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3 BEFORE THE
4 RHODE ISLAND PUBLIC UTILITIES COMMISSION
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10 DOCKET NO. 4770
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18 **TESTIMONY OF JOHN G. ATHAS**
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24 ON BEHALF OF THE
25 RHODE ISLAND DIVISION OF PUBLIC UTILITIES AND CARRIERS
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40 April 6, 2018
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1 **I. INTRODUCTION**

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

3 A. My name is John G. Athas. I am a Principal Consultant and Vice President at
4 Daymark Energy Advisors (Daymark). My business address is 370 Main St.,
5 Suite 325, Worcester, Massachusetts 01608.

6
7 **Q. On whose behalf are you testifying in this proceeding?**

8 A. I am testifying on behalf of the Rhode Island Division of Public Utilities and
9 Carriers (“Division”).

10
11 **Q. Please summarize your professional experience and qualifications.**

12 A. I am an electric utility industry planning specialist with nearly 35 years of
13 experience in areas including strategic planning, integrated resource planning,
14 generation planning, economic and financial analysis, marketing, wholesale
15 power market analysis and forecasting, electric power retail marketing, and rates
16 and pricing.

17 I have served in my current role as a Principal Consultant at Daymark
18 since February 2006. I also have served the firm in a management function as
19 Treasurer. In addition to my responsibilities as a Principal consultant, I am
20 currently the Vice President of Business Development. Since joining Daymark,
21 my work has included several aspects of power systems planning and electric
22 industry restructuring, including wholesale and retail market formation,
23 generation asset valuation, resource planning, independent monitor involving
24 wind generating capacity and resource adequacy studies, rates, contracting and
25 retail power marketing.

26 Prior to joining Daymark, I worked as an independent consultant with
27 Direct Energy developing retail electric business plans. From 2001 to 2005, I was
28 an Associate Director of North American Electric Power at Cambridge Energy
29 Research Associates (CERA). In that capacity I was responsible for market
30 analysis and forecasting of power prices for the regions of the Eastern
31 Interconnect for the US and Canada. Prior to joining CERA, I had various

1 positions at Northeast Utilities Service Company (NU) on behalf of corporate NU
2 and its regulated and competitive companies from 1981 through 2000. While
3 serving as Director of Market Pricing and Policy my department included the
4 areas of Rate Design, Cost of Service and Load Research. I was the Manager of
5 Strategic Analysis and Long-Term Resource Planning at NU, where my
6 responsibilities included conducting NU's Integrated Resource Planning, the
7 analysis of the NU utility companies' competitive position, and various strategic
8 planning efforts regarding diversification. Schedule JGA 1 contains a complete
9 description of my qualifications.
10

11 **Q. Please summarize Daymark and its business.**

12 A. Daymark provides integrated policy, planning and strategic decision support
13 services to the North American electricity and natural gas industries. Daymark
14 serves a diverse clientele from our offices in Worcester, Massachusetts and
15 Portland, Maine by providing consulting services to organizations involved with
16 energy markets, including renewable energy producers, private and public
17 utilities, transmission owners, energy producers and traders, energy consumers
18 and consumer advocates, regulatory agencies, and public policy and energy
19 research organizations. Our technical skills include cost allocation, rates and
20 pricing, power market forecasting models and methods, economics, management,
21 planning, energy procurement, contracting and portfolio management, and
22 reliability assessments. Our experience includes detailed analyses of energy and
23 environmental performance of electric systems, economic planning for
24 transmission and distribution, and market analytics.
25

26 **Q. Have you previously testified before this Commission?**

27 A. No.
28

29 **Q. Have you previously submitted expert testimony before other public utility**
30 **commissions?**

1 A. Yes. I have provided testimony before numerous public utility commissions in
2 the United States and Canada, including the Arkansas Public Service
3 Commission, Connecticut Public Utilities Regulatory Authority, Indiana Utility
4 Regulatory Commission, Manitoba Public Utilities Board, Massachusetts
5 Department of Public Utilities, Michigan Public Service Commission,
6 Corporation Commission of the State of Oklahoma, New Brunswick Energy and
7 Utilities Board, Newfoundland and Labrador Board of Commissioners of Public
8 Utilities, Nova Scotia Utility and Review Board and the Commonwealth of
9 Virginia State Corporation Commission. A complete listing of my appearances is
10 included in Schedule JGA-2.

11
12 **Q. What is the purpose of your testimony?**

13 A. My testimony evaluates certain issues related to Narragansett Electric Company's
14 ("NECo" or "the Company") proposed electric rates filed in this docket. I focused
15 my review on the Company's allocated cost of service study and proposed class
16 revenue allocation and rate design presented in the testimony and exhibits of
17 Company Witness Howard Gorman that were filed prior to the Company
18 lowering its revenue requirement as a result of the change in the corporate tax rate
19 and correcting its revenue requirement for an error identified by the Division. We
20 only just received new schedules on April 3 relating to the allocated cost of
21 service study and other pricing schedules. For that reason, I will need to file
22 supplemental testimony to address certain rate design issues. I will identify those
23 areas in my testimony that are affected.

24
25 **Q. Please summarize your findings regarding these issues.**

26 A. I am deferring any findings related to the Company's Allocated Cost of Service
27 Study, class revenue allocation, or consolidation of the large demand customer class
28 to my supplemental testimony pending review of the Company's April 3 revised
29 filing. I find that the Company's proposed fixed charge increase for residential
30 customers is too aggressive and too fast. I recommend maintaining current fixed
31 charges in anticipation that planned installation of Advanced Metering

1 Infrastructure (AMI) will soon facilitate new and potentially more appropriate rate
2 design mechanisms. I discuss tradeoffs among a variety of alternative rate designs
3 that are feasible with current metering technology, including a range of fixed
4 charges and minimum bill amounts. I will have further discussion of these issues
5 when I file my supplemental testimony based upon the Company's revised
6 application.

7

8 **Q. Are you sponsoring any schedules as part of your testimony?**

9 A. Yes. I am sponsoring the following schedules:

10 JGA-1 – Resume

11 JGA-2 – List of Appearances

12 JGA-3 – Residential Costs Allocated by Customer Bill Count

13 JGA-4 – Alternative Residential Rate Designs

14 JGA-5 – Alternative Residential Rate Design Bill Impacts

15

16 **II. ALLOCATED COST OF SERVICE STUDY**

17 **Q. Is your review of the Allocated Cost of Service study (ACOSS) affected by the**
18 **new revenue requirement?**

19 A. Yes. I will be filing supplemental testimony after I have completed my review of
20 the revised study and related schedules.

21

22 **III. CLASS REVENUE ALLOCATION**

23 **Q. Does the revised revenue requirement affect the Company's proposed revenue**
24 **allocation to the customer classes?**

25 A. Yes. This is similar to the ACOSS. I will need to review the relative impacts on
26 the rate classes after reviewing the Company's new proposed revenue allocation.

27

28 **VI. CONSOLIDATION OF LARGE DEMAND CUSTOMER CLASS**

29 **Q. Is the Company's proposal with respect to the current voluntary Rate G-62**
30 **(5,000 kW Demand) affected by the new revenue requirement?**

1 A. It may or may not affect my view. But it is important that I have an opportunity
2 to see the bill impacts across all rate classes before offering an opinion on the
3 Company's proposal. For that reason, I will be filing supplemental testimony on
4 this issue.

5
6 **IV. RESIDENTIAL RATE DESIGN**

7 **Q. Does the revised revenue requirement affect the Company's proposed**
8 **residential rate design?**

9 A. Yes. I will be filing supplemental testimony after I have completed my review of
10 the revised study and related schedules. However, I will discuss the Company's rate
11 design based on the original filed ACOSS and class revenue allocation proposal
12 because I expect some of the same issues will still be relevant with the revised
13 revenue allocation. All references to proposed rate design and ACOSS values in
14 this section refer to the Company's original filing. My supplemental testimony will
15 address these same issues based on the revised rate design, as appropriate.

16
17 **Q. What is the Company's proposed rate design for residential class?**

18 A. The Company has proposed increasing the residential class customer charge by
19 70%, from \$5 to \$8.50, and collecting the remaining revenue requirement from an
20 increase in the volumetric charge from \$0.03664 to \$0.04438 per kWh, a 21%
21 increase. The Company proposal would result in 26% of the residential revenue
22 billed on monthly fixed charges. As I will discuss the Company identifies the large
23 monthly fixed customer charge as being cost of service based.

24
25 **Q. How would you characterize the Company's proposed change to the customer**
26 **charge?**

27 A. It certainly is a very significant one-step increase. Current rates are designed to
28 collect only 20% of residential revenue from fixed monthly charges. The increase
29 from \$5/month to \$8.50/month makes for a major step toward collecting a lower
30 percentage of revenue from volumetric charges. This significant increase in
31 monthly fixed charge will disproportionately affect low use customers in terms of

1 percent increase in bills that they will receive. Increasing low usage customers to
2 this degree would violate the principle of gradualism for the low use customers.

3 **Q. Do you support the Company's proposal?**

4 A. No. I find the large increase in customer charge to be too aggressive and too fast.
5 It provides a discontinuity in electric bills to the lowest users over and above the
6 large average increase proposed to the residential class. My emphasis on continuity
7 stems from the potential installation of Advanced Metering Infrastructure (AMI).
8 In addition to operational changes that AMI will support it opens the door to
9 alternative options for rate design, some of which could significantly affect the
10 residential class. Pending a review of the revisions to the application, I would
11 recommend that a strategy where the Commission keeps the fixed charge the same
12 would be wise at this point with the likely evolution of rate design to come.
13 However, if the Commission disagrees with this conservative view, it would be
14 important for the Commission to compare the various alternatives before making a
15 decision. For that reason, I would like to provide further background information
16 for the Commission and set forth a menu of alternatives. This menu of alternatives
17 will be revised as part of my supplemental testimony since the options are best
18 viewed with what will be the Company's new proposed residential rate class
19 revenue allocation. I have left it in this testimony to provide some visibility of the
20 alternatives that could be considered and the methodology for developing them.

21

22 **Q. What is the Company's basis for proposing the significant increase to the fixed**
23 **charge?**

24 A. The Company's 2017 ACOSS as originally filed determined that the amount of
25 revenue allocated to the residential class as a function of number of customers is
26 \$9.61/month. This has increased from the \$7.57/month in the 2012 ACOSS (+27%)
27 and is essentially double the \$5/month charge in the current A-16 residential rate. I
28 have not found any specific rationale for \$5/month charge as part of the 2012 rate
29 case which was settled. I have prepared a table below and provide a more detailed
30 table in Schedule JGA-3 that shows the costs that are driving the residential revenue
31 requirement in customer-related costs. There are two categories of costs that are

allocated to the residential class by number of bills/customers: Billing/Customer Service and Secondary Distribution System. The table shows that the 2017 ACOSS allocated \$11.6 million more to the residential class as compared to the 2012 ACOSS. While there was a small (\$1.5 million, or about +5%) increase in the Billing/Customer Service Costs, almost all the increase comes from increased revenue requirement of the secondary distribution system, \$10.1 million (+125%). This Secondary System cost increase comes in Service Drop-related accounts. This suggests that an increase in monthly fixed charges would be consistent with cost causation principles of a cost of service study.

Table 1

Residential Costs Allocated on Customer Count				
		2017 COS	2012 COS	Difference
Number of Bills -millions		5.285	5.172	
Secondary System				
	\$millions	18.2	8.1	10.1
	\$/month	3.43	1.56	1.87
Billing/Customer Service				
	\$millions	32.6	31.1	1.5
	\$/month	6.17	6.01	0.16
Total				
	\$millions	50.8	39.2	11.6
	\$/month	9.61	7.57	2.03

Q. Does the Company provide additional justification for a large increase in monthly fixed charge?

A. Yes, NECo argues that a “maximum fixed monthly charge” for residential could also include demand related costs (\$11.57/kW-month¹) for the first 0.5 kW demand (amounting to \$5.78/month) which is a level exceeded by essentially all residential customers (90% meet this level each month and 98% meet 0.50 kW at least one month per year). This would bring the total maximum fixed monthly charge to \$15.79/month. The proposed \$8.50/month fixed charge is 55% of that total.

¹ Schedule HSG-1C-1, line 10.

1 **Q. Do you agree that the Company’s “maximum fixed monthly charge” is the**
2 **appropriate cost of service metric for setting the customer charge?**

3 A. No. This use of a minimum demand concept is imprecise, adversely affecting the
4 customers (albeit 10% of the customers or less) that do not reach 0.50 kW.

6 **Q. Are there alternative rate designs the Company could have considered?**

7 A. Yes. Other rate design mechanisms might help the Company balance sometimes
8 competing rate design principles more effectively. I note that options for alternative
9 rate mechanisms are limited at this point due to metering infrastructure. The
10 majority of residential meters currently in place would not be capable of collecting
11 the billing determinants necessary for certain rate designs such as time of use
12 (TOU) rates, critical peak pricing, or demand charges. Plans to install AMI will
13 facilitate consideration of a greater variety of rate mechanisms in future rate cases.
14 The minimum bill charge also is a mechanism that would be feasible with current
15 metering infrastructure that could provide an alternative to the customer charge for
16 ensuring collection of minimum fixed costs even from low usage customers.

18 **Q. What does the use of ‘minimum bill’ mean and why is it considered?**

19 A. If a minimum bill is used customers will be billed in any given month the amount
20 calculated from the monthly fixed charge component and their energy usage or the
21 approved minimum monthly bill, whichever is higher. Minimum bills can apply to
22 the total bill or to certain subsets, such as distribution charges only. It is considered
23 for residential rate tariffs in order to recognize that a significant portion of the costs
24 associated with the distribution system are not directly related to energy usage, but
25 rather a customer’s contribution to system peak demand or non-coincident class
26 peak demand. Like most utilities, NECo does not include a demand charge
27 component in its residential rates. The current meters do not record monthly
28 demand for residential customers, and there can be challenges associated with
29 residential class demand charges, most prominently in bill transparency and
30 understandability. Some use of a minimum bill would help collect more revenue
31 from fixed charges and ensure that each customer is contributing a monthly

1 minimum toward fixed costs. The increased revenue collected from minimum bill
2 levels is considered a fixed charge cost recovery mechanism. In this testimony I am
3 only applying the minimum bill mechanism to NECo's distribution and
4 billing/customer service charges.

5

6 **Q. What range of monthly fixed charge should be considered for residential rate**
7 **design?**

8 A. Residential rate designs should be evaluated on several dimensions, with a focus
9 on the rate design principles adopted by the Commission in Docket No. 4600, and
10 discussed further in Section VI of my testimony below. Key principles relevant to
11 setting monthly fixed charges include consistency with cost of service, continuity
12 or gradualism for residential customers with various usage levels, state energy
13 policy and ease of implementation. I have developed a set of five alternative rate
14 designs to compare with the Company's proposal for the purpose of exploring some
15 key tradeoffs in rate design. The monthly fixed customer charge levels considered
16 range from the current charge of \$5/month to the Company's proposal of
17 \$8.50/month. I studied each customer charge with and without a minimum
18 distribution bill (applied only to the customer charge and the base distribution per
19 kWh charge, which are the charges tied to the ACOSS) of \$9.61/month, which is
20 the level of customer-related costs indicated by the ACOSS.

