Exhibit 18.0

Docket No. 20000-633-ER-23
Witness: Kenneth Lee Elder

BEFORE THE WYOMING PUBLIC SERVICE
COMMISSION

ROCKY MOUNTAIN POWER

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Rebuttal Testimony of Kenneth Lee Elder

September 2023

Exhibit 18.0

1   **I.   INTRODUCTION AND WITNESS QUALIFICATIONS**

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

3   **d/b/a Rocky Mountain Power ("RMP" or the "Company").**

4   A.   My name is Kenneth Lee Elder, Jr. My business address is 825 NE Multnomah Street,

5   Suite 600, Portland, Oregon 97232. My position is Load Forecasting Manager.

6   **Q.**   **Please describe your education and professional experience.**

7   A.   I have a Bachelor's Degree in Agriculture Business from Tarleton State University and

8   a Master's Degree in Agricultural and Resource Economics from Colorado State

9   University. I have been employed by PacifiCorp since July 2016, where I have

10   managed load forecasting, load research and customer benefit indicator development.

11   From 2008 through 2016, I was an economist for a natural resource consulting firm.

12   From 2004 through 2008, I was an economist for the University of Alaska Fairbanks.

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

14   A.   Yes. I have previously filed testimony on behalf of the Company in regulatory

15   proceedings in Utah and Washington.

16   **Q.**   **Are you adopting a portion of the direct testimony of Company witness**

17   **Mr. Thomas R. Burns, RMP Exhibit 6.0?**

18   A.   Yes. I am adopting page 15, line 11 through page 23, line 23 of Mr. Burns' direct

19   testimony, RMP Exhibit 6.0, which provides the Company's sales and load forecast.

20   **II.   PURPOSE OF TESTIMONY**

21   **Q.**   **What is the purpose of your rebuttal testimony?**

22   A.   In my testimony, I respond to issues raised in the direct testimony of Mr. Greg R. Meyer

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1   submitted on behalf of the Wyoming Office of Consumer Advocate ("WOCA") about

2   RMP's Residential usage-per-customer forecast.

3 **Q.** **WOCA believes RMP's proposed usage per Residential customer for the 2024 test**

4   **year is understated.[1] What is the basis for WOCA's claim?**

5 A. WOCA conducted an analysis of actual usage-per-customer over the 2013 to 2022

6   timeframe to calculate historical and projected Residential usage-per-customer.[2]

7   WOCA then proposed using a five-year average (2018 to 2022) as the basis for test

8   period usage-per-customer. Based on WOCA's analysis of historical Residential usage-

9   per-customer, WOCA asserts that RMP's Residential normal usage-per-customer for

10   the test year is understated.

11 **Q.** **Is WOCA's analysis correct?**

12 A. No. WOCA's analysis is based on unique customers and actual historical class loads

13   which are then used to project weather normalized loads per customer bill. This mixing

14   of inconsistent and dissimilar data leads to inappropriate comparisons and conclusions.

15 **Q.** **Does WOCA's analysis use inconsistent customer data in its analysis that leads to**

16   **incorrect results?**

17 A. Yes. WOCA's analysis relies on unique customer counts without including the bills

18   adjustment in RMP's Annual Reports to the Wyoming Public Service Commission.

19   Unique customers are used in WOCA's analysis of the 2013 to 2022 timeframe to

20   propose accepting the Company's 2024 forecasted number of customer bills. This is an

21   important distinction, as unique customers can receive multiple bills. In fact on average

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[1] Direct Testimony of Greg R. Meyer at 8 (WOCA Exhibit No. 604).
[2] *Ibid.*

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1   the unique customer counts are approximately two percent lower than the customer bill

2   count and overstates the historical usage-per-customer in WOCA's analysis.

3   **Q.**   **What class usage data does WOCA use in its analysis that leads to incorrect**

4   **results?**

5   A.   WOCA's analysis is based on actual Residential usage instead of weather normalized

6   usage. Weather normalization is important since actual weather patterns can change

7   from year-to-year. Since test period actual weather is unknown, it is important to have

8   a reliable expectation of weather that creates an average expectation of test year load.

9   The actual data from the timeframe chosen by WOCA is on average approximately

10   two percent higher than normal additionally overstating usage-per-customer.

11   **Q.**   **Are there other factors affecting usage-per-customer that are missing from**

12   **WOCA's analysis?**

13   A.   Based on research conducted by the United States Energy Information Administration,

14   declining Residential usage-per-customer has been occurring nationally since 2010.[3]

15   This decline is attributable to multiple factors, which include changing codes and

16   standards such as more efficient lighting, energy efficiency improvements and

17   economic factors.[4] While usage-per-customer increased in 2020, affiliated with stay-

18   at-home impacts arising from the COVID-19 pandemic, similar to the nation as a

19   whole, Wyoming has also been experiencing declining Residential use-per-customer.

