

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UE 374

In the Matter of)	
PACIFICORP d/b/a PACIFIC POWER)	OPENING TESTIMONY OF
Request for a General Rate Revision)	WILLIAM A. STEELE
_____)	

I. INTRODUCTION, PURPOSE AND SUMMARY OF TESTIMONY

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is William A. Steele. My business address is 9554 Brentford Drive, Highlands Ranch, CO 80130.

Q. WHAT IS YOUR OCCUPATION?

A. I am an independent consultant in the field of public utility regulation and president of Bill Steele and Associates LLC. A more detailed description of my qualifications is set forth in my Statement of Qualifications at the conclusion of my Answer Testimony as Attachment WAS-1.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS CASE?

A. I am testifying on behalf of the Small Business Utility Advocates (SBUA).

Q. WOULD YOU PLEASE DESCRIBE WHO IS SBUA?

A. SBUA is a nonprofit 501(c)(3) organization that represents, protects, and promotes the interests of small business utility customers. SBUA has over 200 members, of which many are Oregon-based entities. Several Oregon SBUA members are small commercial customers of PacifiCorp d/b/a Pacific Power ("Company"). SBUA provides information and assistance to small business with regard to utility matters. SBUA represents the small business community regarding proceedings before utility commissions and other public bodies, educates and provides advice to small businesses with respect to utility service.

1 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE A PUBLIC UTILITY**
2 **COMMISSION?**

3 **A.** Yes. I have testified before the Colorado Public Utilities Commission (“CPUC”) on
4 numerous occasions.

5 **Q. HAVE YOU TESTIFIED PREVIOUSLY BEFORE ANY OTHER PUBLIC**
6 **UTILITY COMMISSION?**

7 **A.** Yes. I have testified before the Nevada Public Utilities Commission.

8 **Q. WHAT OTHER RELEVANT EXPERIENCE HAVE YOU HAD IN UTILITY**
9 **REGULATION?**

10 **A.** Prior to becoming an independent utility consultant, I spent over 30 years as a rate/
11 financial analyst at the CPUC in the capacity as a witness for trial staff and later in my career
12 as an advisor to the CPUC Commissioners. I have also been an instructor for over 20 years at
13 the Center of Public Utilities (“CPU”) at New Mexico State University, teaching at its semi-
14 annual Basics of Regulation training conference. In addition to teaching at the CPU, I also
15 teach a training course for an organization called EUCI in the Federal Energy Regulatory
16 Commission Uniform System of Accounts (“USofA”) accounting for electric and gas utilities
17 and a course on Alternative Ratemaking Mechanisms. In addition, I provided in-house
18 training service for some of the following organizations: the Colorado Public Utilities
19 Commission, the Montana Public Service Commission, Otter Tail Power, Cobb MEC and a
20 consortium of executives from electric distribution utilities in Nigeria. Recently I was a
21 panelist for the National Regulatory Research Institute’s May 27, 2020 webinar on the impact
22 of COVID-19 cost on ratemaking, where I discussed accounting methods.

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1 **Q. WHAT IS YOUR EXPERIENCE WITH SMALL COMMERCIAL CUSTOMERS**
2 **AND ELECTRIC UTILITIES?**

3 **A.** I have had experience dealing with issues with small commercial customers when I was a
4 Principal Financial Analyst at the Colorado Public Utilities Commission. After I retired from
5 the CPUC, I was asked by the Colorado Office of Consumer Counsel (OCC) if I would apply
6 to be on their Utility Consumers' Board (UCB). In January 1999, I was appointed by Governor
7 Hickenlooper to the UCB to serve as one of the board members representing small business
8 interests. In March 2020, I was reappointed to the UCB by Governor Polis to continue in my
9 role as serving the interests of small businesses.

10 **Q. WHAT IS THE PURPOSE OF THE COLORADO OFFICE OF CONSUMER**
11 **COUNSEL?**

12 **A.** The Office of Consumer Counsel (OCC) was created by the legislature in 1984 to
13 represent the public interest and the specific interests of residential, small business and
14 agricultural consumers in electric, natural gas, and telecommunications rate and rulemaking
15 cases before the Public Utilities Commission (PUC), federal agencies, and the courts.
16 The OCC plays a significant role in advocating for these constituent consumers' interests in
17 multimillion-dollar rate proceedings involving energy. Utility regulatory proceedings are very
18 technical, complex, and complicated, requiring specialized analyses and modeling tools,
19 resources not readily available to the average citizen or small business owner. I recently filed
20 testimony on behalf the OCC on Class Cost-of-Service and rate design issues in Public Service
21 of Colorado's natural gas rate case filing in Docket No.20A1-0049G.

22 **Q. WHAT IS THE PURPOSE OF THE UCB?**

23 **A.** The UCB represents the public interest of Colorado utility users and specifically the
24 interests of residential, agricultural, and small business users by providing general policy
25 guidance and oversight to the OCC and its director: General policy guidance regarding rate
26 cases, rulemaking proceedings, legislative projects, general activities, and priorities of the

1 office, gather data and information and formulate policy positions to advise the OCC in
2 preparing analysis and testimony on legislation, confer with the executive director of the
3 Department of Regulatory Agencies (“DORA”) on the hiring of the OCC director and
4 consulting with DORA’s executive director on the annual performance evaluation of OCC and
5 its directors.

6 **Q. WHAT ARE SBUA’S AREAS OF INTEREST IN THIS PROCEEDING?**

7 **A.** SBUA's areas of interest in this docket includes reviewing the Company’s proposal for its
8 revenue requirements, class cost-of-service studies and rate design, application of the 2020
9 PacifiCorp Inter-Jurisdictional Allocation Protocol (“2020 Protocol”), and other topics related
10 to rates and terms and conditions of service for small business focusing on Small Commercial
11 customers focusing on Schedule 23. There are 82,924 Schedule 23 customers in Oregon per
12 PacifiCorp’s witness. PAC/1408 Meredith/78. These customers pay PacifiCorp d.b.a Pacific
13 Power for electric service according to the terms set for this ratepayer class.

14 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?**

15 **A.** Based on its stated interest in UE-374, SBUA requested that I review PacifiCorp’s Advice
16 No. 20-001 Docket UE 374 – PacifiCorp’s Request for General Rate Revision filed with the
17 Commission on February 14, 2020 and prepare testimony as its relates to PacifiCorp’s filing
18 and the interests of SBUA.

19 **Q. HOW IS YOUR TESTIMONY ORGANIZED?**

20 **A.** My Opening Testimony is organized as follows: Section I is the introduction and purpose
21 and summary of my testimony. Section II of my testimony discusses the Company’s rate
22 design proposals, suggests how these rate design proposals should be applied to Schedule 23
23 customers in Oregon, the application of the 2020 Protocol to this rate case, the Company’s
24 responses to SBUA’s discovery requests, and the potential impact of COVID-19. Section III of
25 my opening testimony includes my conclusions and recommendations.

1
2 **Q. PLEASE SUMMARIZE YOUR RECOMMENDATIONS.**

3 **A.** Based upon my analysis of the Company's filing and discovery responses, I recommend
4 the following:

5 Where practical SUBA would like similar rate design proposals that PacifiCorp offers its
6 residential customer class to be offered to the Schedule 23 rate class customers;

7 When practical PacifiCorp should update the AMI data for Schedule 23 for a full 12 month
8 period;

9 Where practical Schedule 23 data should be broken out in such reports as the Integrated
10 Resource Plan and Protocol 2020 reports;

11 And the Oregon PUC should establish a reporting mechanism as an outcome of any rate relief
12 in UE-374 which tracks the revenue and sales volumes from what are approved to actual
13 results. SBUA would request this reposting would include this information by rate class
14 especially for Schedule 23.

15 **II. RATE DESIGN PROPOSALS, 2020 PROTOCOL, RESPONSES TO SBUA'S**
16 **DISCOVERY REQUESTS, AND THE POTENTIAL IMPACT OF COVID-19**

17 **Q. DID YOU REVIEW THE AREAS OF INTEREST SBUA CITED IN ITS**
18 **PETITION?**

19 **A.** Yes, I reviewed the revenue requirements, class cost-of-service studies and rate design,
20 and application of the 2020 Protocol.

21 **Q. WHAT DID YOU CONCLUDED FROM YOUR REVIEW?**

22 **A.** Although I reviewed each area listed in SBUA's Petition to Intervene, because of time
23 constraints I focused in on the rate design issues for Schedule 23 customers, since based on my
24 review of the company's testimony and other parties discovery requests, only SBUA was
25 focusing on the impacts of this rate case especially on Schedule 23. Also, Lockey says on
26

1 Lockey/8 that updated rate design is a major driver in this General Rate Request. So I found
2 the most significant input I had to be in the area of rate design.