21

22 **Q. Explain how you developed rate design alternatives to the Company's**
23 **proposal.**

24 A. I developed rates that would be expected to yield the same total revenue as the
25 Company's proposed rates, based on the billing determinants in the Company's
26 own proof of revenue calculations for A-16 and A-60.² The model for estimating
27 minimum bill revenue is based on more granular bill frequency data³ provided in
28 response to data request DPUC 21-23. The bill frequency distribution was

² Schedule HSG-4-K

³ Bill frequency data is for billed usage in 10 kWh increments up to 300 kWh, then following the same increments as the Company's bill impact analysis in Schedule HSG-5-A.

1 normalized to be consistent with the overall bill determinants used in proof of
2 revenue. The increased granularity for bills with usage less than 300 kWh allowed
3 for more focus on bill impacts at the lower usage end.
4

5 **Q. Please describe the alternative rate design examples you considered.**

6 A. I analyzed the Company's proposal in comparison to five alternative rate designs,
7 based on the Company's original revenue requirement. I will need to supplement
8 my testimony with new numbers. But for now, I am using the old numbers to
9 illustrate the alternatives. I considered three levels of customer charge: 1) the
10 Company's proposed level of \$8.50/month; 2) maintaining the current customer
11 charge of \$5/month, as recommended by the Division; 3) increasing the current
12 customer charge by the same percentage that residential allocated class revenue
13 increases (21.6% in the original filed ACOSS, yielding a customer charge of
14 \$6.08/month). The first three cases (1 – 3) use the customer charges described
15 above, respectively, and solve for per kWh rates that yield the target revenue. Case
16 1 is the Company's proposal. The second set of three cases (1M – 3M) have the
17 same customer charges as Cases 1 – 3 but also incorporate a minimum distribution
18 bill of \$9.61. The per kWh charges are once more solved for to yield the target
19 revenue, accounting for additional fixed charge revenue resulting from the
20 imposition of the minimum bill. The alternative rates are summarized in table in
21 Schedule JGA-4, along with the split in revenue collection between fixed and per
22 kWh charges, and the maximum level of monthly energy usage that results in
23 minimum bill adjustments. Total bill impacts are shown in Schedule JGA-5.
24

25 **Q. Discuss the tradeoffs among alternative rate design examples that don't**
26 **include a minimum bill.**

27 A. Residential class revenue at current rates includes 17% collected through the fixed
28 charge and the balance collected through per kWh charges, including revenue
29 decoupling and CapEx ISR mechanisms.⁴ According to the Company's ACOSS,

⁴ Based on Gorman workpapers, proof of revenue at present rates. Customer charges for A-16 and A-60 total \$24,237,476 out of total revenue of \$144,451,182.

39% of residential cost of service revenue requirements are customer-related and 61% are demand-related. The Company's proposed customer charge moves rates the furthest toward cost of service for collecting customer-related costs through fixed charges, increasing fixed charge revenue to 26% of total. However, there are several key rate design principles that justify keeping fixed charges lower. First, looking at the bill impact analysis in Schedule JGA-5 highlights the significant impact higher fixed charges have on low usage customer bills. The Company's proposal would cause total bill increases (including other delivery charges and standard offer service energy rates) of between 10% and 47% on A-16 customers using less than 200kWh per month. In contrast, keeping the current fixed charge of \$5.00 would keep total bill increases between 1% and 5% for customers using less than 200 kWh. A \$6.08 customer charge falls in the middle, with increases ranging from 7% to 15% on customers using less than 200kWh. The bill impacts on A-60 customers are more pronounced due to the lack of a customer charge in current rates, but the impacts would also be phased in over 3 years. Another tradeoff that should be considered is the price signal on energy usage. In a two-part rate the energy charge varies inversely with the customer charge. A higher energy charge provides a stronger price signal for conservation by allowing customers greater control over their bills by reducing consumption.

Q. Discuss the tradeoffs among alternative rate design examples that include a minimum bill.

A. Cases 1M, 2M and 3M include a minimum bill of \$9.61. The minimum bill at this level assures that each customer is paying at least the ACOSS-indicated level of customer-related cost each month. Due to the relatively small number of customers with low enough usage to be impacted by the minimum bill, it has little impact on fixed revenue collection or the energy rate. The bill impacts on low usage customers are significantly greater for all levels of customer charge.

Q. What are your recommendations on rate design?

1 A. There is no “right” answer when it comes to picking the appropriate level of fixed
2 charge. As discussed, there are many tradeoffs among valid and important rate
3 design principles that exist in tension with one another. In my opinion the
4 Company’s proposed customer charge moves too far, too fast. As indicated earlier
5 in my testimony, I recommend that the Commission not approve a change to the
6 residential fixed charge at this time.

7

8 **V. LOW INCOME SAVINGS APPROACH**

9 **Q. Describe the Company’s proposed approach to the way discounts for low**
10 **income Rate A-60 customers are provided and recovered.**

11 A. In current rates Rate A-60 customers have separate base distribution rates that are
12 different than rates for Rate A-16 customers. The Company is proposing in this
13 case to have the same stated rates for both classes, but to (a) phase in the customer
14 charge for A-60 over 3 years; and (b) offer a 15% total bill discount for A-60
15 customers. My understanding is that Roger Colton, another witness sponsored by
16 the Division, will be recommending a larger discount for low income customers.
17 Whatever the discount approved, it should be recovered through a Low Income
18 Discount Recovery Factor consistent with the Company’s proposal that would
19 apply a uniform per kWh surcharge on sales to all customer classes other than the
20 low income customers themselves. The three-year customer charge phase-in
21 revenue shortfall would be collected through the revenue decoupling mechanism.

22

23 **Q. Is the Company’s proposed approach to discounting A-60 distribution rates**
24 **reasonable?**

25 A. Yes. Bringing A-60 to the same rates, monthly fixed charge and energy charge, as
26 A-16 and then providing an explicit discount provides better transparency to the
27 discount, rather than conflating policy-related questions of low-income support
28 with cost of service and revenue allocation. Furthermore, this approach is in line
29 with recommendation of the Docket 4600 report on new rate design principles.

30

31 **Q. Do you have any further recommendations with regard to Rate A-60?**

1 A. Yes. If my recommendation of a residential rate design that includes a minimum
2 bill is accepted, the minimum bill should not apply to A-60. Consistent with the
3 principles of Docket 4600, it is important to not subject low income low usage
4 customers to undue bill impacts. Revenue shortfall from this exception would be
5 de minimis, and could be collected through the Low Income Discount Recovery
6 Factor as well.

7
8 **VI. RATE DESIGN PRINCIPLES FROM DOCKET NO. 4600**

9 **Q. What is your understanding of the rate design principles adopted in Docket**
10 **No. 4600?**

11 A. Section 3.1 of the April 2017 Report to the Rhode Island Public Utilities
12 Commission on the Stakeholder Working Group Process in Docket No. 4600
13 (“Docket 4600 Report”) articulated several rate design principles “that the
14 Commission, utility, and stakeholders should take into account when designing and
15 evaluating rate design options” (Docket 4660 Report at 12). The principles are
16 reproduced verbatim here:

- 17
18 • *Ensure safe, reliable, affordable, and environmentally responsible*
19 *electricity service today and in the future*
20 • *Promote economic efficiency over the short and long term*
21 • *Provide efficient price signals that reflect long-run marginal cost*
22 • *Future rates and rate structures should appropriately address*
23 *“externalities” that are not adequately counted in current rate structures*
24 • *Empower consumers to manage their costs*
25 • *Enable a fair opportunity for utility cost recovery of prudently incurred*
26 *costs and revenue stability*
27 • *All parties should provide fair compensation for value and services*
28 *received and should receive fair compensation for value and benefits*
29 *delivered*
30 • *Be transparent and understandable to all customers*

- 1 • Any changes in rate structures should be implemented with due
- 2 consideration to the principle of gradualism in order to allow ample time
- 3 for customers (including DER customers) to understand new rates and
- 4 to lessen immediate bill impacts
- 5 • Provide opportunities to reduce energy burden, and address low income
- 6 and vulnerable customers' needs
- 7 • Be consistent with policy goals (e.g. environmental, climate (Resilient
- 8 Rhode Island Act), energy diversity, competition, innovation, power/data
- 9 security, least cost procurement, etc.)
- 10 • Rate structures should be evaluated on whether they encourage or
- 11 discourage appropriate investments that enable the evolution of the
- 12 future energy system

13

14 The Commission's Report and Order 22851 (issued July 31, 2017) in Docket No.

15 4600 adopted the above principles, and required that any party proposing a specific

16 rate design provide evidence addressing "how the proposal advances, detracts from,

17 or is neutral as to each of the stated rate design principles listed above. Likewise,

18 an opponent to a rate design proposal should also refer to these principles in

19 developing its rationale" (Report and Order No. 22851 at 23).