20   These impacts are ignored by WOCA's five-year average analysis.

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[3] https://www.eia.gov/todayinenergy/detail.php?id=32212.
[4] *Ibid.*

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1   **Q.**   **Does WOCA make a recommendation based on this flawed analysis?**

2   A.   Yes. WOCA recommends that Residential usage-per-customer should be higher for the

3   test period. WOCA recommends using the five-year average (2018-2022) of

4   Residential use-per-customer to calculate Residential use-per-customer for the test

5   period. As such, WOCA recommends using a Residential use-per-customer of

6   8.877 megawatt-hour per customer ("MWh/customer"), rather than the Company's

7   proposed use-per-customer of 8.406 MWh/customer. As discussed above, WOCA's

8   recommendation is based on a flawed methodology and should be dismissed.

9   **Q.**   **Has the Company prepared a similar analysis that corrects for the inconsistences**

10   **in WOCA's analysis?**

11   A.   Yes. Please refer to Table KLE-1 below, which relies on weather normalized usage

12   over the 2013 to 2022 timeframe and forecasted usage-per-customer for the test period.

13   Table KLE-1 also relies on bill counts over the 2013 to 2022 timeframe and forecasted

14   bill counts for the test period. This results in a consistent comparison between the

15   historical timeframe and the forecast period.

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		Weather Normalized Sales (MWh)	Number of Customers (bills)	Usage per Customer (MWh/Cust)
Line	Year			
1	2013	1,067,621	114,388	9.333
2	2014	1,056,598	115,246	9.168
3	2015	1,034,641	116,191	8.905
4	2016	1,022,133	116,692	8.759
5	2017	1,008,921	117,076	8.618
6	2018	993,214	117,426	8.458
7	2019	1,002,037	117,766	8.509
8	2020	1,025,514	118,394	8.662
9	2021	1,022,806	118,933	8.600
10	2022	1,016,054	119,604	8.495
11	2024	1,014,739	120,721	8.406

TABLE KLE-1

Residential Sales

1 **Q. What conclusions can the Company make regarding the corrected analysis**

2 **provided in Table KLE-1?**

3 A. Residential usage-per-customer has been generally declining over the 2013 to 2022

4 timeframe. Projected Residential usage-per-customer for the test period is consistent

5 with recently observed history.

6 **Q. What is your recommendation to the Commission?**

7 A. WOCA's adjustment to Residential usage-per-customer is based on inconsistent and

8 dissimilar data, which leads to inappropriate comparisons and conclusions.

9 Furthermore, a five-year average of historical usage-per-customer does not account for

10 the expected decline in Residential usage-per-customer. Because of these

11 considerations, WOCA's adjustment should be rejected.

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1 **Q.** **Does this conclude your rebuttal testimony?**

2 A. Yes.

BEFORE THE PUBLIC SERVICE COMMISSION OF WYOMING

IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER FOR AUTHORITY TO INCREASE ITS RETAIL ELECTRIC SERVICE RATES BY APPROXIMATELY $140.2 MILLION PER YEAR OR 21.6 PERCENT AND TO REVISE THE ENERGY COST ADJUSTMENT MECHANISM	))))))))))))	DOCKET NO. 20000-633-ER-23 (RECORD NO. 17252)

AFFIDAVIT, OATH AND VERIFICATION

Kenneth Lee Elder Jr. (Affiant) being of lawful age and being first duly sworn, hereby deposes and says that:
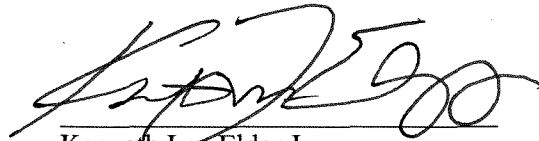
Affiant is the Load Forecasting Manager for PacifiCorp, which is a party in this matter.

Affiant prepared and caused to be filed the foregoing testimony. Affiant has, by all necessary action, been duly authorized to file this testimony and make this Oath and Verification.

Affiant hereby verifies that, based on Affiant's knowledge, all statements and information contained within the testimony and all of its associated attachments are true and complete and constitute the recommendations of the Affiant in their official capacity as Load Forecasting Manager.
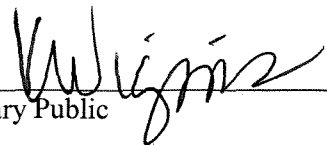
Further Affiant Sayeth Not.

Dated this ⟨20⟩ day of September, 2023

_____
Kenneth Lee Elder Jr.
Load Forecasting Manager

STATE OF OREGON   )
) SS:
COUNTY OF MULTNOMAH   )

The foregoing was acknowledged before me by Kenneth Lee Elder Jr. on this ⟨20⟩ day of September, 2023. Witness my hand and official seal.

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Notary Public

My Commission Expires: