts), May 22-23, 1986 (security for levelized contracts) and December 16-17, 1986 (avoided costs).

OTHER RELATED ACTIVITY

Participant, Wyoming Load Growth Collaborative, March 2008 to present.

Participant, Oregon Direct Access Task Force (UM 1081), May 2003 to November 2003.

Participant, Michigan Stranded Cost Collaborative, March 2003 to March 2004.

Member, Arizona Electric Competition Advisory Group, December 2002 to present.

Board of Directors, ex-officio, Desert STAR RTO, September 1999 to February 2002.

Member, Advisory Committee, Desert STAR RTO, September 1999 to February 2002. Acting Chairman, October 2000 to February 2002.

Board of Directors, Arizona Independent Scheduling Administrator Association, October 1998 to present.

Acting Chairman, Operating Committee, Arizona Independent Scheduling Administrator Association, October 1998 to June 1999.

Member, Desert Star ISO Investigation Working Groups: Operations, Pricing, and Governance, April 1997 to December 1999. Legal & Negotiating Committee, April 1999 to December 1999.

Participant, Independent System Operator and Spot Market Working Group, Arizona Corporation Commission, April 1997 to September 1997.

Participant, Unbundled Services and Standard Offer Working Group, Arizona Corporation Commission, April 1997 to October 1997.

Participant, Customer Selection Working Group, Arizona Corporation Commission, March 1997 to September 1997.

Member, Stranded Cost Working Group, Arizona Corporation Commission, March 1997 to September 1997.

Member, Electric System Reliability & Safety Working Group, Arizona Corporation Commission, November 1996 to September 1998.

Chairman, Salt Palace Renovation and Expansion Committee, Salt Lake County/State of Utah/Salt Lake City, multi-government entity responsible for implementation of planning, design, finance, and construction of an \$85 million renovation of the Salt Palace Convention Center, Salt Lake City, Utah, May 1991 to December 1994.

State of Utah Representative, Committee on Regional Electric Power Cooperation, a joint effort of the Western Interstate Energy Board and the Western Conference of Public Service Commissioners, January 1987 to December 1990.

Member, Utah Governor's Economic Coordinating Committee, January 1987 to December 1990.

Chairman, Standard Contract Task Force, established by Utah Public Service Commission to address contractual problems relating to qualifying facility sales under PURPA, March 1986 to December 1990.

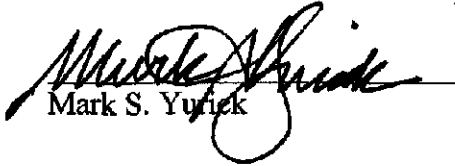
Chairman, Load Management and Energy Conservation Task Force, Utah Public Service Commission, August 1985 to December 1990.

Alternate Delegate for Utah, Western Interstate Energy Board, Denver, Colorado, August 1985 to December 1990.

Articles Editor, Economic Forum, September 1980 to August 1981.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing discovery request was served upon the following parties of record, or as a courtesy, via electronic mail service on January 26 2009.



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