20

21 **Q. Did the Company provide accompanying evidence addressing the Docket No.**

22 **4600 rate design principles?**

23 A. Company Witness Gorman's Direct Testimony at 45-48 provided a high level and

24 relatively perfunctory characterization of how the Company's allocated cost of

25 service study and rate design proposals, taken as a whole, advance, detract from, or

26 is neutral to each principle.

27

28 **Q. Does Mr. Gorman's testimony adequately address the Commission's Order**

29 **22851 rate design principles?**

30 A. No. The consideration of each rate design proposal is usually quite general, and

31 fails in most cases to provide specific evidence supporting the assertion that the

1 proposal advances or is neutral to a given principle. The Company asserts that its
2 proposal does not detract from a single rate design principle.

3 **Q. What observations do you make about the Company’s characterization of its**
4 **proposal vis a vis the Docket No. 4600 rate design principles?**

5 A. I take issue with a few of Mr. Gorman’s characterizations of the proposal and
6 evidence – or lack thereof – offered in support. For instance, he states that the
7 proposal advances the principle of “Ensuring safe, reliable, affordable, and
8 environmentally responsible electricity service today and in the future” because it
9 “promotes distributed generation and aligns rates with costs.” In the case of
10 residential rate design, I do not agree that the Company’s proposed rate design
11 promotes distributed generation. Increasing the reliance on the customer charge for
12 revenue detracts from support for distributed generation and also the principle of
13 “empowering consumers to manage their costs.” Mr. Gorman also states that the
14 Company’s proposal advances the principle of gradualism (9th bullet above),
15 primarily citing the phase-in of the Rate A-60 low income discount. While I agree
16 that the Rate A-60 proposal does advance the principle of gradualism, other aspects
17 of the Company’s proposal – notably the 21.6% rate increase proposed for
18 residential class – detract from gradualism.

19

20 **Q. How do you intend to address the Commission’s Order?**

21 A. I will file supplemental testimony containing final rate design recommendations
22 based on review of the Company’s ACROSS and related schedules. My supplemental
23 testimony will provide a summary of evidence for why each of my proposed
24 changes either advances, is neutral to, or detracts from each rate design principle
25 relative to the Company’s proposal.

26

27 **Q. How do the rate design principles affect the recommendations of the Division**
28 **on low income rate design?**

29 A. The proposal by Division witness Colton significantly advances the principle to
30 “*Provide opportunities to reduce energy burden, and address low income and*
31 *vulnerable customers’ needs*”.

1

2 **Q. One of the recommendations from stakeholders in Docket 4600 was that**
3 **Rhode Island should begin to move toward time varying rates to more**
4 **accurately compensate distributed energy resources for the value they provide**
5 **to the electric grid. Are you proposing time varying rates in this Docket?**

6 A. No. However, I understand that the Division remains committed to developing
7 time-varying rates in concert with a potential deployment of AMI. Those two linked
8 topics could be addressed together in a future proceeding that would both review
9 the AMI study the Company proposes and design some form of revenue neutral
10 time varying rates consistent with the recommendations of Docket 4600
11 stakeholders.

12

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

14 A. Yes.

John G. Athas

Principal Consultant and Vice President

John Athas joined Daymark Energy Advisors (formerly La Capra Associates) in 2006, bringing nearly 30 years of diverse electric industry experience. He has substantial, hands-on skills having worked for an electric utility, a competitive retail electric services provider, a power technology manufacturer, and an energy industry consulting firm. Through extensive practical application, he has assumed leadership roles in market pricing and policy, resource planning, analysis of competitive wholesale and retail markets, financial and risk analysis, strategic planning, and contracts and transactions. With expertise in utility regulation, energy marketing and product development, energy policy, asset valuation, mergers and acquisitions, and corporate strategy, Mr. Athas has provided clients valuable insight from his unique blend of experience in strategy consulting, technical evaluations and energy market participation.

Mr. Athas holds an M.B.A. from the University of Connecticut, an M.S. in Mechanical Engineering from Rensselaer Polytechnic Institute, and a B.E. from Cooper Union.

PROFESSIONAL EXPERIENCE

Rates and Regulation

- Provided expert testimony on behalf of the Nova Scotia Small Business Advocate regarding Nova Scotia Power Inc. proposed tariffs and regulations concerning Sales of Renewable Low Impact Electricity Generated within Nova Scotia by a Retail Seller to a Retail Customer
- Serves as Primary Advisor to the Manitoba Public Utility Board in their Cost of Service Methodology review proceeding
- Provided expert review and critique for Public Service Organization of Oklahoma's request for proposal for baseload generation in support of the Office of the Attorney General.
- Provided review and comment on the Philadelphia Electric Smart Metering Implementation Plan for the Pennsylvania Office of Consumer Advocate
- Drafted changes to proposed demand-side rules in Oklahoma for the Oklahoma Industrial Energy Consumers.
- Managed rates and cost-of-service functions for Northeast Utilities (NU).

Economic Development

- Developed special incentive packages of utility rate discounts and comprehensive energy efficiency investments for large customers in Business Retention and Economic Development circumstances. These packages were coordinated with and integrated into broad incentive packages developed by state and local economic development agencies.
- Provided expert testimony before the Nova Scotia Public Service Board regarding the appropriateness of special load retention tariffs for Nova Scotia Power Incorporated
- Managed NU's economic development and special contracting flexible rate tariffs in Connecticut and Massachusetts.

- Negotiated special contracts with NU's large customers in Massachusetts, Connecticut and New Hampshire.

Integrated Resource Planning

- Collaborating to review and critique the Connecticut utilities' 2010 IRP on behalf of the Connecticut Energy Advisory Board (CEAB), including extending analysis and modeling to 2030.
- Managing consultant leading IRP planning and related regulatory filings for various New England electric utilities and cooperatives, including Green Mountain Power, Washington Electric Cooperative (VT), Vermont Electric Cooperative, and Vermont Marble Power.
- Provided a critique of Public Service of Oklahoma's IRP and Oklahoma Gas & Electric Company's IRP, in response to their joint application to build a base load coal fired generating capacity, on behalf of the Oklahoma Attorney General's Office.
- Managed NU's resource planning function from the inception of Integrated Demand/Supply Planning (now IRP) through 1991.

Market Analysis

- Project manager and principal lead on analysis for Vermont Combined Heat and Power and Distributed Generation Potential Study in 2010 on behalf of Vermont's System Planning Committee.
- Provide principal leadership to the team responsible for the Daymark Energy Advisors' Electric Market Model, which is used to support the analysis for numerous client projects.
- Conducted scenario planning studies for all North America regional power markets (U.S. and Canada). Provided capacity requirements, resource adequacy assessment, and energy price outlooks.
- Conducted scenario planning studies for all North America regional power markets (U.S. and Canada). Provided capacity requirements, resource adequacy assessment, and energy price outlooks.
- Charged with the role of principal for power research and consulting for the Eastern Energy Service, providing insight into the interactions of electric and gas markets within the Eastern Interconnect.
- Led marketing, structuring and product development for Select Energy's retail energy commodity and energy services business.
- Directed market research regarding customer choice and customer satisfaction.
- Supervised market modeling activities for North America (U.S. and Canada) for Cambridge Energy Research Associates (CERA).
- Analyzed power prices and their impacts on clients in the evolving market structures for ISO New England (ISO-NE), New York Independent System Operator (NYISO) and the PJM Interconnection (PJM).
- Supported the development and marketing, while negotiating a power and energy services package to, major retail aggregations and affinity for Select Energy. This includes the largest Municipal Aggregation the Cape Light Compact for communities on Cape Cod and Martha's Vineyard.

Stakeholder Facilitation and Process

- Facilitated information exchange and consensus building between the utilities and stakeholders—for Connecticut's *first IRP since the 1980s*—including multiple generation owners, operators and

developers; energy efficiency planners, regulatory oversight groups and public advocate organizations; environmental agency and environmental advocacy organizations, transmission owners and the regional transmission ISO; and consumers.

- In 2010, facilitated a greatly-expanded process during the subsequent Connecticut IRP to include nuclear power operators, developers, advocates and opposition groups, natural gas utilities and pipeline operators; energy security experts; and CHP developers, policymakers and commercial/industrial business.

Utility Planning

- Project Principal and Witness in the review of acquisition of generation resources in Arkansas (EAI – KGEN Hot Springs, AECC – Suez Hot Spring Plant).
- Managed strategic planning analyses for NU including the areas of competition, integrated resource planning (IRP), and utility strategic and organizational goal development.
- Representation on the Northeast Utilities Service Company Transmission & Distribution Budget and Planning Committee
- Member of the CL&P – Hartford District Storm Restoration Management Team
- Led the team responsible for analysis and presentation materials for executive planning conferences, including utility diversification into energy services and merchant generation.
- Supervised generation planning for a large utility provided economic and financial analysis of power plant construction and capital additions and determined avoided costs.
- Developed a New England market entry business plan for Direct Energy's retail business.
- Advised the management team at Cape Light Compact on the merits of forming an Electric Cooperative.

Expert Witness

- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket 17-041-U IN THE MATTER OF THE PETITION OF ENTERGY ARKANSAS, INC. FOR A DECLARATORY ORDER REGARDING A POWER PURCHASE AGREEMENT FOR A RENE WABLE RESOURCE AND FOR RECOVERY OF AN ASSITIONAL AMOUNT*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket 17-061-U IN THE MATTER OF THE APPLICATION OF THE EMPIRE DISTRIC ELECTRIC COMPANY FOR APPROVAL OF ITS CUSTOMER SAVINGS PLAN*
- Presented expert testimony on behalf of the Nova Scotia Small Business *IN THE MATTER OF The Public Utilities Act, R.S.N.S. 1989, c.380, as amended CI 47124 – NS Power Advanced Metering Infrastructure Project Application (M08349)*
- Presented expert testimony on behalf of the Nova Scotia Small Business Advocate *IN THE MATTER OF The Public Utilities Act, R.S.N.S. 1989, c.380, as amended CI 29807 - Tusket Falls Main Dam Refurbishment Project (M08162)*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket 17-038-U IN THE MATTER OF THE APPLICATION OF SOUTHWESTERN ELECTRIC POWER COMPANY FOR APPROVAL TO ACQUIRE A WIND GENERATING FACILITY AND TO CONSTRUCT A DEDICATED GENERATION TIE LINE*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket 16-060-U IN THE MATTER OF ENENERGY ARKANSAS, INC.APLPLICATION FOR AN*

ORDER FINDING THE DEPLOYMENT OF ADVANCED METERING INFRASTRUCTURE TO BE IN THE PUBLIC INTEREST AND EXEMPTION FROM CERTAIN APPLICATION RULES

- Presented expert testimony on behalf of the Oklahoma Hospital Association in *Cause No. PUD 201500208 APPLICATION OF PUBLIC SERVICE COMPANY OF OKLAHOMA, AN OKLAHOMA CORPORATION, FOR AN ADJUSTMENT TO ITS RATES AND CHARGES AND THE ELECTRIC SERVICE RULES, REGULATIONS AND CONDITIONS OF SERVICE FOR ELECTRIC SERVICE IN THE STATE OF OKLAHOMA*
- Presented expert testimony on behalf of the Oklahoma Hospital Association in *Cause No. PUD 2015500273 APPLICATION OF OKLAHOMA GAS & ELECTRIC COMPANY, AN OKLAHOMA CORPORATION, FOR AN ORDER OF THE COMMISSION AUTHORIZING APPLICANT TO MODIFY RATES, CHARGES AND TARIFFS FOR ELECTRIC SERVICE IN THE STATE OF OKLAHOMA*
- Presented expert testimony on behalf of the New Brunswick Office of Public Intervenor in the continuance of *New Brunswick EUB Matter 271 IN THE MATTER of a review of New Brunswick Power Corporation's Class Cost Allocation Study (CCAS) methodology*
- Presented expert testimony on behalf of the Nova Scotia Small Business Advocate *In the Matter [M06214] of an Application by Nova Scotia Power Inc. concerning Sales of Renewable Low Impact Electricity Generated within Nova Scotia by a Retail Seller to a Retail Customer pursuant to The Electricity Act*
- Presented expert testimony on behalf of the Newfoundland & Labrador Hydro in *Docket No. P.U. 28(2013) AMENDED Newfoundland & Labrador Hydro - 2013 AMENDED General Rate Application Prudence Review*
- Presented expert testimony on behalf of the Oklahoma Hospital Association in *Cause No. PUD 2105500208 APPLICATION OF PUBLIC SERVICE COMPANY OF OKLAHOMA, AN OKLAHOMA CORPORATION, FOR AN ADJUSTMENT IN ITS RATES AND CHARGES AND THE ELECTRIC SERVICE RULES, REGULATIONS AND CONDITIONS FOR ELECTRIC SERVICE IN THE STATE OF OKLAHOMA*
- Presented expert testimony on behalf of the Nova Scotia Small Business Advocate *In the Matter [M06733] of an Application by EfficiencyOne for Approval of a Supply Agreement for Electricity Efficiency and Conservation Activities between EfficiencyOne and Nova Scotia Power Inc., the Establishment of a Final Agreement between the Parties and Approval of the 2016-2018 Demand Side Management ("DSM") Plan-E-ENSC-R-2015*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket 14-118-U IN THE MATTER OF THE PETITION OF ENENERGY ARKANSAS, INC. REQUEST FOR APPROVAL OF THE ACQUISITION OF A GENERATING UNIT AT THE UNION POWER STATION TO SERVE ITS RETAIL CUSTOMERS*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket 15-014-U IN THE MATTER OF THE PETITION OF ENENERGY ARKANSAS, INC. FOR A DECLARATORY ORDER REGARDING A PURCHASE POWER AGREEMENT FOR A RENEWABLE RESOURCE*
- Presented expert testimony on behalf of the New Brunswick Office of Public Intervenor in *New Brunswick EUB Matter 272 IN THE MATTER of a review of New Brunswick Power Corporation's General Rate Application*
- Presented expert testimony on behalf of the Michigan Environmental Council and the National Resources Defense Council in *Michigan 2015 GRC-U-17735 Consumers Energy Company (General Electric Rate Case)*
- Presented expert testimony on behalf of the New Brunswick Office of Public Intervenor in *New Brunswick EUB Matter 271 IN THE MATTER of a review of New Brunswick Power Corporation's Class Cost Allocation Study (CCAS) methodology*

