

**BEFORE THE  
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	
TRANSPORTATION COMMISSION,	)	
	)	
Complainant,	)	
	)	
v.	)	Docket No. UE-140762
	)	
PACIFIC POWER & LIGHT COMPANY,	)	
	)	
Respondent.	)	
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**RESPONSIVE TESTIMONY AND EXHIBITS OF STEVE W. CHRISS**

**ON BEHALF OF**

**WAL-MART STORES, INC.**

**OCTOBER 10, 2014**

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1 **Introduction**

2 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.**

3 A. My name is Steve W. Chriss. My business address is 2001 SE 10th St.,  
4 Bentonville, AR 72716-0550. I am employed by Wal-Mart Stores, Inc. as Senior  
5 Manager, Energy Regulatory Analysis.

6 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?**

7 A. I am testifying on behalf of Wal-Mart Stores, Inc. (“Walmart”).

8 **Q. PLEASE DESCRIBE YOUR EDUCATION AND EXPERIENCE.**

9 A. In 2001, I completed a Master of Science in Agricultural Economics at Louisiana  
10 State University. From 2001 to 2003, I was an Analyst and later a Senior Analyst at  
11 the Houston office of Econ One Research, Inc., a Los Angeles-based consulting firm.  
12 My duties included research and analysis on domestic and international energy and  
13 regulatory issues. From 2003 to 2007, I was an Economist and later a Senior Utility  
14 Analyst at the Public Utility Commission of Oregon in Salem, Oregon. My duties  
15 included appearing as a witness for PUC Staff in electric, natural gas, and  
16 telecommunications dockets. I joined the energy department at Walmart in July 2007  
17 as Manager, State Rate Proceedings, and was promoted to my current position in June  
18 2011. My Witness Qualifications Statement is included herein as Exhibit SWC-2.

1       **Q.    HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE THE**  
2       **WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**  
3       **(“THE COMMISSION”)?**

4       A.    Yes. I testified in Docket No. UE-100749.

5       **Q.    HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY BEFORE OTHER**  
6       **STATE REGULATORY COMMISSIONS?**

7       A.    Yes. I have submitted testimony in over 100 proceedings before 33 other utility  
8       regulatory commissions and before the Missouri House Committee on Utilities, the  
9       Missouri Senate Veterans' Affairs, Emerging Issues, Pensions, and Urban Affairs  
10      Committee, and the Kansas House Standing Committee on Utilities and  
11      Telecommunications. My testimony has addressed topics including, but not limited  
12      to, cost of service and rate design, ratemaking policy, qualifying facility rates,  
13      telecommunications deregulation, resource certification, energy efficiency/demand  
14      side management, fuel cost adjustment mechanisms, decoupling, and the collection of  
15      cash earnings on construction work in progress.

16      **Q.    ARE YOU SPONSORING ANY EXHIBITS WITH YOUR TESTIMONY?**

17      A.    Yes. I am sponsoring Exhibit SWC-2, consisting of ten pages, and Exhibit SWC-3,  
18      consisting of five pages.

19      **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

20      A.    The purpose of my testimony is to respond to issues related cost of service, revenue  
21      allocation, and rate design in Pacific Power and Light’s (“Pacific Power” or “the  
22      Company”) application in this docket.

1       **Q.   PLEASE BRIEFLY DESCRIBE WALMART’S OPERATIONS WITHIN**  
2       **PACIFIC POWER’S SERVICE TERRITORY.**

3       A.   Walmart has three stores and a distribution center serviced by Pacific Power, with  
4       accounts on Schedule 36 – Large General Service < 1,000 kW (“Schedule 36”),  
5       Schedule 48T – Large General Service > 1,000 kW (“Schedule 48T”), and Schedule  
6       24 – Small General Service (“Schedule 24”).

7       **Q.   PLEASE SUMMARIZE YOUR RECOMMENDATIONS TO THE**  
8       **COMMISSION.**

9       A.   My recommendations to the Commission are as follows:

10       1)    Given the level of the Company’s proposed revenue requirement increase, at  
11       the Company’s proposed revenue requirement the Commission should  
12       allocate the increase such that Schedules 36 and 48T (excluding dedicated  
13       facilities) receive an increase at the jurisdictional average. The difference in  
14       revenue requirement should be spread to Schedules 24, 40, and the street  
15       lighting schedules per each schedule’s contribution to jurisdictional revenues,  
16       which results in an increase for each schedule of approximately two-thirds of  
17       the jurisdictional average increase.

18       2)    If the Commission determines that the appropriate level of revenue  
19       requirement is lower than the level proposed by the Company, the  
20       Commission should set the increases for Schedules 36 and 48T (excluding  
21       dedicated facilities) no higher than the jurisdictional average and determine  
22       the extent to which rates can be moved closer to the cost of service for each  
23       rate class.

- 1           3)     The Commission should approve Pacific Power’s proposal to unbundle rates  
2                     and reflect the unbundled rates in the tariff.  Additionally, the Commission  
3                     should require the Company to reflect the unbundled rates in customer bills.  
4                     If the Commission does not require the Company to reflect the unbundled  
5                     rates in bills as a result of the order in this docket, it should set forth a  
6                     timeframe for the Company to implement the changes required to do so.
- 7           4)     At the Company’s proposed revenue requirement, the Commission should set  
8                     the rates for Schedule 36 as follows:
- 9                     a.   Set the unbundled generation (non-NPC) demand charge and transmission  
10                     demand charge at 50 percent of their cost-based levels.
- 11                    b.   Accept the energy charge block structure and price ratio as proposed by  
12                     the Company; and
- 13                    c.   Reduce the generation (non-NPC) energy charge revenue requirement by  
14                     an amount equal to the demand charge revenue requirement increase.
- 15           5)     If the Commission approves a lower revenue requirement for Schedule 36  
16                     than that proposed by the Company, the Commission should:
- 17                     a.   Approve increases in the unbundled generation (non-NPC) demand charge  
18                     and the transmission demand charge as proposed above;
- 19                     b.   Accept the energy charge block structure and price ratio as proposed by  
20                     the Company; and
- 21                     c.   Reflect the reduction in Schedule 36 revenue requirement from the  
22                     Company’s filed proposal by reducing the generation (non-NPC) energy  
23                     charges and transmission energy charges.

1 The fact that an issue is not addressed herein or in related filings should not be  
2 construed as an endorsement of any filed position.  
3

4 **Cost of Service and Revenue Allocation**

5 **Q. GENERALLY, WHAT IS WALMART'S POSITION ON SETTING RATES**  
6 **BASED ON COST OF SERVICE?**

7 A. Walmart advocates that rates be set based on the utility's cost of service. This  
8 produces equitable rates that reflect cost causation, sends proper price signals, and  
9 minimizes price distortions.

10 **Q. DOES WALMART TAKE A POSITION ON THE COMPANY'S PROPOSED**  
11 **COST OF SERVICE STUDY AT THIS TIME?**

12 A. No. However, to the extent that alternative cost of service models or modifications to  
13 the Company's model are proposed by other parties, Walmart reserves the right to  
14 address any such changes in rebuttal testimony.

15 **Q. WHAT METRIC DOES THE COMPANY USE TO DETERMINE IF RATES**  
16 **ACCURATELY REFLECT THE UNDERLYING COST CAUSATION?**

17 A. The Company employs the rate of return index ("RRI"), which is a measure of the  
18 relationship of the rate of return for an individual rate class to the total system rate of  
19 return. See Exhibit JRS-2. A RRI greater than 1.0 means that the rate class is paying  
20 rates in excess of the costs incurred to serve that class, and a RRI less than 1.0 means  
21 that the rate class is paying rates less than the costs incurred to serve that class. As  
22 such, those rate classes with a RRI greater than 1.0 shoulder some of the revenue  
23 responsibility burden for the classes with a RRI less than 1.0.

1       **Q.    DO THE COST OF SERVICE STUDY RESULTS INDICATE THAT SOME**  
2       **CLASSES ARE PAYING RATES IN EXCESS OF THE COSTS INCURRED**  
3       **TO SERVE THOSE CLASSES?**

4       A.    Yes. Per the cost of service study, Schedule 24, Schedule 36, Schedule 48T<sup>1</sup>,  
5       Schedule 40 – Agricultural Pumping, and Schedules 15, 52, 54, and 57 – Street  
6       Lighting, are paying rates in excess of the respective costs incurred to serve those  
7       classes. As such, the increases required to move these classes to cost of service  
8       would be below the Washington jurisdictional average increase. *Id.*, page 2.

9       **Q.    WHAT IS YOUR UNDERSTANDING OF THE COMPANY’S PROPOSED**  
10       **REVENUE ALLOCATION?**

11       A.    My understanding is that the Company proposes to use the following parameters to  
12       allocate their proposed revenue requirement:

- 13           1)     Allocate an increase based on one-half of the overall proposed increase to the  
14           schedules that require a “significantly” smaller revenue increase (Schedules  
15           24, 40, and street lighting); and  
16           2)     Spread the remaining increase equally to the remainder of the rate classes,  
17           which results in a 9.5 percent rate increase for those classes. *See* Direct  
18           Testimony of Joelle R. Steward, page 13, line 13 to page 14, line 2.

19       **Q.    DOES THE COMPANY’S PROPOSED REVENUE ALLOCATION REFLECT**  
20       **THE COMPANY’S COST OF SERVICE STUDY RESULTS?**

21       A.    No, because the Company’s proposal would only move Schedules 24, 40, and the  
22       street lighting schedules towards cost of service while moving the other rate

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<sup>1</sup> Excluding Schedule 48T – Dedicated Facilities, which is paying rates below its cost to serve.



1 schedules that are paying rates in excess of cost of service further away from their  
2 respective costs of service. Additionally, by assigning increases to Rate Schedules 36  
3 and 48T that are above the jurisdictional average, it appears that some of the revenue  
4 responsibility removed from the Schedules 24, 40, and the street lighting rates to  
5 move those class closer to cost of service has been allocated to Schedules 36 and 48T.  
6 This is not an appropriate allocation of revenue responsibility, as the revenue  
7 responsibility for Schedules 36 and 48T already exceeds their respective costs of  
8 service, and the Commission should not approve an allocation in this docket that  
9 moves those rates further from cost of service.

10 **Q. FOR THE PURPOSES OF THIS DOCKET, WHAT IS YOUR**  
11 **RECOMMENDATION TO THE COMMISSION AT THE COMPANY'S**  
12 **PROPOSED LEVEL OF REVENUE REQUIREMENT?**

13 A. Given the level of the Company's proposed revenue requirement increase, at the  
14 Company's proposed revenue requirement the Commission should allocate the  
15 increase such Schedules 36 and 48T (excluding dedicated facilities) receive an  
16 increase at the jurisdictional average. The difference in revenue requirement should  
17 be spread to Schedules 24, 40, and the street lighting schedules per each schedule's  
18 contribution to jurisdictional revenues, which results in an increase for each schedule  
19 of approximately two-thirds of the jurisdictional average increase.

1       **Q.    WHAT IS YOUR RECOMMENDATION TO THE COMMISSION IF IT**  
2       **DETERMINES THAT A LOWER LEVEL OF REVENUE REQUIREMENT IS**  
3       **APPROPRIATE?**

4       A.    If the Commission determines that the appropriate level of revenue requirement is  
5       lower than the level proposed by the Company, the Commission should set the  
6       increases for Schedules 36 and 48T (excluding dedicated facilities) no higher than the  
7       jurisdictional average and determine the extent to which rates can be moved closer to  
8       the cost of service for each rate class.

9

10    **Rate Design – Unbundling**

11       **Q.    WHAT IS YOUR UNDERSTANDING OF PACIFIC POWER’S PROPOSED**  
12       **APPROACH TO RATE DESIGN?**

13       A.    My understanding is that Pacific Power proposes to unbundle rates, which is the  
14       presentation of rates broken out by the generation non-NPC, generation NPC,  
15       transmission, and distribution functions. *See* Direct Testimony of Joelle R. Steward,  
16       page 15, line 17 to line 23.

17       **Q.    DOES WALMART SUPPORT PACIFIC POWER’S PROPOSED RATE**  
18       **UNBUNDLING?**

19       A.    Yes, as the unbundling of rates allows customers to determine the costs of each of the  
20       generation, transmission, and distribution functions, compare those functional costs  
21       across utilities or jurisdictions where they have other facilities, and communicate cost  
22       drivers, such as net power costs, transmission investment, environmental compliance  
23       for generation plants, etc., to non-technical audiences. Additionally, it provides a

1 platform upon which functions for which costs are fixed, such as generation capacity,  
2 distribution, and transmission can be appropriately and transparently collected  
3 through the Company's tariff rates.

4 **Q. DOES THE COMPANY PROPOSE TO REFLECT THE UNBUNDLED**  
5 **RATES ON CUSTOMER BILLS?**

6 A. Not at this time. The Company proposes to reflect the unbundled rates in the tariff,  
7 but not in customer bills. *Id.*, page 18, line 3 to line 7.

8 **Q. DO YOU HAVE A CONCERN WITH THE COMPANY'S PROPOSAL TO**  
9 **NOT REFLECT THE UNBUNDLED RATES IN CUSTOMER BILLS?**

10 A. Yes, as the bill is the primary vehicle through which customers can examine their  
11 usage and costs. It is critical that this information be available to customers in a form  
12 that is transparent and easily accessible.

13 **Q. WHAT IS YOUR RECOMMENDATION TO THE COMMISSION ON THIS**  
14 **ISSUE?**

15 A. The Commission should approve Pacific Power's proposal to unbundle rates and  
16 reflect the unbundled rates in the tariff. Additionally, the Commission should require  
17 the Company to reflect the unbundled rates in customer bills. If the Commission does  
18 not require the Company to reflect the unbundled rates in bills as a result of the order  
19 in this docket, it should set forth a timeframe for the Company to implement the  
20 changes required to do so.

1 **Rate Design – Schedule 36**

2 **Q. WHAT IS YOUR UNDERSTANDING OF THE CURRENT RATE**  
3 **STRUCTURE FOR SCHEDULE 36?**

4 A. My understanding is that Schedule 36 is structured as follows:

5 1) A Basic Charge which consists of:

6 a. A \$/customer-month charge differentiated by load size ( $\leq 100$  kW, 101 kW-  
7 300 kW, and  $> 300$  kW); and

8 b. A \$/kW-month charge with different rates for load sized between 101 kW and  
9 300 kW and those above 300 kW;

10 2) A \$/kW-month Demand Charge;

11 3) A declining block \$/kWh Energy Charge, with the first block set at  
12 consumption up to and including 40,000 kWh per month and the second block  
13 set at usage above 40,000 kWh per month; and

14 4) A \$/kVar Reactive Power Charge. *See* Exhibit JRS-6, page 4.