3 **Q. WHAT ARE SBUA's RATE DESIGN RECOMMENDATIONS?**

4 **A.** SBUA recommends the Oregon PUC direct PacifiCorp to evaluate and consider rate
5 design options similar to those options it is offering in the filing for residential rate class to the
6 Schedule 23 rate class. SBUA requests also that the Commission direct PacifiCorp to collect
7 the necessary data to be able analyze and evaluate offering these similar residential or
8 alternative rate design offers to customers in the Schedule 23 rate class.

9 **Q. DID MR. MEREDITH DISCUSS IN THIS TESTIMONY THE CONCEPT OF**
10 **RATE DESIGN PROPOSALS THAT GIVE CUSTOMERS OPTIONS?**

11 **A.** Yes. On page 27 of his testimony, lines 5-7 Mr. Meredith states:

12 "Giving customers choices means providing more than one option for how a customer
13 will charged for the services they receive from the utility. When customers have different
14 options, this creates possibilities for bill savings, utility cost reductions, and the ability to
use electricity in new and beneficial ways."

15 **Q. DO YOU HAVE ANY COMMENTS ON PACIFICORP'S PROPOSAL OF GIVING**
16 **CUSTOMERS CHOICES?**

17 **A.** I agree with PacifiCorp's concept of giving customer choices, however, most of the rate
18 design proposal that the company is offering in its rate design proposals is geared to the
19 residential customer class and not the Schedule 23 rate schedule.

20 **Q. DOES THE COMPANY PROPOSE ANY CHANGES FOR THE STRUCTURE OF**
21 **SCHEDULE 23/723 SMALL GENERAL SERVICE RATES?**

22 **A.** On page 47 of Mr. Meredith's states the company is not making any changes to the
23 structure of Scheduled 23/723 and stated the following:

24 "The Company does not yet have a full 12 months of profile data from Schedule 23
25 customers from AMI and therefore does not have the data necessary to develop billing
26 determinants for demand and load size charges for monthly kW usage less than 15. In a
future case, when this data is available, the Company will consider a transition to a
structure with demand and load size charges at all levels and flat energy charges. In this

case, Schedule 23/723 rates have been modified to collect the target revenue requirement and to track functionalized costs.”

Q. WHAT DO YOU THINK OF THE INFORMATION PAC / 700 LINK/110 WHERE THE FORECASTING IS DONE BY RATE CLASS BUT LINK DISCUSSES COMMERCIAL AS ONE SUBJECT?

A. I would recommend that if PacifiCorp is grouping all the commercial classes together then they should separate out these classes. If PacifiCorp in its load forecast is not segregating the Schedule 23 customers from the rest of the commercial customers then the Oregon PUC should direct PacifiCorp to do so.

Q. WHAT MARKETING OUTREACH DOES PACIFICORP MAKE TO ITS SMALL NONRESIDENTIAL/GENERAL SERVICE CUSTOMERS?

A. In its Response to SBUA Data Request 0011 SBUA asked the Company to please provide any studies, reports or other data that show PacifiCorp’s outreach, marketing, and education efforts that are uniquely and specifically targeted to Schedule 23 customers. The Company responded that PacifiCorp has no specific outreach, marketing, and education efforts that are uniquely and specifically targeted to Schedule 23 customers. As I stated earlier in my testimony that there seems to be more of a focus in the company’s testimony and in the discovery request submitted by other parties that not much specify attention is being afforded to the Schedule 23 rate class customers in this proceeding.

Q. WHAT BENEFITS ARE DERIVED FROM INCLUDING SMALL NONRESIDENTIAL CUSTOMER CLASS AS A REGULAR STAKEHOLDER IN RATEMAKING PROCEEDINGS?

A. Consumer engagement in the energy system has the potential to produce significant benefits to the system and to private consumers. Consumers can engage through reducing energy demand, shifting demand and reducing peaks, fuel switching and decentralized electricity production and storage. Small General Service Customers make up a very significant portion of Pacific Power customer. We can see in PAC 100/Bird 4, that small

1 commercial customers make up the second most numerous customer classes. Commercial
2 customers make up 77,267 of 5,373,138 MWh (out of 12,995,886 MWh) the second largest
3 group behind residential, PAC 100/Bird 4, and experience the greatest impact in a given
4 docket, such as this one. The contribution of consumers to reduce and shift demand has
5 significant value in the energy system.