- Presented independent expert testimony on behalf of the Manitoba Public Utilities Board in *2013/14 NFAT Proceeding NEEDS FOR AND ALTERNATIVES TO (NFAT) REVIEW OF MANITOBA HYDRO'S PROPOSAL FOR THE KEEYASK AND CONAWAPA GENERATING STATIONS* (In this Proceedings the filing of reports by Daymark Energy Advisors were the basis for cross examination of Mr. Athas.)
- Presented expert testimony on behalf of the Southern Environmental Law Council in *Case No. PUE-2013-00088 Virginia Electric and Power Company's Integrated Resource Plan* filing pursuant to § 56-597 et seq. of the Code of Virginia
- Presented expert testimony on behalf of the Nova Scotia Small Business Advocate in *Matter NSPI-P-128.13 In the Matter of an Application by Nova Scotia Power Incorporated for Approval of its 2014 Annual Capital Expenditure Plan*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket NO.13-033-U In the Matter of the Petition of the Southwestern Electric Power Company for a Declaratory Order Finding That Certain Renewable Wind Energy Purchase Agreements are Prudent, and Wind Energy Purchase Agreements are Energy Only Contracts Eligible for Cost Recovery Through the Energy Cost Recovery Rider*
- Provided expert testimony on behalf of the Small Business Advocate of Nova Scotia in *NSPI-128-13 In the Matter of an Application by Nova Scotia Power Incorporated for Approval of Capital Expenditure for 2013 for South Canoe Wind Project - CI#42127 for \$93,091,536*
- Provided expert testimony on behalf of the Small Business Advocate of Nova Scotia *NSPI-128-13 In the Matter of an Application by Nova Scotia Power Incorporated for Approval of its 2013 Annual Capital Expenditure Plan*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket NO.12-067-U In the Matter of the Application of Oklahoma Gas and Electric Company for an Oder Approving a Temporary Surcharge to Recover the Costs of a Renewable Wind Generation Facility*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket NO.12-038-U In the Matter of Entergy Arkansas, Inc.'s Request for approval of certain wholesale base load capacity to serve EAI customers and a proposed rider recovery mechanism for these and other capacity costs.*
- Presented expert testimony on behalf of the Citizen's Action Coalition of Indiana before the State of Indiana Utility Regulatory Commission. *In the Matter of the application of Indiana Michigan Power Company requesting from the Commission, 1) A Finding that the Life Cycle Management program for the Donald C. Cooke Nuclear Plant is Reasonable and Necessary, 2) Approving of Cost and Schedule, 3) Authorizing Recovery through a periodic Rate Adjustment Mechanism, 4) Granting I&M Authority to Defer Costs and 5) Grant I&M future Rate Relief as may be Necessary and Appropriate.*
- Presented expert Public Service Commission regarding IRP and Existing Nuclear Capital Projects. *In the Matter of the application of Indiana Michigan Power Company for a certificate of necessity pursuant to MCL 460.6s and related accounting authorizations*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket NO.12-012-U In the Matter of Arkansas Electric Cooperative Corporation for Approval of the Acquisition of the Hot Spring*
- Provided expert testimony on behalf of the Small Business Advocate of Nova Scotia in *Matter M04862 Application by Pacific West Commercial Corporation and NSPI for a Load Retention Rate*
- Provided expert testimony on behalf of the Small Business Advocate of Nova Scotia in *Matter M04175 Proposed Amendments to Nova Scotia Power Inc.'s Load Retention Tariff*

- Provided expert testimony on behalf of the Small Business Advocate of Nova Scotia in *Matter M04892 Main Computer Centre Upgrade*
- Presented expert testimony on behalf of the Arkansas Public Service Commission (ASPC) General Staff in *Docket NO.11-069-U In the Matter of Entergy Arkansas, Inc.'s Request for Approval of the Acquisition of the Hot Spring Plant to Serve its Retail Customers*
- Presented expert testimony on behalf of the Oklahoma Attorney General before the Oklahoma Corporation Commission regarding IRP and baseload coal RFPs. (*Causes Nos. PUD 200500516, 200600030, 200700012, 2006 through 2007.*)
- Presented expert testimony before the Connecticut Department of Public Utility Control (DPUC) for Select Energy in Connecticut regarding its retail licensing application in 2000.
- Testified on customer impacts, pricing levels and utility planning during various electric industry restructuring proceedings in Connecticut and Massachusetts.
- Presented expert testimony on numerous occasions before the Connecticut DPUC regarding special contract approvals.

EMPLOYMENT HISTORY

Daymark Energy Advisors (*formerly La Capra Associates, Inc.*)
Principal Consultant
Managing Consultant

Boston, MA
 2009 - Present
 2006 - 2009

Direct Energy North America

Independent Consultant
Assignment – New England Market Entry Business Plan, Channel Management Plan Development

Stamford, CT
 2005

Northeastern US Markets

Developed a business plan outlining the potential market entry for the client into the New England power market.

Cambridge Energy Research Associates

Associate Director, North American Electric Power
Eastern North American Energy Service Principal

Cambridge, MA
 2001 – February 2005

Developed independent primary research on various aspects of power markets around the Eastern U.S. and Canada, primarily responsible for the Northeast and Midwest markets, including price outlooks for energy and “full requirements” electric power. Analyzed market structure, supply/demand balances, price caps, market clearing prices, capacity markets, and generation technologies.

Northeast Utilities

Director, Retail Business Strategy - Select Energy
Managing Director, Marketing - Select Energy

Berlin, CT

1997 – 2000

Directed market strategy, market research, product development, product management, strategic alliance development, retail electric energy supply management and pricing strategy for Northeast Utilities’ unregulated retail energy service company, Select Energy, formed in 1997. Managed the activities of 31 professionals, including six managers. Negotiated a major retail supply agreement with the Massachusetts Municipal Association, which resulted in participation by 120 cities and towns.

Director, Market Pricing & Policy

1995 – 1997

Directed the work in all areas of pricing for Northeast Utilities and its operating companies: CL&P, WMECo, PSNH and HWPCo, with revenues totaling over \$3 billion. Three managerial units comprised

the pricing organization, Cost of Service, Rates and Special Contracts. Led the development of proposals in unbundled rates prior to the restructuring of electric utility markets in Connecticut and Massachusetts. Responsible for developing utility discount rate and energy efficiency offerings for large customers in Business Retention and Economic Development circumstances, which were coordinated and packaged into state and local economic development agencies incentive packages.

Manager, Market Analysis 1990 – 1995
Led market planning and market research functions in developing strategies to prepare NU for the competitive business environment, including sales force program training and development.

Manager, Strategic Analysis & Long Term Resource Planning 1987 – 1990

Held various positions within the Capacity Planning Department 1981 – 1987

United Technologies Corporation Hartford, CT
Analytical Engineer – International Fuel Cells/Pratt & Whitney Aircraft 1977 – 1981

EDUCATION

University of Connecticut Storrs, CT
Masters of Business Administration 1987

Rensselaer Polytechnic Institute – HGC Troy, NY
M.S., Mechanical Engineering 1982

Cooper Union New York, NY
B.E., Mechanical Engineering 1977
Elected to Pi Tau Sigma – Mechanical Engineering Honorary Fraternity

PROFESSIONAL ACHIEVEMENTS

- Recipient, **1998 Northeast Utilities Chairman's Award** for innovation in developing offerings and negotiating with large aggregation groups
- Recipient, **1996 Northeast Utilities Chairman's Award** and **1996 Retail Business Group's President's Award** for the role in leading efforts in the Retail Competition Pilot in New Hampshire
- Recipient, **Northeast Utilities 1994 Retail Business Group's President's Award** for developing and successfully implementing special utility contracting efforts
- Licensed **Professional Engineer** - State of Connecticut
- Past appointee to the **Electric Power Research Institute (EPRI)** Industrial Business Unit Council
- Participation in the Energy Committee of the Manufacturer's Alliance of Connecticut, Inc.
- Participation in various **NEPOOL** Committees
- Member of the **Association of Energy Engineers**
- Author of the paper '**Fulfilling on the Promises of Deregulation**'
- Speaking experience includes:
 - 2012, Speaker at EUCI *Resource Planning: A Practitioner's Toolkit for Current Issues*
 - U.S. Chamber Of Commerce Satellite Seminar Series on Deregulation
 - Massachusetts HEFA sponsored conference on *Organizing Energy Buying Groups*