15 **Q. WHAT IS YOUR UNDERSTANDING OF THE COMPANY'S PROPOSED**  
16 **RATE STRUCTURE FOR SCHEDULE 36?**

17 A. My understanding is that the Company proposes the following structure for Schedule  
18 36:

19 1) The Basic Charge structure as described above;

20 2) A \$/kW-month Demand Charge, which will be reflected in the tariff with  
21 distribution, transmission, and generation (non-NPC) components as well as  
22 the total charge;

1           3)    A declining block \$/kWh Energy Charge that retains the block structure  
2                   described above, which will be reflected in the tariff with unbundled  
3                   transmission, generation (non-NPC), and generation (NPC) components as  
4                   well as the total charge; and

5           4)    A \$/kVar Reactive Power Charge, which will be reflected in the tariff with  
6                   unbundled transmission and generation (non-NPC) components as well as the  
7                   total charge. *See* Exhibit JRS-12, page 9.

8           **Q.    ARE THE CURRENT SCHEDULE 36 CHARGES SET IN A MANNER THAT**  
9                   **REFLECTS THE SCHEDULE’S UNDERLYING COST OF SERVICE?**

10          A.    No. As shown in Table 1, the current charges are set such that approximately 71.9  
11                   percent of the schedule’s revenue requirement (excluding discounts, which represent  
12                   approximately \$25,000 of the proposed \$73.1 million revenue requirement for  
13                   Schedule 36) is collected through the \$/kWh energy charges even though only  
14                   approximately 52.3 percent of the schedule’s revenue requirement is classified as  
15                   energy-related per the Company’s cost of service study. The cost of service-based  
16                   demand revenue requirement is approximately 38.5 percent of the schedule’s revenue  
17                   requirement, but current rates are structured such that \$/kW demand charges only  
18                   recover approximately 18 percent of the schedule’s revenue requirement.

19

**Table 1. Schedule 36 Percent of Revenue Requirement: Cost of Service Study, Collection Through Current Rates, and Collection Through Proposed Rates.**

Function	Charges	Cost of Service		
		Study	Current Rates	Proposed Rates
Customer	Basic Charge	0.9%	2.4%	2.2%
Load Size	Load Size	8.3%	7.6%	7.6%
Demand	Demand	38.5%	18.1%	18.2%
Energy	Energy	52.3%	71.9%	72.0%

Source: Exhibit SWC-3

1

2 **Q. DOES THE COMPANY PROPOSE TO CHANGE THE REVENUE**  
3 **COLLECTION STRUCTURE OF SCHEDULE 36?**

4 A. No. As shown in Table 1, per the Company's proposal, approximately 72 percent of  
5 the revenue requirement for Schedule 36 is proposed to be collected on energy  
6 charges and approximately 18 percent is proposed to be collected through demand  
7 charges. As such, the collection of demand-related costs and related revenue  
8 requirement is shifted to the schedule's energy charges.

9 **Q. HOW IS THIS ISSUE REFLECTED IN THE COMPANY'S PROPOSED**  
10 **GENERATION (NON-NPC) AND TRANSMISSION CHARGES FOR**  
11 **SCHEDULE 36?**

12 A. Under the Company's proposed Schedule 36, both the generation (non-NPC) demand  
13 and transmission demand charges would undercollect the associated cost of service-  
14 based demand-related costs for the schedule. Per the cost of service study results, the  
15 generation demand charge should recover approximately 41.8 percent of generation  
16 revenue requirement and the transmission demand charge should recover  
17 approximately 42 percent of transmission revenue requirement. However, the  
18 Company has proposed that those charges each collect about 17 percent of their  
19 respective functional revenue requirements. See Exhibit SWC-3, page 3.

1       **Q.   HAVE YOU ESTIMATED UNBUNDLED COST OF SERVICE-BASED**  
2       **GENERATION (NON-NPC) DEMAND AND TRANSMISSION DEMAND**  
3       **CHARGES?**

4       A.   Yes. Based on the cost of service results and the Company's proposed generation and  
5       transmission revenue requirements for Schedule 36, I have estimated that the  
6       unbundled cost-based generation (non-NPC) demand charge would be approximately  
7       \$8.37/kW, versus \$3.38/kW as proposed by the Company, and the cost-based  
8       transmission demand charge would be approximately \$2.13/kW, versus \$0.86/kW as  
9       proposed by the Company. *See* Exhibit SWC-3, page 4 and Exhibit JRS-6, page 4.

10      **Q.   WHAT ARE YOUR CONCERNS ABOUT THE COMPANY'S PROPOSAL**  
11      **TO SHIFT OF DEMAND-RELATED COSTS TO THE ENERGY CHARGES?**

12      A.   First, the shift of demand-related costs to the energy charges is inconsistent with cost  
13      causation principles and creates rates that do not reflect the schedule's underlying  
14      cost of service. Second, the shift results in a shift in transmission and generation  
15      demand cost responsibility from lower load factor customers to higher load factor  
16      customers and results in a misallocation of cost responsibility, as higher load factor  
17      customers overpay for the demand-related transmission and generation costs incurred  
18      by the Company.

19      **Q.   CAN YOU PROVIDE A GENERAL ILLUSTRATION OF A SHIFT IN**  
20      **DEMAND COST RESPONSIBILITY?**

21      A.   Yes. To provide my illustration, I assume the following:

1 a) A utility has only two customers (Customer 1 and Customer 2), with  
2 individual monthly peak demands of 20 kW for a total monthly system load of  
3 40 kW.

4 b) The annual revenue requirement or cost to the utility associated with the  
5 investment for the 40 kW infrastructure is \$2,000, and the entire cost will be  
6 collected each year, so each customer has caused the utility to incur \$1,000 of  
7 demand-related or fixed costs.

8 c) Customer 1 has a monthly demand of 20 kW and a load factor of 60 percent  
9 and thus consumes 105,120 kWh/year (20 kW \* 0.6 \* 8760).

10 d) Customer 2 has a monthly demand of 20 kW and load factor of 30 percent and  
11 thus consumes 52,560 kWh/year (20 kW \* 0.3 \* 8760).

12 **Q. IF THE DEMAND-RELATED COSTS WERE CHARGED ON A PER KW**  
13 **BASIS, WHAT WOULD THE PER KW CHARGE BE?**

14 A. The charge would be \$4.17 per kW-month ( $\$2,000 / 40 \text{ kW} / 12 \text{ months}$ ). Each  
15 customer would then pay \$1,000 for the demand-related cost they impose on the  
16 system ( $20 \text{ kW} * \$4.17/\text{kW} * 12$ ).

17 **Q. IF THE DEMAND-RELATED COSTS WERE CHARGED ON A PER KWH**  
18 **BASIS, WHAT WOULD THE PER KWH CHARGE BE?**

19 A. If the utility were to charge the demand-related costs on a per kWh basis, the energy  
20 charge would be 1.27 cents/kWh (or  $\$0.0127/\text{kWh}$ ). This is calculated as follows:  
21  $\$2,000 / 157,680 \text{ kWh}$ , using total company sales (i.e., the sum of the two customers'  
22 annual kWh usage) as the denominator.



1       **Q.    WHAT WOULD EACH CUSTOMER PAY UNDER THE PER KWH**  
2       **CHARGE?**

3       A.    Customer 1, who caused the utility to incur \$1,000 in demand-related costs, with a  
4       load factor of 60 percent and an annual usage of 105,120 kWh, would pay \$1,333  
5       (\$0.0127/kWh \* 105,120 kWh). Customer 2, who also caused the utility to incur  
6       \$1,000 in demand-related costs, but with a load factor of 30 percent and an annual  
7       usage of 52,560 kWh, would pay \$667 (\$0.0127/kWh \* 52,560).

8       **Q.    IS THIS AN EQUITABLE RESULT?**

9       A.    No. Even though each customer caused the utility to incur \$1,000 in costs, the utility  
10       will be over-recovering from one customer and under-recovering from the other.  
11       Under the per kWh scenario, the utility would over-recover from Customer 1, the  
12       higher load factor customer, by \$333 (i.e. \$1,333 in revenues minus \$1,000 in costs),  
13       and under-recover from Customer 2, the lower load factor customer, by \$333 (i.e.  
14       \$667 in revenues minus \$1,000 in costs).

15       **Q.    WHAT IS YOUR RECOMMENDATION TO THE COMMISSION**  
16       **REGARDING SCHEDULE 36 RATE DESIGN AT THE COMPANY'S**  
17       **PROPOSED REVENUE REQUIREMENT?**

18       A.    At the Company's proposed revenue requirement, the Commission should set the  
19       rates for Schedule 36 as follows:

- 20       1)    Set the unbundled generation (non-NPC) demand charge and transmission  
21       demand charge at 50 percent of their cost-based levels.
- 22       2)    Accept the energy charge block structure and price ratio as proposed by the  
23       Company; and

1           3)     Reduce the generation (non-NPC) energy charge revenue requirement by an  
2                     amount equal to the demand charge revenue requirement increase.

3           The recommended rates will move the unbundled charges closer to cost of service  
4           than the rates proposed by the Company, but will do so in a more gradual manner  
5           than a full move to cost of service-based rates at this time.

6     **Q.    HAVE YOU CALCULATED ILLUSTRATIVE GENERATION (NON-NPC)**  
7     **AND TRANSMISSION DEMAND AND ENERGY RATES AT THE**  
8     **COMPANY’S PROPOSED REVENUE REQUIREMENT?**

9     A.    Yes, as shown in Table 2.

<b>Charge</b>	<b>Company Proposed</b>	<b>Recommended Illustrative</b>
Generation (non-NPC) Demand	\$3.38/kW	\$4.19/kW
Generation (non-NPC) Energy		
1 <sup>st</sup> 40,000 kWh	\$0.01642/kWh	\$0.01405/kWh
All Additional kWh	\$0.01506/kWh	\$0.01289/kWh
Transmission Demand	\$0.86/kW	\$1.07/kW
Transmission Energy		
1 <sup>st</sup> 40,000 kWh	\$0.01247/kWh	\$0.01187/kWh
All Additional kWh	\$0.01144/kWh	\$0.01088/kWh

Source: Exhibit SWC-3, page 3 to page 4, Exhibit JRS-6, page 4

10  
11     **Q.    WHAT IS YOUR RECOMMENDATION TO THE COMMISSION IF THE**  
12     **COMMISSION APPROVES A LOWER REVENUE REQUIREMENT FOR**  
13     **SCHEDULE 36 THAN THAT PROPOSED BY THE COMPANY?**

14     A.    If the Commission approves a lower revenue requirement for Schedule 36 than that  
15     proposed by the Company, the Commission should:

16           1)     Approve the increases in the unbundled generation (non-NPC) demand charge  
17                     and the transmission demand charge as proposed above;

- 1           2)     Accept the energy charge block structure and price ratio as proposed by the  
2                     Company; and
- 3           3)     Reflect the reduction in Schedule 36 revenue requirement from the  
4                     Company's filed proposal by reducing the generation (non-NPC) energy  
5                     charges and transmission energy charges.

6     **Q.     DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

7     A.     Yes.

# Steve W. Chriss

Senior Manager, Energy Regulatory Analysis

Wal-Mart Stores, Inc.

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Business Phone: (479) 204-1594

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## EXPERIENCE

July 2007 – Present

**Wal-Mart Stores, Inc.**, Bentonville, AR

**Senior Manager, Energy Regulatory Analysis** (June 2011 – Present)

**Manager, State Rate Proceedings** (July 2007 – June 2011)

June 2003 – July 2007

**Public Utility Commission of Oregon**, Salem, OR

**Senior Utility Analyst** (February 2006 – July 2007)

**Economist** (June 2003 – February 2006)

January 2003 - May 2003

**North Harris College**, Houston, TX

**Adjunct Instructor, Microeconomics**

June 2001 - March 2003

**Econ One Research, Inc.**, Houston, TX

**Senior Analyst** (October 2002 – March 2003)

**Analyst** (June 2001 – October 2002)

## EDUCATION

2001            **Louisiana State University**

M.S., Agricultural Economics

1997-1998    **University of Florida**

Graduate Coursework, Agricultural Education  
and Communication

1997            **Texas A&M University**

B.S., Agricultural Development

B.S., Horticulture

## TESTIMONY BEFORE REGULATORY COMMISSIONS

2014

West Virginia Case No. 14-0702-E-42T: Monongahela Power Company and the Potomac Edison Company Rule 42T Tariff Filing to Increase Rates and Charges.

Ohio Public Utilities Commission Case No. 14-841-EL-SSO: In the Matter of the Application of Duke Energy Ohio for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form of Case No. 14-841-EL-SSO an Electric Security Plan, Accounting Modifications and Tariffs for Generation Service.

Colorado Public Utilities Commission Docket No. 14AL-0660E: Re: In the Matter of the Advice Letter No. 1672-Electric Filed by Public Service Company of Colorado to Revise its Colorado PUC No. 7-Electric Tariff to Implement a General Rate Schedule Adjustment and Other Rate Changes Effective July 18, 2014.

Maryland Case No. 9355: In the Matter of the Application of Baltimore Gas and Electric Company for Authority to Increase Existing Rates and Charges for Electric and Gas Service.

Mississippi Public Service Commission Docket No. 2014-UN-132: In Re: Notice of Intent of Entergy Mississippi, Inc. to Modernize Rates to Support Economic Development, Power Procurement, and Continued Investment.

Nevada Public Utilities Commission Docket No. 14-05004: Application of Nevada Power Company d/b/a NV Energy for Authority to Increase its Annual Revenue Requirement for General Rates Charged to All Classes of Electric Customers and for Relief Properly Related Thereto.

Utah Public Service Commission Docket No. 14-035-T02: In the Matter of Rocky Mountain Power's Proposed Electric Service Schedule No. 32, Service From Renewable Energy Facilities.

Florida Public Service Commission Docket No. 140002-EG: In Re: Energy Conservation Cost Recovery Clause.

Wisconsin Docket No. 6690-UR-123: Application of Wisconsin Public Service Corporation for Authority to Adjust Electric and Natural Gas Rates.

Connecticut Docket No. 14-05-06: Application of the Connecticut Light and Power Company to Amend its Rate Schedules.

Virginia Corporation Commission Case No. PUE-2014-00026: Application of Appalachian Power Company for a 2014 Biennial Review for the Provision of Generation, Distribution and Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia.

Virginia Corporation Commission Case No. PUE-2014-00033: Application of Virginia Electric and Power Company to Revise its Fuel Factor Pursuant to Va. Code § 56-249.6.

Arizona Corporation Commission Docket No. E-01345A-11-0224 (Four Corners Phase): In the Matter of Arizona Public Service Company for a Hearing to Determine the Fair Value of Utility Property of the Company for Ratemaking Purposes, to Fix and Just and Reasonable Rate of Return Thereon, to Approve Rate Schedules Designed to Develop Such Return.

Minnesota Public Utilities Commission Docket No. E-002/GR-13-868: In the Matter of the Application of Northern States Power Company, for Authority to Increase Rates for Electric Service in Minnesota.

Utah Public Service Commission Docket No. 13-035-184: 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.

Missouri Public Service Commission Case No. EC-2014-0224: In the Matter of Noranda Aluminum, Inc.'s Request for Revisions to Union Electric Company d/b/a Ameren Missouri's Large Transmission Service Tariff to Decrease its Rate for Electric Service.

