

Exhibit No. ___ CT (KAW-1CT)
Docket UE-130043
Witness: Kendra A. White
CONFIDENTIAL VERSION

BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFIC POWER & LIGHT
COMPANY, d/b/a PACIFICORP,

Respondent.

DOCKET UE-130043

TESTIMONY OF

KENDRA A. WHITE

STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

*West Control Area Inter-Jurisdictional Cost Allocation
Adjustment 3.1, Temperature Normalization*

June 21, 2013
Revised August 19, 2013

CONFIDENTIAL PER PROTECTIVE ORDER
CONFIDENTIAL VERSION

- 1 • The peak demand is determined by identifying the absolute peak hour in the
2 test period.

3 Therefore, while the presentation of Exhibit No. ____ (CCP-4) separates the data into
4 twelve months, only one point of demand data is actually used in the Company's
5 calculation. The Company's methodology is consistent with a load factor, rather
6 than a peak credit ratio.²⁷

7
8 **Q. What methodology does Staff recommend to determine allocation factor**
9 **subparts?**

10 A. Staff recommends using 200 CP in the calculation of all subparts in all G&T
11 allocation factors. Specifically, this means that the Company should use 200 CP data
12 to:

- 13 • Calculate the energy components of the SG and CAGW allocation factors.
14 • Calculate the peak credit ratio that is used to weight the base components of
15 the SG and CAGW allocations factors.

16 The top 200 hours should use the top 100 hours that occur in a period defined as
17 summer (April through October) and the top 100 hours that occur in a period defined
18 as winter (November through March). It is also important to align the selected
19 universe with the selection of which 200 hours are used in the calculation. For
20 example, when determining the peak credit ratio for the WCA on a 200 CP basis, the
21 top 100 winter hours and top 100 summer hours should only consider the peak use
22 hours of customers within Washington, Oregon, and California.

²⁷ Parrish, Denise, *Electricity Class Cost of Service Studies: Which Cost Allocators Should be Used?*, ERRA
Tariff/Pricing Committee Meeting, Sofia, Bulgaria, January, 2012, slide 5. Nwabueze, Ikechukwu N., *Tariff
Development II: Developing a Cost of Service Study*, Energy Regulatory Partnership Program, Abuja, Nigeria,
July 14-18, 2008, slide 9.