- INFOCAST Seminars on *Negotiating Power Contracts*
- Interview on a nationally syndicated news show, *First Business*, on energy deregulation

Summary of Testimony Appearances for John G. Athas

Docket No.	Date	Name
Various	1983-1991	Miscellaneous Dockets before the Connecticut DPUC, Connecticut Siting Council, Massachusetts DPU, and Massachusetts Energy Facility Siting Council on Generation and Integrated Resource Planning topics
-----	1993	Connecticut DPUC Docket on Retail Wheeling and Transmission Access
-----	1994	Massachusetts DPU Docket on Electric Industry Restructuring
91-04-05	August, 1991	Application of Connecticut Natural Gas Corp. for Approval of New and Modified Tariffs
94-05-13	July 13, 1994	Application of the Connecticut Light and Power Company and Kimberly-Clark Corporation for Approval of a Special Rate Contract ⁵⁶ for Provision of Firm Service to Kimberly-Clark Corporation
93-12-34	April 27, 1994	Application of the Connecticut Light and Power Company and Hamilton Standard for Approval of Special Electric Rate Contract
99-08-03	August, 1999	Application of Select Energy, Inc. for an Electric Supplier License
08-07-01*	September, 2008	DPUC Review of Connecticut 2008 Comprehensive Electric Procurement Plan (Integrated Resource Plan)
09-05-02*	July, 2009	DPUC Review of Connecticut 2009 Comprehensive Electric Procurement Plan (Integrated Resource Plan)
10-02-07*	June, 2010	DPUC Review of Connecticut 2010 Comprehensive Electric Procurement Plan (Integrated Resource Plan)
NSPI-P-202/M40175	August, 2011	An Application by NewPage Port Hawkesbury Corp. and Bowater Mersey Paper Company Ltd for Amendments to Nova Scotia Power's Load Retention Tariff and for a Load Retention Rate
11-069-U**	October, 2011	In the Matter of Entergy Arkansas, Inc.'s Request for Approval of the Acquisition of the Hot Spring Plant to Serve its Retail Customers
CAUSE NO. PUD 201100186**	February, 2012	Application of Oklahoma Gas & Electric Company for an Order of the Commission approving a Special Contract with Oklahoma State University and a Wind Energy Purchase Agreement
M04892**	May, 2012	Main Computer Centre Upgrade (Capital Improvements Data Centre)
NSPI-P-203/M04862	June, 2012	An Application by Pacific West Commercial Corporation and Nova Scotia Power Inc. for a Load Retention Rate
12-012-U**	June, 2012	In the Matter of Arkansas Electric Cooperative Corporation for Approval of the Acquisition of the Hot Spring Generating Facility Near Malvern, Arkansas
U-17026**	August, 2012	In the Matter of the application of Indiana Michigan Power Company for a certificate of necessity pursuant to MCL 460.66 and related accounting authorizations.
IURC Cause No. 44182	August, 2012	In the Matter of the application of Indiana Michigan Power Company requesting from the Commission, 1) A Finding that the Life Cycle Management program for the Donald C. Cooke Nuclear Plant is Reasonable and Necessary, 2) Approving of Cost and Schedule, 3) Authorizing Recovery through a periodic Rate Adjustment Mechanism, 4) Granting I&M Authority to Defer Costs and 5) Grant I&M future Rate Relief as may be Necessary and Appropriate.
12-038-U	September, 2012	In the Matter of Entergy Arkansas, Inc.'s Request for approval of certain wholesale base load capacity to serve EAI customers and a proposed rider recovery mechanism for these and other capacity costs.
12-067-U	October, 2012	In the Matter of the Application of Oklahoma Gas and Electric Company for an Order Approving a Temporary Surcharge to Recover the Costs of a Renewable Wind Generation Facility
NSPI-P-128.13	January, 2013	In the Matter of an Application by Nova Scotia Power Incorporated for Approval of its 2013 Annual Capital Expenditure Plan
NSPI-P-128.13	January, 2013	In the Matter of an Application by Nova Scotia Power Incorporated for Approval of Capital Expenditure for 2013 for South Canoe Wind Project - CI#42127 for \$93,091,536
13-033-U	August, 2013	IN THE MATTER OF THE PETITION OF SOUTHWESTERN ELECTRIC POWER COMPANY FOR A DECLARATORY ORDER FINDING THAT CERTAIN RENEWABLE WIND ENERGY PURCHASE AGREEMENTS ARE PRUDENT, AND WIND ENERGY PURCHASE AGREEMENTS ARE ENERGY ONLY CONTRACTS ELIGIBLE FOR COST RECOVERY THROUGH THE ENERGY COST RECOVERY RIDER
NSPI-P-128.13	February, 2014	In the Matter of an Application by Nova Scotia Power Incorporated for Approval of its 2014 Annual Capital Expenditure Plan
Case No. PUE-2013-00088	February, 2014	Virginia Electric and Power Company's Integrated Resource Plan filing pursuant to § 56-597 et seq. of the Code of Virginia
PUB NFAT Proceeding***	April, 2014	NEEDS FOR AND ALTERNATIVES TO (NFAT) REVIEW OF MANITOBA HYDRO'S PROPOSAL FOR THE KEELYASK AND CONAWAPA GENERATING STATIONS
New Brunswick EUB Matter 271	April, 2014	IN THE MATTER of a review of New Brunswick Power Corporation's Class Cost Allocation Study (CCAS) methodology
Michigan 2015 GRC-U-17735	April, 2015	Consumers Energy Company (General Electric Rate Case)
New Brunswick EUB Matter 272	May, 2015	IN THE MATTER of a review of New Brunswick Power Corporation's General Rate Application
NSPI-P-128.13 Matter No. 06733	June, 2015	In the Matter of an Application by EfficiencyOne for Approval of a Supply Agreement for Electricity Efficiency and Conservation Activities between EfficiencyOne and Nova Scotia Power Inc., the Establishment of a Final Agreement between the Parties and Approval of the 2016-2018 Demand Side Management ("DSM") Plan-E-ENSC-R-2015
APSC 15-014-U	June, 2015	IN THE MATTER OF THE PETITION OF ENENERGY ARKANSAS, INC. FOR A DECLARATORY ORDER REGARDING A PURCHASE POWER AGREEMENT FOR A RENEWABLE RESOURCE
APSC 14-118-U	July, 2015	IN THE MATTER OF THE PETITION OF ENENERGY ARKANSAS, INC. REQUEST FOR APPROVAL OF THE ACQUISITION OF A GENERATING UNIT AT THE UNION POWER STATION TO SERVE ITS
CAUSE NO. PUD 201500208	October, 2015	APPLICATION OF PUBLIC SERVICE COMPANY OF OKLAHOMA, AN OKLAHOMA CORPORATION, FOR AN ADJUSTMENT IN ITS RATES AND CHARGES AND THE ELECTRIC SERVICE RULES, REGULATIONS AND CONDITIONS FOR ELECTRIC SERVICE IN THE STATE OF OKLAHOMA
NO. P.U. 28(2013) AMENDED****	November, 2015	Newfoundland & Labrador Hydro - 2013 AMENDED General Rate Application Prudence Review
APSC 16-060-U	June, 2017	IN THE MATTER OF ENENERGY ARKANSAS, INC. APPLICATION FOR AN ORDER FINDING THE DEPLOYMENT OF ADVANCED METERING INFRASTRUCTURE TO BE IN THE PUBLIC INTEREST AND EXEMPTION FROM CERTAIN APPLICATION RULES
APSC 17-038-U	December, 2017	IN THE MATTER OF THE APPLICATION OF SOUTHWESTERN ELECTRIC POWER COMPANY FOR APPROVAL TO ACQUIRE A WIND GENERATING FACILITY AND TO CONSTRUCT A DEDICATED GENERATION TIE LINE
NSUAB Matter No. 08162	December, 2017	IN THE MATTER OF The Public Utilities Act, R.S.N.S. 1989, c.380, as amended CI 29807 - Tuskett Falls Main Dam Refurbishment Project (M08162)
NSUARB Matter No.08349	January, 2018	IN THE MATTER OF The Public Utilities Act, R.S.N.S. 1989, c.380, as amended CI 47124 - NS Power Advanced Metering Infrastructure Project Application (M08349)
APSC 17-061-U	February, 2018	IN THE MATTER OF THE APPLICATION OF THE EMPIRE DISTRICT ELECTRIC COMPANY FOR APPROVAL OF ITS CUSTOMER SAVINGS PLAN
APSC 17-041-U	February, 2018	IN THE MATTER OF THE PETITION OF ENTERGY ARKANSAS, INC. FOR A DECLARATORY ORDER REGARDING A PURCHASE POWER AGREEMENT FOR A RENEWABLE RESOURCE AND FOR
* In these Dockets the Filing of the IRP Plans served as the basis for cross examination topics for Mr. Athas		
** In these Proceedings Mr. Athas filed testimony yet was not asked to appear for cross examination		
*** In this Proceedings the filing of reports by La Capra Associates NOW Daymark Energy Advisors were the basis for cross examination of Mr. Athas.		
**** In this Proceedings the filing of reports by La Capra Associates now Daymark Energy Advisors were the basis for cross examination of Mr. Athas.		
Jointly Considered		
CAUSE NO. PUD 200500516	June 27, 2007	APPLICATION OF PUBLIC SERVICE COMPANY OF OKLAHOMA FOR A DETERMINATION THAT ADDITIONAL ELECTRIC GENERATING CAPACITY WILL BE USED AND USEFUL
CAUSE NO. PUD 200600030	June 27, 2007	APPLICATION OF PUBLIC SERVICE COMPANY OF OKLAHOMA FOR A DETERMINATION THAT ADDITIONAL BASELOAD GENERATING CAPACITY WILL BE USED AND USEFUL
CAUSE NO. PUD 200700012	June 27, 2007	IN THE MATTER OF THE APPLICATION OF OKLAHOMA GAS AND ELECTRIC FOR AN ORDER OF THE COMMISSION GRANTING PRE-APPROVAL TO CONSTRUCT RED ROCK GENERATING FACILITY AND AUTHORIZING A RECOVERY RIDER