Oklahoma Corporation Commission Cause No. PUD 201300217: Application of Public Service Company of Oklahoma to be in Compliance with Order No. 591185 Issued in Cause No. PUD 201100106 Which Requires a Base Rate Case to be Filed by PSO and the Resulting Adjustment in its Rates and Charges and Terms and Conditions of Service for Electric Service in the State of Oklahoma.

Public Utilities Commission of Ohio Case No. 13-2386-EL-SSO: In the Matter of the Application of Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to §4928.143, Ohio Rev. Code, in the Form of an Electric Security Plan.

*2013*

Oklahoma Corporation Commission Cause No. PUD 201300201: Application of Public Service Company of Oklahoma for Commission Authorization of a Standby and Supplemental Service Rate Schedule.

Georgia Public Service Commission Docket No. 36989: Georgia Power's 2013 Rate Case.

Florida Public Service Commission Docket No. 130140-EI: Petition for Rate Increase by Gulf Power Company.

Public Utility Commission of Oregon Docket No. UE 267: In the Matter of PACIFICORP, dba PACIFIC POWER, Transition Adjustment, Five-Year Cost of Service Opt-Out.

Illinois Commerce Commission Docket No. 13-0387: Commonwealth Edison Company Tariff Filing to Present the Illinois Commerce Commission with an Opportunity to Consider Revenue Neutral Tariff Changes Related to Rate Design Authorized by Subsection 16-108.5 of the Public Utilities Act.

Iowa Utilities Board Docket No. RPU-2013-0004: In Re: MidAmerican Energy Company.

South Dakota Public Utilities Commission Docket No. EL12-061: In the Matter of the Application of Black Hills Power, Inc. for Authority to Increase its Electric Rates. (filed with confidential stipulation)

Kansas Corporation Commission Docket No. 13-WSEE-629-RTS: 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.

Public Utility Commission of Oregon Docket No. UE 263: In the Matter of PACIFICORP, dba PACIFIC POWER, Request for a General Rate Revision.

Arkansas Public Service Commission Docket No. 13-028-U: In the Matter of the Application of Entergy Arkansas, Inc. for Approval of Changes in Rates for Retail Electric Service.

Virginia State Corporation Commission Docket No. PUE-2013-00020: Application of Virginia Electric and Power Company for a 2013 Biennial Review of the Rates, Terms, and Conditions for the Provision of Generation, Distribution, and Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia.

Florida Public Service Commission Docket No. 130040-EI: Petition for Rate Increase by Tampa Electric Company.

South Carolina Public Service Commission Docket No. 2013-59-E: Application of Duke Energy Carolinas, LLC, for Authority to Adjust and Increase Its Electric Rates and Charges.

Public Utility Commission of Oregon Docket No. UE 262: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY, Request for a General Rate Revision.

New Jersey Board of Public Utilities Docket No. ER12111052: In the Matter of the Verified Petition of Jersey Central Power & Light Company For Review and Approval of Increases in and Other Adjustments to Its Rates and Charges For Electric Service, and For Approval of Other Proposed Tariff Revisions in Connection Therewith; and for Approval of an Accelerated Reliability Enhancement Program (“2012 Base Rate Filing”)

North Carolina Utilities Commission Docket No. E-7, Sub 1026: In the Matter of the Application of Duke Energy Carolinas, LLC for Adjustment of Rates and Charges Applicable to Electric Service in North Carolina.

Public Utility Commission of Oregon Docket No. UE 264: PACIFICORP, dba PACIFIC POWER, 2014 Transition Adjustment Mechanism.

Public Utilities Commission of California Docket No. 12-12-002: Application of Pacific Gas and Electric Company for 2013 Rate Design Window Proceeding.

Public Utilities Commission of Ohio Docket Nos. 12-426-EL-SSO, 12-427-EL-ATA, 12-428-EL-AAM, 12-429-EL-WVR, and 12-672-EL-RDR: In the Matter of the Application of the Dayton Power and Light Company Approval of its Market Offer.

Minnesota Public Utilities Commission Docket No. E-002/GR-12-961: In the Matter of the Application of Northern States Power Company for Authority to Increase Rates for Electric Service in Minnesota.

North Carolina Utilities Commission Docket E-2, Sub 1023: In the Matter of Application of Progress Energy Carolinas, Inc. For Adjustment of Rates and Charges Applicable to Electric Service in North Carolina.

*2012*

Public Utility Commission of Texas Docket No. 40443: Application of Southwestern Electric Power Company for Authority to Change Rates and Reconcile Fuel Costs.

South Carolina Public Service Commission Docket No. 2012-218-E: Application of South Carolina Electric & Gas Company for Increases and Adjustments in Electric Rate Schedules and Tariffs and Request for Mid-Period Reduction in Base Rates for Fuel.

Kansas Corporation Commission Docket No. 12-KCPE-764-RTS: In the Matter of the Application of Kansas City Power & Light Company to Make Certain Changes in its Charges for Electric Service.

Kansas Corporation Commission Docket No. 12-GIMX-337-GIV: In the Matter of a General Investigation of Energy-Efficiency Policies for Utility Sponsored Energy Efficiency Programs.

Florida Public Service Commission Docket No. 120015-EI: In Re: Petition for Rate Increase by Florida Power & Light Company.

California Public Utilities Commission Docket No. A.11-10-002: Application of San Diego Gas & Electric Company (U 902 E) for Authority to Update Marginal Costs, Cost Allocation, and Electric Rate Design.

Utah Public Service Commission Docket No. 11-035-200: 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.

Virginia State Corporation Commission Case No. PUE-2012-00051: Application of Appalachian Power Company to Revise its Fuel Factor Pursuant to § 56-249.6 of the Code of Virginia.

Public Utilities Commission of Ohio Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-349-EL-AAM, and 11-350-EL-AAM: In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form on an Electric Security Plan and In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Approval of Certain Accounting Authority.

New Jersey Board of Public Utilities Docket No. ER11080469: In the Matter of the Petition of Atlantic City Electric for Approval of Amendments to Its Tariff to Provide for an Increase in Rates and Charges for Electric Service Pursuant to N.J.S.A. 48:2-21 and N.J.S.A. 48:2-21.1 and For Other Appropriate Relief.

Public Utility Commission of Texas Docket No. 39896: Application of Entergy Texas, Inc. for Authority to Change Rates and Reconcile Fuel Costs.

Missouri Public Service Commission Case No. EO-2012-0009: In the Matter of KCP&L Greater Missouri Operations Notice of Intent to File an Application for Authority to Establish a Demand-Side Programs Investment Mechanism.

Colorado Public Utilities Commission Docket No. 11AL-947E: In the Matter of Advice Letter No. 1597-Electric Filed by Public Service Company of Colorado to Revise its Colorado PUC No. 7-Electric Tariff to Implement a General Rate Schedule Adjustment and Other Changes Effective December 23, 2011.

Illinois Commerce Commission Docket No. 11-0721: Commonwealth Edison Company Tariffs and Charges Submitted Pursuant to Section 16-108.5 of the Public Utilities Act.

Public Utility Commission of Texas Docket No. 38951: Application of Entergy Texas, Inc. for Approval of Competitive Generation Service tariff (Issues Severed from Docket No. 37744).

California Public Utilities Commission Docket No. A.11-06-007: Southern California Edison's General Rate Case, Phase 2.

*2011*

Arizona Corporation Commission Docket No. E-01345A-11-0224: In the Matter of Arizona Public Service Company for a Hearing to Determine the Fair Value of Utility Property of the Company for Ratemaking Purposes, to Fix and Just and Reasonable Rate of Return Thereon, to Approve Rate Schedules Designed to Develop Such Return.

