

Exh. RMM-1T
Docket UE-21____
Witness: Robert M. Meredith

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

PACIFICORP dba
PACIFIC POWER & LIGHT COMPANY

Respondent.

Docket UE-21____

PACIFICORP

DIRECT TESTIMONY OF ROBERT M. MEREDITH

June 2021

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Exhibit No. RMM-5—Proposed Tariff Revisions

1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your name, business address, and present position with PacifiCorp.**

3 A. My name is Robert M. Meredith. My business address is 825 NE Multnomah Street,
4 Suite 2000, Portland, Oregon 97232. My present position is Director, Pricing and
5 Cost of Service. I am testifying for PacifiCorp dba Pacific Power & Light Company
6 (PacifiCorp or Company).

7 **Q. Briefly describe your education and professional background.**

8 A. I graduated from Oregon State University with a Bachelor of Science degree in
9 Business Administration and a minor in Economics. In addition to my formal
10 education, I have attended various industry-related seminars. I have worked for the
11 Company for 16 years in various roles of increasing responsibility in the Customer
12 Service, Regulation, and Integrated Resource Planning departments. I have over
13 11 years of experience preparing cost of service and pricing related analyses for the
14 six states that PacifiCorp serves. In March 2016, I became Manager, Pricing and Cost
15 of Service. In June 2019, I was promoted to my current position.

16 **Q. Have you testified in previous regulatory proceedings?**

17 A. Yes. I have previously filed testimony on behalf of the Company in regulatory
18 proceedings in Washington, Utah, Oregon, Wyoming, Idaho, and California.

19 **II. PURPOSE AND BACKGROUND**

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

21 A. My testimony presents and supports the Company’s proposed rate spread and rate
22 design for the 2021 Limited-Issue Rate Filing (LIRF).

1 **Q. What is the overall price change that the Company proposes for the 2021 LIRF?**

2 A. As described in the testimony of Ms. Sherona L. Cheung, the Company proposes a
3 decrease to its base revenue of \$0.6 million along with a one-time \$2.1 million Rate
4 Case Reconciliation Refund (RCRR) that will be passed back to customers over a
5 12-month period. Combining the changes requested for the LIRF and RCRR with the
6 \$13.1 million increase proposed in the Power Cost Only Rate Case (PCORC), the net
7 rate change that customers would experience effective January 1, 2022 would be an
8 increase of 2.9 percent.

9 **Rate Spread/Rate Design**

10 **Q. How does the Company propose to allocate the LIRF price change to customers?**

11 A. The LIRF is related to wind generation and transmission capital additions. The
12 Company therefore proposes to allocate the LIRF price change to customers on the
13 basis of each class's share of Generation and Transmission rate base allocated in the
14 final cost of service study that was used in Docket UE-191024 (2021 Rate Case) to
15 calculate rates. Page 1 of Exhibit No. RMM-2 shows allocation of the LIRF to each
16 rate schedule.

17 **Q. What is the RCRR and how was it calculated?**

18 A. As explained in Ms. Cheung's testimony, the Company is requesting as part of this
19 filing to refund back to customers the revenue requirement difference between
20 projected capital additions included in the 2021 Rate Case and actual capital additions
21 through May 2021 over a one-year period through the RCRR. The RCRR was spread
22 to customers on each rate schedule using the same Generation and Transmission rate
23 base allocator as the LIRF. The prices that the Company calculated for the RCRR are

1 shown on page 1 of Exhibit No. RMM-2. Page 2 of Exhibit No. RMM-2 shows the
2 overall combined impact of the proposed LIRF, RCRR, and PCORC price changes
3 for each class.

4 **Q. How does the Company propose to incorporate the LIRF price change into**
5 **rates?**

6 A. The Company proposes to decrease base energy charges from each rate schedule by
7 its allocated share of the LIRF price change. For Company-owned lighting Schedules
8 15 and 51, the Company proposes to decrease each lamp's rate by a proportional
9 share of the schedule's allocated amount using assumed monthly kilowatt-hour usage
10 for each lamp type. Exhibit No. RMM-3 shows proposed energy prices for each rate
11 schedule and resultant revenues using the billing determinants from the 2021 Rate
12 Case.

13 **Q. The Company is proposing base price changes for both the PCORC and the**
14 **LIRF with an effective date of January 1, 2022. How does the Company request**
15 **that this be handled?**

16 A. To keep things simple and minimize the number of tariff riders to which customers
17 are subject, the Company proposes changes to base energy charges for both the
18 PCORC and the LIRF. The changes in energy prices for the LIRF shown on Exhibit
19 No. RMM-3 are additive to the proposed rates for the PCORC. Since both changes
20 would be effective January 1, 2022, the Company requests that a single set of tariff
21 sheets would be submitted in a compliance filing in the LIRF proceeding that would
22 reflect the price changes for both the LIRF and PCORC after the Commission issues a
23 final order for both filings.

1 **Bill Comparisons**

2 **Q. Please describe Exhibit No. RMM-4.**

3 A. Exhibit No. RMM-4 shows monthly billing comparisons for customers with different
4 consumption levels for each major rate schedule.

5 **Q. Please describe Exhibit No. RMM-5.**

6 A. Exhibit No. RMM-5 contains clean and legislative copies of tariff revisions which
7 include proposed new Schedule 94 which would contain prices for the RCRR. The
8 Company requests that the proposed rates become effective on January 1, 2022.

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

10 A. Yes.