6 It has been my regulatory experience that small commercial customer group participation
7 represented by their advocacy organization in proceedings are crucial. Because of the
8 numerous hats a small business needs to wear in managing the various aspects of their small
9 business these small commercial customers are very knowledgeable. Therefore, when they are
10 engaged in the regulatory process they can understand key concepts that the price of electric
11 can vary by the time of day and if possible with this type of knowledge small commercial
12 customers may change their usage patterns during the day. They also understand the concept of
13 energy efficiency in that additional generation is a capital like the capital costs they incur in
14 their small business and again by changing usage patterns which can delay capital outlays.
15 These small commercial customers have to make various cost options decisions in their daily
16 business operations and would appreciate and could take advantage of the similar rate options
17 PacifiCorp is offering in the filing to the residential rate class.

18 **Q. WHAT DOES SBUA REQUEST FROM PACIFICORP OF RATE DESIGN**
19 **PROPOSALS FOR ITS SCHEDULE 23 CUSTOMERS?**

20 **A.** Where practical SBUA would like similar rate design proposals that PacifiCorp offers its
21 residential customer class to be offered to the Schedule 23 rate class customers.

22 **Q. PLEASE EXPLAIN ONE BY ONE THE RESIDENTIAL RATE DESIGN**
23 **PROPOSALS SBUA WOULD LIKE TO HAVE OFFERED TO ITS SCHEDULE 23**
24 **MEMBERS.**

25 **A.** The Company is proposing splitting the residential Basic Charge into two separate
26 charges for customers living in single-family and multi-family dwellings. SBUA would like the

1 company to explore a similar rate design for Schedule 23 customers who take service in
2 smaller building facilities compared those who are in larger building complexes.

3 **Q. WHAT INFORMATION IS AVAILABLE FROM THE DATA PRESENTED TO**
4 **THAT WOULD ENABLE THE COMPANY TO EXPLORE THAT?**

5 **A.** By now the Company has the 12 months of AMI that it needs to be able to explore that at
6 least in a pilot project. In its response to SBUA DR16 the Company stated it did not have this
7 information, but now it does and it could update its June 2019 information with this.

8 **Q. WHAT IS ANOTHER CHANGE PACIFICORP IS PROPOSING IN RATE**
9 **DESIGN IN THIS RATE CASE?**

10 **A.** PacifiCorp is recommending for the residential energy a reduction in the differential
11 between the price on the first tier and the second tier as a reasonable and gradual change that is
12 in the interest of PacifiCorp's customers. SBUA would also like a similar rate design proposal
13 for its Schedule 23 customers.

14 **Q. IS THE TIME OF USE PILOT AN EXAMPLE OF ANOTHER RATE DESIGN**
15 **PROPOSAL IN THIS RATE CASE?**

16 **A.** Yes. On page 41 of his testimony, Mr. Meredith sets forth the company's proposal for a
17 residential time of use pilot. SBUA would also request PacifiCorp offer a similar proposal
18 geared to its Schedule 23 customers.

19 **Q. ISN'T TIME OF USE ALREADY OFFERED TO SMALL COMMERCIAL**
20 **CUSTOMERS?**

21 **A.** Yes, time of use is already offered, if you are referring to the Company's response to
22 SBUA DRs 0011-0015. In its responses to those data requests, PacifiCorp identified how
23 Schedule 210 time of use was available to Schedule 23 customers and that some used it but
24 only approximately 266 Schedule 23 customers. However, in its response to SBUA DR 0011,
25 PacifiCorp responded that it has no specific outreach, marketing, and education efforts targeted
26 to the Schedule 23 customer, so education on the benefits of time of use may not be clearly

1 understood by this customer class. Also, given the recent and severely detrimental COVID 19
2 impact on small business that may be seen in SBUA/200 White's testimony filed here it
3 appears even more justified, and particularly timely, to explore time of use pilots among certain
4 Schedule 23 customers.

5 **Q. HOW DO YOU SUGGEST THE COMPANY IDENTIFY WHICH SCHEDULE 23**
6 **CUSTOMERS MAY BENEFIT FROM TIME OF USE OR OTHER RATE DESIGN**
7 **OPTIONS?**

8 **A.** It is my understanding that the Energy Trust of Oregon has information on small
9 commercial customers that may inform the Company to address specifically the Schedule 23
10 customer. This is supported by Ronald White Jr.'s testimony in SBUA/200 White. Also, as I
11 stated earlier in my testimony, small business itself or SBUA may provide
12 information very helpful to PacifiCorp in this regard if the Company were to increase its
13 outreach to customers and entities like SBUA that focus on small commercial customers.