Oklahoma Corporation Commission Cause No. PUD 201100087: In the Matter of the Application of Oklahoma Gas and Electric Company for an Order of the Commission Authorizing Applicant to Modify its Rates, Charges, and Tariffs for Retail Electric Service in Oklahoma.

South Carolina Public Service Commission Docket No. 2011-271-E: Application of Duke Energy Carolinas, LLC for Authority to Adjust and Increase its Electric Rates and Charges.

Pennsylvania Public Utility Commission Docket No. P-2011-2256365: Petition of PPL Electric Utilities Corporation for Approval to Implement Reconciliation Rider for Default Supply Service.

North Carolina Utilities Commission Docket No. E-7, Sub 989: In the Matter of Application of Duke Energy Carolinas, LLC for Adjustment of Rates and Charges Applicable to Electric Service in North Carolina.

Florida Public Service Commission Docket No. 110138: In Re: Petition for Increase in Rates by Gulf Power Company.

Public Utilities Commission of Nevada Docket No. 11-06006: In the Matter of the Application of Nevada Power Company, filed pursuant to NRS 704.110(3) for authority to increase its annual revenue requirement for general rates charged to all classes of customers to recover the costs of constructing the Harry Allen Combined Cycle plant and other generating, transmission, and distribution plant additions, to reflect changes in the cost of capital, depreciation rates and cost of service, and for relief properly related thereto.

North Carolina Utilities Commission Docket Nos. E-2, Sub 998 and E-7, Sub 986: In the Matter of the Application of Duke Energy Corporation and Progress Energy, Inc., to Engage in a Business Combination Transaction and to Address Regulatory Conditions and Codes of Conduct.

Public Utilities Commission of Ohio Case Nos. 11-346-EL-SSO, 11-348-EL-SSO, 11-349-EL-AAM, and 11-350-EL-AAM: In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Authority to Establish a Standard Service Offer Pursuant to Section 4928.143, Revised Code, in the Form on an Electric Security Plan and In the Matter of the Application of Columbus Southern Power Company and Ohio Power Company for Approval of Certain Accounting Authority.

Virginia State Corporation Commission Case No. PUE-2011-00037: In the Matter of Appalachian Power Company for a 2011 Biennial Review of the Rates, Terms, and Conditions for the Provision of Generation, Distribution, and Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia.



Illinois Commerce Commission Docket No. 11-0279 and 11-0282 (cons.): Ameren Illinois Company Proposed General Increase in Electric Delivery Service and Ameren Illinois Company Proposed General Increase in Gas Delivery Service.

Virginia State Corporation Commission Case No. PUE-2011-00045: Application of Virginia Electric and Power Company to Revise its Fuel Factor Pursuant to § 56-249.6 of the Code of Virginia.

Utah Public Service Commission Docket No. 10-035-124: 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.

Maryland Public Utilities Commission Case No. 9249: In the Matter of the Application of Delmarva Power & Light for an Increase in its Retail Rates for the Distribution of Electric Energy.

Minnesota Public Utilities Commission Docket No. E002/GR-10-971: In the Matter of the Application of Northern States Power Company d/b/a Xcel Energy for Authority to Increase Rates for Electric Service in Minnesota.

Michigan Public Service Commission Case No. U-16472: In the Matter 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.

*2010*

Public Utilities Commission of Ohio Docket No. 10-2586-EL-SSO: In the Matter of the Application of Duke Energy Ohio for Approval of a Market Rate Offer to Conduct a Competitive Bidding Process for Standard Service Offer Electric Generation Supply, Accounting Modifications, and Tariffs for Generation Service.

Colorado Public Utilities Commission Docket No. 10A-554EG: In the Matter of the Application of Public Service Company of Colorado for Approval of a Number of Strategic Issues Relating to its DSM Plan, Including Long-Term Electric Energy Savings Goals, and Incentives.

Public Service Commission of West Virginia Case No. 10-0699-E-42T: Appalachian Power Company and Wheeling Power Company Rule 42T Application to Increase Electric Rates.

Oklahoma Corporation Commission Cause No. PUD 201000050: Application of Public Service Company of Oklahoma, an Oklahoma Corporation, for an Adjustment in its Rates and Charges and Terms and Conditions of Service for Electric Service in the State of Oklahoma.

Georgia Public Service Commission Docket No. 31958-U: In Re: Georgia Power Company's 2010 Rate Case.

Washington Utilities and Transportation Commission Docket No. UE-100749: 2010 Pacific Power & Light Company General Rate Case.

Colorado Public Utilities Commission Docket No. 10M-254E: In the Matter of Commission Consideration of Black Hills Energy's Plan in Compliance with House Bill 10-1365, "Clean Air-Clean Jobs Act."

Colorado Public Utilities Commission Docket No. 10M-245E: In the Matter of Commission Consideration of Public Service Company of Colorado Plan in Compliance with House Bill 10-1365, "Clean Air-Clean Jobs Act."

Public Service Commission of Utah Docket No. 09-035-15 *Phase II*: In the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism.

Public Utility Commission of Oregon Docket No. UE 217: In the Matter of PACIFICORP, dba PACIFIC POWER Request for a General Rate Revision.

Mississippi Public Service Commission Docket No. 2010-AD-57: In Re: Proposal of the Mississippi Public Service Commission to Possibly Amend Certain Rules of Practice and Procedure.

Indiana Utility Regulatory Commission Cause No. 43374: Verified Petition of Duke Energy Indiana, Inc. Requesting the Indiana Utility Regulatory Commission to Approve an Alternative Regulatory Plan Pursuant to Ind. Code § 8-1-2.5-1, *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 §§ 8-1-2.5-1 *ET 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, Including the Powershare® Program in its Energy Efficiency Portfolio of Programs; and Approval of a Modification of the Fuel Adjustment Clause Earnings and Expense Tests.

Public Utility Commission of Texas Docket No. 37744: Application of Entergy Texas, Inc. for Authority to Change Rates and to Reconcile Fuel Costs.

South Carolina Public Service Commission Docket No. 2009-489-E: Application of South Carolina Electric & Gas Company for Adjustments and Increases in Electric Rate Schedules and Tariffs.

Kentucky Public Service Commission Case No. 2009-00459: In the Matter of General Adjustments in Electric Rates of Kentucky Power Company.

Virginia State Corporation Commission Case No. PUE-2009-00125: For acquisition of natural gas facilities Pursuant to § 56-265.4:5 B of the Virginia Code.

Arkansas Public Service Commission Docket No. 10-010-U: In the Matter of a Notice of Inquiry Into Energy Efficiency.

Connecticut Department of Public Utility Control Docket No. 09-12-05: Application of the Connecticut Light and Power Company to Amend its Rate Schedules.

Arkansas Public Service Commission Docket No. 09-084-U: In the Matter of the Application of Entergy Arkansas, Inc. For Approval of Changes in Rates for Retail Electric Service.

Missouri Public Service Commission Docket No. ER-2010-0036: 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.

Public Service Commission of Delaware Docket No. 09-414: In the Matter of the Application of Delmarva Power & Light Company for an Increase in Electric Base Rates and Miscellaneous Tariff Charges.

*2009*

Virginia State Corporation Commission Case No. PUE-2009-00030: In the Matter of Appalachian Power Company for a Statutory Review of the Rates, Terms, and Conditions for the Provision of Generation, Distribution, and Transmission Services Pursuant to § 56-585.1 A of the Code of Virginia.

