

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED: Sept. 8, 2006
CASE NO.: UG-060256
REQUESTER: WUTC

WITNESS: Yohannes Mariam
RESPONDER: Yohannes Mariam
TELEPHONE: (360) 664-1316

BENCH REQUEST NO. 1:

Please identify whether you have obtained a functioning or “working” copy of the cost allocation or cost-of-service model referred to in the testimony of Lamar Maxwell Dickey (LMD-1T), or if you have arranged for access to the model. If yes, please describe the arrangements you have made for access to, or a “working” copy of, the model.

RESPONSE:

Staff requested access to Cascade’s cost of service (COS) model in March 2006. The company initially refused. Staff made its last formal request to gain access to the software in June 2006. The company then offered access to the COS model, provided that it receives \$20,000 to cover the cost of the model and training. Staff does not know what portion of this cost is the software and how much for training. This arrangement was proposed two weeks before Staff was to file its testimony. (See attachment entitled “Cascade’s Response to Staff Data Requests Nos. 4 and 139.doc.”)

Cascade arranged for a three-day training session, July 26 to 28, 2006. In order to shorten the training time and effectively use the software, Staff requested a copy of the software prior to the training. The Company could not provide a copy of the software before the training. Instead of spending three days in training, Staff accepted one day of training because of heavy workloads related to the Cascade and PSE rate cases and the fact that two days of the training were general cost of service training that were not needed.

Staff received a copy of the software on July 26, 2006, and installed it the following day. Soon after the software’s installation, Staff encountered difficulty running it because of the software’s requirement of some “.dll” and “.ocx” files. Staff requested assistance from Cascade. Presumably, the software given to Staff was missing files necessary to properly install and run the COS model. It took a week to obtain the files and run the model.

Once the missing files were installed, Staff started experimenting with the software with different allocation factors. Whenever Staff modified the allocation factors, the software ceased to operate and needed to be re-installed. Staff asked Cascade’s Staff, who uses the software, for help in resolving the problem. However, there was no response.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED: Sept. 8, 2006
CASE NO.: UG-060256
REQUESTER: WUTC

WITNESS: Yohannes Mariam
RESPONDER: Yohannes Mariam
TELEPHONE: (360) 664-1316

With only one week before filing testimony, Staff decided to explore other alternatives. One such alternative was to use RCS's (NWIGU's) Excel-based model that replicates Cascade's COS model results. RCS granted Staff access to this model. Staff used this model to prepare its testimony and abandoned Cascade's COS model.

If Cascade had arranged for the use of the software by Staff in March 2006, it would have been possible to resolve operational difficulties in using the company's COS model. Cascade's unwillingness to offer access to the software, when all regulated companies do so, resulted in Staff's inability to adequately study the company's cost of service results. Staff was unable to use the software despite the fact that a significant cost (\$20,000) was incurred to acquire a simple and non user-friendly software.