14 **Q. WHAT WOULD A ROBUST RECORD JUSTIFYING THE RATE REQUEST**
15 **INCLUDE REGARDING THE 2020 PROTOCOL THAT IS NOT INCLUDED IN THIS**
16 **RECORD?**

17 **A.** A robust record would include a breakout of Schedule 23 load growth rather than
18 aggregating all commercial load growth in the load forecast. This would help ensure that
19 Oregon's small nonresidential ratepayers were not paying for commercial customers elsewhere.
20 Also there should be, if not already, periodic reporting of the Protocol 2020 allocation results
21 with a break in our of Schedule 23 results so SBUA can monitor the allocation process and
22 results in between rate cases. And that reporting should be part of the 2020 Protocol docket
23 record.

24 **Q. DO YOU HAVE ANY RECOMMENDATIONS REGARDING PACIFICORP'S**
25 **REVENUE REQUIREMENT AND COVID-19?**

26

1 **A.** The Oregon PUC should establish a reporting mechanism as an outcome of any rate relief
2 in UE-374 which tracks the revenue and sales volumes from what are approved to actual
3 results. SBUA would request this reporting would include this information by rate class
4 especially Schedule 23.

5 **OTHER ISSUES**

6 **Q. DO YOU HAVE ANY COMMENTS TO PACIFICORP'S RESPONSE TO SBUA'S**
7 **DATA REQUEST 18 IN WHICH PACIFICORP STATES THAT THE DEFINITION OF**
8 **SMALL NONRESIDENTIAL CONSUMER IS SET FORTH IN OREGON**
9 **ADMINISTRATIVE RULE (OAR) 800-038-005?**

10 **A.** If PacifiCorp finds in its rate class/applicability criteria review of any rate class that
11 changes need to be made to the OAR then it should notify the Commission of the need for such
12 changes. It should also provide the Commission suggested language for the rule change. Each
13 time PacifiCorp files a Phase II Class Cost of Service Schedule ("CCOSS") and rate design
14 filing with the Oregon Public Utilities Commission it should review rate class/rate applicability
15 criteria as part of its filing.

16 **Q. DO YOU HAVE ANY COMMENTS REGARDING DEMAND SIDE**
17 **MANAGEMENT AND SMALL GENERAL SERVICE?**

18 **A.** Most small commercial customers if presented in terms and a rate design option would
19 engage in demand side management since it could potentially save them money and they also
20 understate the importance of conserving capital outlays. I also believe most individual and
21 small commercial customers understand the environmental issues surround electric generation
22 and the desire for it to transition to reduced load and a renewable generation technology.

23 **Q. DO YOU HAVE ANY COMMENTS REGARDING PACIFICORP'S RESPONSE**
24 **TO SBUA'S DATA REQUEST 0032?**

25 **A.** With the growth sophistication of customer accounting and billing systems, PacifiCorp
26 should investigate the feasibility of identifying bad debt expense at the rate schedule level in

1 order to ensure each rate class is pay for its fair share of it cost-of-service which includes its
2 rate class bad debt expense.

3 **III CONCLUSIONS AND RECOMMENDATIONS**

4 **Q. WHAT ARE YOUR CONCLUSIONS?**

5 **A.** Schedule 23 customers should be offered similar rate design and pricing options as
6 PacifiCorp is offering its residential class in this filing. PacifiCorp should now or soon have
7 the AMI data to obtain information necessary to review these options. PacifiCorp should be
8 sure to separate out Schedule 23 related information in its data collection and reporting to the
9 Oregon PUC in 2020 Protocol, Integrated Resource Planning reports, and any update reporting
10 impacting customer rates.

11 **Q. WHAT ARE YOUR RECOMMENDATIONS?**

12 **A.** Based upon my analysis of the Company's filing and discovery responses, I recommend
13 that the Commission approve the following:

14 **1.** Order PacifiCorp to explore offering Schedule 23 customers similar rate design,
15 including COVID - 19 options as it is offering the residential rate class customers in this
16 filing.

17 **2.** The Oregon PUC should establish a reporting mechanism as an outcome of any rate relief
18 in UE-374 which tracks the revenue and sales volumes from what are approved to actual
19 results. SBUA would request this reposting would include this information by rate class
20 especially Schedule 23 PacifiCorp to update the AMI data for Schedule 23 for a full 12 month
21 period.