Public Service Commission of Utah Docket No. 09-035-15 *Phase I*: In the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism.

Public Service Commission of Utah Docket No. 09-035-23: 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.

Colorado Public Utilities Commission Docket No. 09AL-299E: Re: The Tariff Sheets Filed by Public Service Company of Colorado with Advice Letter No. 1535 – Electric.

Arkansas Public Service Commission Docket No. 09-008-U: In the Matter of the Application of Southwestern Electric Power Company for Approval of a General Change in Rates and Tariffs.

Oklahoma Corporation Commission Docket No. PUD 200800398: In the Matter of the Application of Oklahoma Gas and Electric Company for an Order of the Commission Authorizing Applicant to Modify its Rates, Charges, and Tariffs for Retail Electric Service in Oklahoma.

Public Utilities Commission of Nevada Docket No. 08-12002: In the Matter of the Application by Nevada Power Company d/b/a NV Energy, filed pursuant to NRS §704.110(3) and NRS §704.110(4) for authority to increase its annual revenue requirement for general rates charged to all classes of customers, begin to recover the costs of acquiring the Bighorn Power Plant, constructing the Clark Peakers, Environmental Retrofits and other generating, transmission and distribution plant additions, to reflect changes in cost of service and for relief properly related thereto.

New Mexico Public Regulation Commission Case No. 08-00024-UT: In the Matter of a Rulemaking to Revise NMPRC Rule 17.7.2 NMAC to Implement the Efficient Use of Energy Act.

Indiana Utility Regulatory Commission Cause No. 43580: Investigation by the Indiana Utility Regulatory Commission, of Smart Grid Investments and Smart Grid Information Issues Contained in 111(d) of the Public Utility Regulatory Policies Act of 1978 (16 U.S.C. § 2621(d)), as Amended by the Energy Independence and Security Act of 2007.

Louisiana Public Service Commission Docket No. U-30192 *Phase II (February 2009)*: Ex Parte, Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

South Carolina Public Service Commission Docket No. 2008-251-E: In the Matter of Progress Energy Carolinas, Inc.'s Application For the Establishment of Procedures to Encourage Investment in Energy Efficient Technologies; Energy Conservation Programs; And Incentives and Cost Recovery for Such Programs.

#### *2008*

Colorado Public Utilities Commission Docket No. 08A-366EG: In the Matter of the Application of Public Service Company of Colorado for approval of its electric and natural gas demand-side management (DSM) plan for calendar years 2009 and 2010 and to change its electric and gas DSM cost adjustment rates effective January 1, 2009, and for related waivers and authorizations.

Public Service Commission of Utah Docket No. 07-035-93: 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.

Indiana Utility Regulatory Commission Cause No. 43374: Petition of Duke Energy Indiana, Inc. Requesting the Indiana Utility Regulatory Commission Approve an Alternative Regulatory Plan for the Offering of Energy Efficiency, Conservation, Demand Response, and Demand-Side Management.

Public Utilities Commission of Nevada Docket No. 07-12001: In the Matter of the Application of Sierra Pacific Power Company for authority to increase its general rates charged to all classes of electric customers to reflect an increase in annual revenue requirement and for relief properly related thereto.

Louisiana Public Service Commission Docket No. U-30192 *Phase II*: Ex Parte, Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

Colorado Public Utilities Commission Docket No. 07A-420E: In the Matter of the Application of Public Service Company of Colorado For Authority to Implement and Enhanced Demand Side Management Cost Adjustment Mechanism to Include Current Cost Recovery and Incentives.

*2007*

Louisiana Public Service Commission Docket No. U-30192: Ex Parte, Application of Entergy Louisiana, LLC for Approval to Repower Little Gypsy Unit 3 Electric Generating Facility and for Authority to Commence Construction and for Certain Cost Protection and Cost Recovery.

Public Utility Commission of Oregon Docket No. UG 173: In the Matter of PUBLIC UTILITY COMMISSION OF OREGON Staff Request to Open an Investigation into the Earnings of Cascade Natural Gas.

*2006*

Public Utility Commission of Oregon Docket No. UE 180/UE 181/UE 184: In the Matter of PORTLAND GENERAL ELECTRIC COMPANY Request for a General Rate Revision.

Public Utility Commission of Oregon Docket No. UE 179: In the Matter of PACIFICORP, dba PACIFIC POWER AND LIGHT COMPANY Request for a general rate increase in the company's Oregon annual revenues.

Public Utility Commission of Oregon Docket No. UM 1129 *Phase II*: Investigation Related to Electric Utility Purchases From Qualifying Facilities.

*2005*

Public Utility Commission of Oregon Docket No. UM 1129 *Phase I Compliance*: Investigation Related to Electric Utility Purchases From Qualifying Facilities.

Public Utility Commission of Oregon Docket No. UX 29: In the Matter of QWEST CORPORATION Petition to Exempt from Regulation Qwest's Switched Business Services.

*2004*

Public Utility Commission of Oregon Docket No. UM 1129 *Phase I*: Investigation Related to Electric Utility Purchases From Qualifying Facilities.

#### **TESTIMONY BEFORE LEGISLATIVE BODIES**

*2014*

Regarding Kansas House Bill 2460: Testimony Before the Kansas House Standing Committee on Utilities and Telecommunications, February 12, 2014.

*2012*

Regarding Missouri House Bill 1488: Testimony Before the Missouri House Committee on Utilities, February 7, 2012.

*2011*

Regarding Missouri Senate Bills 50, 321, 359, and 406: Testimony Before the Missouri Senate Veterans' Affairs, Emerging Issues, Pensions, and Urban Affairs Committee, March 9, 2011.

#### **AFFIDAVITS**

*2011*

Colorado Public Utilities Commission Docket No. 11M-951E: In the Matter of the Petition of Public Service Company of Colorado Pursuant to C.R.S. § 40-6-111(1)(d) for Interim Rate Relief Effective on or before January 21, 2012.

**ENERGY INDUSTRY PUBLICATIONS AND PRESENTATIONS**

Mock Trial Expert Witness, The Energy Bar Association State Commission Practice and Regulation Committee and Young Lawyers Committee and Environment, Energy and Natural Resources Section of the D.C. Bar, Mastering Your First (or Next) State Public Utility Commission Hearing, February 13, 2014.

Panelist, Customer Panel, Virginia State Bar 29<sup>th</sup> National Regulatory Conference, Williamsburg, Virginia, May 19, 2011.

Chriss, S. (2006). "Regulatory Incentives and Natural Gas Purchasing – Lessons from the Oregon Natural Gas Procurement Study." Presented at the 19<sup>th</sup> Annual Western Conference, Center for Research in Regulated Industries Advanced Workshop in Regulation and Competition, Monterey, California, June 29, 2006.

Chriss, S. (2005). "Public Utility Commission of Oregon Natural Gas Procurement Study." Public Utility Commission of Oregon, Salem, OR. Report published in June, 2005. Presented to the Public Utility Commission of Oregon at a special public meeting on August 1, 2005.

Chriss, S. and M. Radler (2003). "Report from Houston: Conference on Energy Deregulation and Restructuring." USAEE Dialogue, Vol. 11, No. 1, March, 2003.

Chriss, S., M. Dwyer, and B. Pulliam (2002). "Impacts of Lifting the Ban on ANS Exports on West Coast Crude Oil Prices: A Reconsideration of the Evidence." Presented at the 22nd USAEE/IAEE North American Conference, Vancouver, BC, Canada, October 6-8, 2002.

Contributed to chapter on power marketing: "Power System Operations and Electricity Markets," Fred I. Denny and David E. Dismukes, authors. Published by CRC Press, June 2002.

