

Exhibit No.____(WRG-15T)
Docket Nos. UE-061546/UE-060817
Witness: William R. Griffith

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

vs.

PACIFICORP dba Pacific Power & Light
Company,

Respondent.

Docket No. UE-061546

In the Matter of the Petition of
PACIFICORP dba Pacific Power & Light
Company,

For an Accounting Order Approving Deferral
Of Certain Costs Related to the MidAmerican
Energy Holdings Company Transition.

Docket No. UE-060817

**PACIFICORP
REBUTTAL TESTIMONY
OF
WILLIAM R. GRIFFITH**

March 2007

1 **Q. Please state your name.**

2 A. My name is William R. Griffith.

3 **Q. Have you filed direct testimony in this case?**

4 A. Yes I have.

5 **Q. Please describe the purpose of your rebuttal testimony?**

6 A. The purpose of my rebuttal testimony is to address the testimony of Mr. Charles
7 Eberdt for the Energy Project, and to propose a tariff to implement the A&G
8 credit discussed by Mr. Wrigley in his rebuttal testimony.

9 **Q. What are you addressing from Mr. Eberdt's testimony?**

10 A. I am addressing Mr. Eberdt's proposal that "the utility should increase the funding
11 (of the Low Income Bill Payment Assistance program) at least to a level in the
12 range of that provided by AVISTA and PSE in their respective programs...."
13 (Exhibit No. ___CME-1T, p. 6).

14 Mr. Eberdt indicates that in 2005 Avista funded its program at 0.41
15 percent of gross operating revenues, PSE's funding was 0.64 percent, and
16 PacifiCorp's funding was 0.24 percent. He also indicates that since 2005, "both
17 AVISTA and PSE have increased their low-income bill assistance funding
18 widening the gap between their programs and PacifiCorp's." (Exhibit No. CME-
19 1T, pp. 4-5).

20 **Q. Please identify Exhibit No. ___(WRG-16).**

21 A. Exhibit No. ___(WRG-16) provides a comparison of the estimated effect of
22 increasing low-income funding to the level proposed in my direct testimony along
23 with the levels referenced by Mr. Eberdt for Avista and for PSE. Given that Mr.

1 Eberdt did not present a specific proposal in his testimony for this case, but
2 instead stated that the surcharge should be increased “at least to a level in the
3 *range* (italics added) of that provided by” the other utilities, I have utilized the
4 specific 2005 percentage levels for Avista and PSE referenced in his testimony for
5 my comparisons.

6 **Q. Please summarize Exhibit No.____(WRG-16).**

7 A. Based on the Company’s proposed increase, Exhibit No.____(WRG-16) shows that
8 the Company’s low income funding proposal would produce a surcharge funding
9 level of 0.29 percent of Washington revenues and would result in a 0.06 percent
10 price increase to Washington customers over the current levels of funding. If low
11 income funding were increased to the referenced level for Avista shown in Mr.
12 Eberdt’s testimony (0.41 percent of Washington revenues), it would produce a
13 0.18 percent price increase for this issue alone. Similarly, if low income funding
14 were increased to the referenced level for PSE shown in Mr. Eberdt’s testimony
15 (0.64 percent of Washington revenues), the increase would be 0.43 percent for
16 Washington customers.

17 **Q. Please identify Exhibit No.____(WRG-17).**

18 A. Exhibit No.____(WRG-17) contains proposed surcharge levels by rate schedule for
19 each of the three scenarios. For each scenario, the existing relationship of the
20 present surcharge amounts across rate schedules was retained, and the surcharges
21 were increased to equal the total proposed surcharge funding amounts.

22 **Q. Please summarize Exhibit No.____(WRG-17).**

23 A. Based on the Company’s proposed increase, Exhibit No.____(WRG-17) shows that

1 for residential customers, the monthly surcharge would increase from 23 cents per
2 month to 29 cents per month, an increase of 26 percent, under the Company's
3 proposal. Using the referenced level for Avista, a monthly residential surcharge
4 of 40 cents per month would result, an increase of 74 percent. If the PSE level
5 were applied, it would produce a monthly residential surcharge of 64 cents per
6 month, an increase of 178 percent over the present surcharge level. Other rate
7 schedules would see similar surcharge percentage increases across the different
8 scenarios.

9 **Q. What is the Company's position concerning Mr. Eberdt's proposal?**

10 A. It is clear that each of these three levels will provide additional support for low
11 income customers. The Company will implement any of these three approaches
12 as long as they are acceptable to our customers and are consistent with
13 Commission policy.

14 **Q. How does the Company propose to implement the MEHC/PacifiCorp
15 transaction A&G rate credit (Washington commitment Wa07a) discussed by
16 Mr. Wrigley in his rebuttal testimony?**

17 A. The Company proposes to apply the MEHC/PacifiCorp transaction A&G credit
18 on customers' bills commencing with the rate change in this case. A workpaper
19 showing the allocation of the A&G credit across rate schedules along with a
20 proposed tariff, Schedule 95, is included as Exhibit No.____(WRG-18). Proposed
21 Schedule 95 passes back the A&G credit to customers over a twelve-month period
22 and assumes a July 1 effective date. The Company proposes to allocate the credit
23 amount across all rate schedules by a uniform percentage amount. The credit

1 amount is then proposed to be applied to each rate schedule on a cents per kWh
2 basis.

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

4 **A. Yes, it does.**