22 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

23 **A.** Yes.
24
25
26

Docket No. UE 374
Exhibit SBUA/101
Witness: William A. Steele

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 374

SMALL BUSINESS UTILITY ADVOCATES

QUALIFICATIONS OF WILLIAM A. STEELE

Resume
William (Bill) Steele

Bill Steele and Associates LLC
9554 Brentford Drive
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(303) 921-3808
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billsteeleandassociates.com

Summary of Qualifications

Mr. Steele has over 40 years of experience in public utility regulation in which he has acquired extensive knowledge of the electric, gas and telecommunications industries. His expertise in revenue requirement, cost-of-service, cost of capital and rate design has allowed him to serve his clients in utility accounting and financial matters. Mr. Steele offers his consulting services as an expert witness, regulatory advisor and a trainer in public utility matters. Prior to forming Bill Steele and Associates LLC, Mr. Steele spent 34 years with the Colorado Public Utilities Commission as an Advisor to the Commissioners and as an expert witness. Mr. Steele has also been an instructor at the Center for Public Utilities “Basics of Regulation” training course for the last 21 years.

Professional Experience

2012 - Present President, Bill Steele and Associates, LLC

Following a 34-year career with the Colorado Public Utilities Commission, Mr. Steele formed a consulting practice in order to continue to provide his professional services in the area of regulatory policy development and rate regulation of public utilities. His expertise in revenue requirements, cost-of-service, cost of capital, and rate design allowed him to serve clients in the electric, gas and telecommunications industries.

Since forming Bill Steele and Associates LLC, Mr. Steele had provided expert witness and advisory services to some of the following clients: The Colorado Office of Consumer Counsel; The Alliance for Solar Choice (TSAC), Western Resource Advocates of Nevada, the Wired Group, Southwest Power Pool, the Alliance of Small Business Advocates of Oregon, the Attorney General of the State of Vermont, Gegax consulting and Tahoe Economics. In addition, Mr. Steele had provided in house training service for some of the following organizations: the Colorado Public Utilities Commission, the Montana Public Service Commission, Otter Tail Power, Cobb MEC and a consortium of executives from electric distribution utilities serving the country of Nigerian.

Mr. Steele has also been an instructor at “Basics of Regulation” training course offered by the Center for Public Utilities (CPU) at New Mexico State University for over 20 years. The main topics which Mr. Steele teaches included revenue requirements, a hands-on revenue requirement problem, class cost-of-services studies and other regulatory topics as required. Mr. Steele In his role as an instructor at the CPU has trained numerous state commissioners, members of state commissions staff, as well as, members from industry and consumer advocate organizations. Besides being an instructor at the CPU, he also serves on the CPU’s Advisory Council. In addition to teaching at the CPU, Mr. Steele also teaches a basic FERC accounting course and alternative ratemaking mechanisms for the training firm EUCI.

On January 5, 2018, Colorado Governor Hickenlooper by Executive Order (A 2008 002) appointed Mr. Steele to serve as a representative for small businesses on the Utility Consumers Board (UCB). Mr. Steele as a board member of UCB, provided to the Office of Consumer Counsel general policy guidance on matters that involve utility regulation and legislative matters. In November 2018. He was reappointed to the UCB by Governor Polis on March 5, 2020.

2004 -2012 Commission Advisor, Colorado Public Utilities Commission

Mr. Steele served as an advisor to the three Colorado Public Utilities Commissioners and the Commission's six Administrative Law Judges. Mr. Steele demonstrated his broad expertise in the areas of electricity and natural gas utility regulation, which included the areas of revenue requirements, cost-of-service analysis and rate design. He also served in the role as the Commission's subject matter expert in utility accounting and finance matters.

In addition, Mr. Steele's advisory responsibilities included the training of new Commissioners as well as conducting in-house training courses on various utility issues, such as how to apply traditional regulatory principles to emerging issues in public utility regulation.

1978 – 2004 Principal Financial Analyst, Colorado Public Utilities Commission

Mr. Steele served in various roles as a financial analyst from 1978 until his promotion to supervisor in 1987. Mr. Steele supervised the Financial Analysts' in the Commission's Fixed Utilities Section. His duties in that role included the training of new financial analysts as well as providing expert testimony in rate case proceedings as well as testimony on policy issues concerning accounting, financial and operational matters.

Mr. Steele and his Financial Analyst's also conducted special investigations and audits including the circumstances that lead to the Colorado-Ute Electric Association's bankruptcy, which at that time was the largest bankruptcy in the history of the United States.