SecnCus
Class Cost of Service Study (\$000s)
Source: Sch. HSG-1F-4

Line Reference	ACCOUNT	RESIDENTIAL
	Secondary Services Cost in Rate Base	
19	Services	95,006
48	Depreciation Reserve	38,958
59	Other Rate Base	(5,475)
61	TOTAL RATE BASE	50,573
	Secondary Services Cost Revenue Requirement	
	Annual Expenditures	
88	Oper. & Maint. Exp.	18.51
111	Property Insurance	515.22
112	Injuries and Damanges Insurance	217.07
114	Regulatory Comm Expenses	188.92
189	Uncollectibles - Delivery	196
	TOTAL ANNUAL EXPENDITURES	1,136
	Revenue Requirements from Capital Expenditures	
134	Net Additions and Retirements Depreciation	287
129	Services Depreciation	9,386
139	Municipal Property Tax	2,074
141	Other Tax, Reg Deferrals	35
194	Target Return on Rate Base	3,758
195	Income Taxes to Recover	1,475
	TOTAL REVENUE REQUIREMENT FROM CAPITAL INVESTMENT	17,014
199	TOTAL REVENUE REQUIREMENT FROM SECONDARY SERVICES	18,150

BillCus

Class Cost of Service Study (\$000s)

Source: Sch. HSG-1F-5

Line Reference	ACCOUNT	RESIDENTIAL
	Billing Customer Cost in Rate Base	
20	Meters	32,234.38
21	Install on Cust Premises	104.13
28	General Plant	7,951
48	Depreciation Reserve	(29,403)
59	Other Rate Base	2,957
	TOTAL RATE BASE	13,842.84
	Billing Customer Cost Revenue Requirement	
	Annual Expenditures	
70	Dist Oper-Supervision & Eng	85.2
76	Dist Oper-Electric Meters	802.02
78	Dist Oper-Misc Expenses	264.46
79	Dist Oper-Rents	7.85
80	Dist Maint-Supervision & Eng	37
87	Dist Maint-Electric Meters	32
91	Supervision	604
92	Meter Reading Exp- Comp	216
93	Cust Recs & Coll	10,511
95	Misc Cust Acct	798
98	Cust Service-Supervision	25
99	Cust Assistance Expenses	460
100	Info&Instruct Advertising Exp	209
101	Cust Service-Misc Expenses	445
102	Demo & Selling Expenses	116
103	Sales-Misc Expenses	234
108	A&G-Salaries	3,132
109	A&G-Office Supplies	1,066
110	A&G-Outside Services	910
111	Property Insurance	218
112	Injuries & Damages Insurance	92
113	Employee Pensions & Benefits	4,117
114	Regulatory Comm Expenses	38
115	A&G-Misc Expenses	0
116	A&G-Rents	2,716
117	A&G Maint-Gen Plant-Elec	34
173	TOTAL ANNUAL EXPENDITURES	27,169

Revenue Requirements from Capital Expenditures

130	Meters	1,820
131	Install on Cust Premises	568
134	Net Additions and Retirements Depreciation	121.86
139	Municipal Property Tax	402.76
140	Payroll Related	700.15
141	Other Tax, Reg Deferrals	7
149	Interest on Customer Deposits	6
189	Uncollectibles-Delivery	397
194	Target Return on Rate Base	1,029
195	Income Taxes to Recover	403.68
TOTAL REVENUE REQUIREMENT FROM CAPITAL INVESTMENT		5,455
199	TOTAL REVENUE REQUIREMENT FROM BILLING CUSTOMER	32,624

Case ID	Customer Charge	Cust Charge (\$/cust-mo)	Energy Charge (\$/kWh)	Min Distrib Bill (\$/cust-mo)	Max kWh for Min Bill Impact	Revenue from Fixed Charges (\$M)	Revenue from per kWh Charges (\$M)	% Rev from Fixed	% Rev from per kWh
Rate Designs WITHOUT minimum distribution bill									
1	NECo Proposed (\$8.50)	\$ 8.50	0.04438	\$ -	n/a	\$ 44.92	\$ 130.78	26%	74%
2	Stay at Current (\$5)	\$ 5.00	0.05066	\$ -	n/a	\$ 26.42	\$ 149.27	15%	85%
3	Increase by % class rev incr. (21.6%)	\$ 6.08	0.04872	\$ -	n/a	\$ 32.13	\$ 143.56	18%	82%
Rate Designs WITH minimum distribution bill									
1M	NECo Proposed (\$8.50)	\$ 8.50	0.04435	\$ 9.61	25	\$ 45.01	\$ 130.69	26%	74%
2M	Stay at Current (\$5)	\$ 5.00	0.05039	\$ 9.61	91	\$ 27.22	\$ 148.48	15%	85%
3M	Increase by % class rev incr. (21.6%)	\$ 6.08	0.04855	\$ 9.61	73	\$ 32.64	\$ 143.05	19%	81%



