

Docket No. 20000-520-EA-17  
Witness: Joelle R. Steward

BEFORE THE WYOMING PUBLIC SERVICE  
COMMISSION

ROCKY MOUNTAIN POWER

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Second Supplemental Direct Testimony of Joelle R. Steward

February 2018

1 **Q. Are you the same Joelle R. Steward who previously submitted testimony in this**  
2 **proceeding on behalf of Rocky Mountain Power (“the Company”), a division of**  
3 **PacifiCorp?**

4 A. Yes.

#### 5 **PURPOSE OF TESTIMONY**

6 **Q. What is the purpose of your second supplemental direct testimony?**

7 A. I update the expected costs and benefits proposed to be recovered through the Resource  
8 Tracking Mechanism (“RTM”), to reflect the updated 2017R Request for Proposals  
9 (“2017R RFP”) final shortlist described in the second supplemental direct testimony of  
10 Company witness Mr. Rick T. Link. The Company proposed the RTM as part of its  
11 request for approval of the Company’s energy resource decisions for new wind  
12 resources (“Wind Projects”) and for the Aeolus-to-Bridger/Anticline line and network  
13 upgrades (“Transmission Projects”) (collectively, the “Combined Projects”).

#### 14 **SECOND SUPPLEMENTAL DIRECT TESTIMONY**

15 **Q. Have you updated the exhibits from your first supplemental testimony to reflect**  
16 **the updated economic analysis for the Combined Projects summarized in Mr.**  
17 **Link’s testimony?**

18 A. Yes. My original exhibits have been updated and are presented as Exhibit  
19 RMP\_\_(JRS-1SS),<sup>1</sup> Exhibit RMP\_\_(JRS-2SS), Exhibit RMP\_\_(JRS-3SS) and  
20 Exhibit RMP\_\_(JRS-4SS). These exhibits reflect the updated costs and benefits in the  
21 economic analysis in Mr. Link’s testimony based on the updated 2017R RFP final  
22 shortlist. The exhibits are in the same format used in my previous testimony. They

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<sup>1</sup> Exhibit RMP\_\_(JRS-1SS) is included but is the same as Exhibit RMP\_\_(JRS-1SD) presented in supplemental direct testimony.

1 calculate the monthly and annual revenue requirements and show the overall net impact  
2 for the Combined Projects that would be reflected in rates, including the proposed  
3 RTM.

4 **Q. Please provide a summary of the updates in your revised exhibits.**

5 A. As in my previous supplemental update, my updated exhibits include changes in  
6 Wyoming's allocated share of the updated Combined Projects' capital costs, return,  
7 depreciation, Production Tax Credits ("PTCs"), taxes, and operating costs and benefits.  
8 Updated net power costs associated with the updated 2017R RFP final shortlist, system  
9 dispatch, and revised wind generation projections have also been included in the  
10 Energy Cost Adjustment Mechanism ("ECAM") pass-through calculation.

11 **Q. What are the updated annual estimated rate impacts associated with the**  
12 **Combined Projects that would be reflected in rates through the RTM, in**  
13 **conjunction with the ECAM?**

14 A. The Company is projecting the Combined Projects' updated annual revenue  
15 requirement impact for the years 2020 to 2023 to be in the range of (\$0.85) million to  
16 \$11 million in Wyoming, as shown in Table 1 of Exhibit RMP\_\_\_\_(JRS-2SS). The net  
17 rate impact would be less than 1.7 percent for the first full year of operation.

18 **Q. Has the Company's proposed ratemaking treatment for interim recovery of costs**  
19 **through the RTM changed?**

20 A. No. The Company continues to propose recovery of costs through the RTM to  
21 concurrently match benefits and costs in rates. Absent recovery through the RTM, the  
22 Company continues to recommend symmetrical treatment of the costs and benefits of  
23 the Combined Projects by excluding net power cost benefits from the ECAM if costs

1           are not deferred or otherwise reflected in rates.

2   **Q.   Does this conclude your second supplemental direct testimony?**

3   **A.   Yes.**