Contributed to "Moving to the Front Lines: The Economic Impact of the Independent Power Plant Development in Louisiana," David E. Dismukes, author. Published by the Louisiana State University Center for Energy Studies, October 2001.

Dismukes, D.E., D.V. Mesyanzhinov, E.A. Downer, S. Chriss, and J.M. Burke (2001). "Alaska Natural Gas In-State Demand Study." Anchorage: Alaska Department of Natural Resources.

**Schedule 36: Present and Proposed Revenue Requirement by Charge**

Charge	Present (Exc. Discounts)		Proposed (Exc. Discounts)	
	(\$) (1)	(% of total) (2)	(\$) (3)	(% of total) (4)
Basic Charge				
<= 100 kW	\$ 81,956		\$ 81,956	
101 kW - 300 kW	\$ 837,779		\$ 837,779	
> 300 kW	\$ 691,904		\$ 691,904	
Total	\$ 1,611,639	2.4%	\$ 1,611,639	2.2%
Load Size				
101 kW - 300 kW	\$ 2,553,480		\$ 2,793,808	
> 300 kW	\$ 2,541,887		\$ 2,779,618	
Total	\$ 5,095,367	7.6%	\$ 5,573,426	7.6%
Demand Charges				
All kW	\$ 11,878,274		\$ 13,111,400	
Minimum kW	\$ 9,434		\$ 10,413	
Excess kVar	\$ 278,499		\$ 278,499	
Total	\$ 12,166,207	18.1%	\$ 13,400,312	18.2%
Energy Charges				
1st 40,000 kWh	\$ 22,335,374		\$ 11,463,296	
All Additional kWh	\$ 25,937,215		\$ 13,328,218	
NPC-Base 1st 40,000 kWh			\$ 13,006,814	
NPC-Base All Additional kWh			\$ 15,113,696	
Total	\$ 48,272,589	71.9%	\$ 52,912,024	72.0%
<b>Total Revenue Requirement</b>	<b>\$ 67,145,802</b>	<b>100%</b>	<b>\$ 73,497,401</b>	<b>100%</b>

Source:  
 Exhibit JRS-6, page 4

**Schedule 36: Cost of Service-Based Revenue Requirement by Function**

<b>Function</b>	<b>Revenue Requirement</b>	
	<b>(\$)</b>	<b>(% of total)</b>
	<b>(1)</b>	<b>(2)</b>
Customer Revenue Requirement	\$ 608,450	0.9%
Load Size Revenue Requirement	\$ 5,735,861	8.3%
Demand Revenue Requirement	\$ 26,634,120	38.5%
Energy Revenue Requirement	\$ 36,228,963	52.3%
<b>Total Revenue Requirement</b>	<b>\$ 69,207,394</b>	<b>100%</b>

Source:  
Exhibit JRS-3, page 9

**Schedule 36: Generation (non-NPC) and Transmission Demand Cost Recovery**

	Generation (non-NPC)				Transmission			
	Cost of Service Results		Proposed Rates $\times$		Cost of Service Results		Proposed Rates $\times$	
	(\$)	(%)	(\$)	(%)	(\$)	(%)	(\$)	(%)
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Demand	\$ 20,072,325	41.8%	\$ 8,736,601	17.1%	\$ 5,106,663	42.0%	\$ 2,220,686	17.2%
Total	\$ 47,987,911		\$ 50,946,873		\$ 12,166,443		\$ 12,922,439	

Source:

JRS-3, page 7

JRS-6, page 4

$\times$  Excludes Discounts and Includes Excess kVar Charge Revenue Requirement



**Schedule 36: Calculation of Walmart Proposed Illustrative Generation (non-NPC) Charges**

(1)		Cost of Service Based Generation Demand (%)	41.8%
(2)		Proposed Generation Revenue Requirement	\$ 50,946,873
(3)	(1) x (2)	COS Based Generation Demand Revenue Requirement	\$ 21,309,996
(4)		Remove Excess kVar Revenue Requirement	\$ (223,794)
(5)		Billing kW	2,518,583
(6)	((3) + (4)) / 5	COS Based Generation Demand Charge	\$ 8.37 /kW
(7)	(5) x 0.5	Walmart Proposed Generation Demand Charge	\$ 4.19 /kW
(8)	(5) x (7)	Walmart Proposed Generation (non-NPC) Demand Charge Revenue Requirement	\$ 10,543,101
(9)		Company Proposed Generation (non-NPC) Demand Charge Revenue Requirement	\$ 8,512,807
(10)	(9) - (8)	Decremental Energy Revenue Requirement	\$ (2,030,294)
(11)		Company Proposed Generation (non-NPC) Energy Revenue Requirement	\$ 14,089,782
(12)	(10) + (11)	New Energy Revenue Requirement	\$ 12,059,488
(13)		Total Energy Billing kWh	899,742,772
(14)	(12) / (13)	Levelized Energy Charge	\$ 0.01340 /kWh
(15)		Block One Factor	1.0485
(16)	(14) x (15)	Block One Energy Rate	\$ 0.01405 /kWh
(17)		Block Two Factor	0.96
(18)	(14) x (17)	Block Two Energy Rate	\$ 0.01289 /kWh

Sources:

(1), (2): Exhibit SWC-3, page 3

(4), (5), (9), (10), (13), (15), (17): Exhibit JRS-6, page 4

**Schedule 36: Calculation of Walmart Proposed Illustrative Transmission (non-NPC) Charges**

(1)		Cost of Service Based Transmission Demand (%)		42.0%
(2)		Proposed Transmission Revenue Requirement	\$	12,922,439
(3)	(1) x (2)	COS Based Transmission Demand Revenue Requirement	\$	5,423,980
(4)		Remove Excess kVar Revenue Requirement	\$	(54,705)
(5)		Billing kW		2,518,583
(6)	((3) + (4)) / 5	COS Based Transmission Demand Charge	\$	2.13 /kW
(7)	(5) x 0.5	Walmart Proposed Transmission Demand Charge	\$	1.07 /kW
(8)	(5) x (7)	Walmart Proposed Transmission Demand Revenue Requirement	\$	2,684,637
(9)		Company Proposed Transmission Demand Revenue Requirement	\$	2,165,981
(10)	(9) - (8)	Decremental Energy Revenue Requirement	\$	(518,656)
(11)		Company Proposed Transmission Energy Revenue Requirement	\$	10,701,753
(12)	(10) + (11)	New Energy Revenue Requirement	\$	10,183,097
(13)		Total Energy Billing kWh		899,742,772
(14)	(12) / (13)	Levelized Energy Charge	\$	0.01132 /kWh
(15)		Block One Factor		1.0485
(16)	(14) x (15)	Block One Energy Rate	\$	0.01187 /kWh
(17)		Block Two Factor		0.96
(18)	(14) x (17)	Block Two Energy Rate	\$	0.01088 /kWh

Sources:

(1), (2): Exhibit SWC-3, page 3

(4), (5), (9), (10), (13), (15), (17): Exhibit JRS-6, page 4

## CERTIFICATE OF SERVICE

Docket Nos. UE-140762, UE-140762,  
UE-140617, UE-131384, UE-140094 (*consolidated*)

I hereby certify that I have this day served the attached *Responsive Testimony and Exhibits of Steve W. Chriss on behalf of Wal-Mart Stores, Inc.* upon all parties of record in this proceeding, shown below, by causing the same to be mailed, postage-prepaid, through US Mail and E-Mail.

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DATED this 10<sup>th</sup> day of October, 2014.

HUTCHINSON, COX, COONS,  
ORR & SHERLOCK, P.C.

By: \_\_\_\_\_



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