Mr. Steele has presented testimony in over 50 cases before the Colorado Public Utilities Commission, Denver District Court and United States District Court on accounting, financial and management issues.

Because of Mr. Steele's vast experience and his ability to effectively train commission staff, the three Commissioners and the Director of the Commission asked Mr. Steele to accept a position with as an Advisory to the Commissioners.

Degrees

Bachelor of Science degree in Business Administration from the University of Northern Colorado

Masters in Business Administration degree from the University of Phoenix.

Selected Consulting Projects of Bill Steele and Associates LLC

"Report to the State of Vermont Attorney General on Review and Analysis of the Department's Performance Under ACT 130 Standards For the Washington Electric Cooperative (WEC) Rate Case", submitted on December 31, 2019

"Application of Sierra Pacific Power Company d/b/a NV Energy for authority to adjust its annual revenue requirement for general rates charged to all classes of electric customers and for relief properly related there to", Docket No. 16-06006. In this proceeding, Mr. Steele presented expert witness written and oral testimony on behalf of Nevadans for Clean Affordable Reliable Energy ("NCARE") on the issue of fixed cost recovery for residential and small commercial customer classes, and the issue of having separate rate classes for net metered residential and small commercial customers.

“Petition of Massachusetts Electric Company and Nantucket Electric Company d/b/a National Grid for approval by the Department of Public Utilities of its Grid Modernization Plan.” D.P.U. 15-120. In this proceeding, Mr. Steele is a technical consultant with the Wired Group who has been retained by the Office of Ratepayer Advocacy, Massachusetts Office of The Attorney General. In this docket, Mr. Steele is leading the investigation into National Grid’s proposed rate designs, cost recovery methods, and bill impact estimates as set forth in the Company’s grid moderation plan.

“Petition of Fitchburg Gas and Electric Light Company d/b/a Unitil for approval by the Department of Public Utilities of its Grid Modernization.” Plan. D.P.U. 15-121. In this proceeding, Mr. Steele is a technical consultant with the Wired Group who has been retained by the Office of Ratepayer Advocacy, Massachusetts Office of The Attorney General. In this docket, Mr. Steele is leading the investigation into Unitil’s proposed rate designs, cost recovery methods, and bill impact estimates as set forth in the Company’s grid moderation plan.

“Petition of NSTAR Electric Company and Western Massachusetts Electric Company, each d/b/a Eversource Energy, for approval by the Department of Public Utilities of their Grid Modernization Plan.” D.P.U. 15-122. In this proceeding, Mr. Steele is a technical consultant with the Wired Group who has been retained by the Office of Ratepayer Advocacy, Massachusetts Office of The Attorney General. In this docket, Mr. Steele is leading the investigation into Eversource’s proposed rate designs, cost recovery methods, and bill impact estimates as set forth in the Company’s grid moderation plan.

Mr. Steele was one of five independent experts chosen as the first Industry Expert Panel (IEP) for Southwest Power Pool (SPP). The purpose of the IEP was to evaluate and make recommendations to the SSP’s Board of Directors concerning the competitive bids submitted for the construction of the Walkemeyer transmission project. Mr. Steele’s primary area of review and evaluation was the financial viability and creditworthiness of the bidders as well as his secondary responsibility was to evaluate the bidder’s proposed rate design. The IEP began its work in November 2015 and completed its work in May 2016 (7 months).

“In The Matter Of The Application Of El Paso Electric Company Of New Mexico For Revision Of Its Retail Electric Rates Pursuant To Advice Notice No. 236,” Case No. 15-00127-UT. In this proceeding, Mr. Steele filed expert witness written testimony on behalf of The Alliance for Solar Choice (“TASC”) opposing El Paso Electric’s proposal to place DG customers into a separate rate class.

Recent Publications and Speeches

“Alternative Ratemaking Mechanisms” presented to the National Association of Regulatory Utility Commissioners Staff Subcommittee on Accounting & Finance-Spring 2019 Conference

“Price Cap Electric Ratemaking: Does it Merit Consideration?” Bill Steele and Paul Alvarez. Electricity Journal. In production for October, 2017 issue.

“Above the Line or Below the Line, Where Should the Cut Be?”, presented to the National Association of Regulatory Utility Commissioners Staff Subcommittee on Gas-2014 Annual Meeting

“Incentive Mechanisms”, presented to the National Association of Regulatory Utility Commissioners Staff Subcommittee on Accounting & Finance-Fall 2013 Conference

“Benchmarking”, presented to the National Association of Regulatory Utility Commissioners Staff Subcommittee on Accounting & Finance-Spring 2013 Conference

Electric Industry Training Presentations

“Alternative Ratemaking Regulation” in-house training for the Colorado Public Utilities Commission conducted on January 15-16, 2020.

“FERC Accounting 101 - The Basics of the Uniform System of Accounts (USof A) for electric and Gas Utilities.” Conducted on behalf of EUCL held at Costa Mesa, CA on January 22-23, 2020.

FERC Accounting 101 - The Basics of the Uniform System of Accounts (USof A) for rural electric utilities”, in-house training for Cobb MEC, held on October 23, 2019.

“FERC Accounting 101 - The Basics of the Uniform System of Accounts (USof A) for electric and Gas Utilities.” Conducted on behalf of EUCL held at Houston, TX on July 19-20, 2019.

FERC Accounting 101 - The Basics of the Uniform System of Accounts (USof A) for electric utilities”, in-house training for Otter Tail Power, held on June 19, 2019.

“Public Utility Accounting and Ratemaking Principles for Electric and Gas Utilities.”, in-house training for the staff of the Montana Public Service Commission held on April 3-4, 2019.

FERC Accounting 101 - The Basics of the Uniform System of Accounts (USof A) for electric and Gas Utilities.” Conducted on behalf of EUCL held at Denver, Co on January 17-18, 2019.

“Executive Training on Uniform System of Accounts (USoA), Principles, Practice, & Case Studies”, for Nigerian Distribution Utilities on behalf of Stride Professional Services U.S.A.

Electric Industry Presentations at the Center for Public Utilities

The Process for Determining the Revenue Requirement
Hands-on Revenue Requirement Problem
The Process for Determining a Class Cost of Service Study
Energy Efficiency Mandates
Integrated Resource Plans
Renewable Resource Programs
Demand Side Resource Programs
Determining the Financial Impact of Demand Side Resource Programs
Feed-in-Tariffs
Special Riders and Cost Recovery Mechanisms
Decoupling vs. Lost Revenue Adjustments
Renewable Energy, Distributed Generation (DG) & Net Metering
The Process and Procedures of a Rate Case

Telecommunications Industry Presentations at the Center for Public Utilities

The Basics of Inter-carrier Compensation Cost Models
How to Test for Predatory Pricing

Federal Act of 1996 Pricing Methods – Total Element Long Run Incremental Cost (TELRIC)
Hands-on Problem for How to Calculate a TELRIC Price
The Process of Determining The Need For Additional Area Codes
How the E-911 System Operates
What Are N11 Codes?
The Relationship of Telecommunications Technology, Regulation and Pricing

Other Regulatory Presentations of Mr. Steele

Methods for Determining The Cost of Equity
Cost of Capital Issues
Imputed Debt and Purchase Power Agreements
The Relationship of CWIP and AFUDC
The Revenue Requirement Process For Electric Utilities
The Class Cost of Service Study Process For Electric Utilities
The Revenue Requirement Process For Natural Gas Utilities
The Class Cost of Service Study Process For Natural Gas Utilities
The Process of Auditing a Phase I/ Revenue Rate Case
The Process of Analyzing Mergers and Acquisitions The Process of Rate Design
The Relationship Between Management Audits and Rate Cases History of Telecommunications
Current Issues in Telecommunications Regulation
The Process of Auditing Small Telephone Companies' Rate Case Filings
An Overview of The Federal High Cost Fund for Telecommunications Carriers
Auditing Executive Compensation Levels in The Telecommunications Industry
The Sale and Leaseback of Craig Station Unit No. 3 Power Plant
An Overview of The Colorado-Ute Electric Association's Bankruptcy

Energy Proceedings in Which Mr. Steele Served as a Commission Advisor

Black Hills Colorado Electric Utility Company's Phase I Electric Rate Case in Docket No. 11AL-387E. I advised on the issues of what is an appropriate authorized return on equity; capital structure; cost of long-term debt and interest synchronization.

Public Service Company of Colorado's Phase I Gas Rate Case in Docket No. 10AL-936G. I advised the Commissioners on the issues of Capital Structure, Long-Term Debt, Return on Equity and Imputed Debt.

Black Hills Colorado Electric Utility Company's Phase I Electric Rate case in Docket No. 10AL-008E. Advised on the following issues: authorized return on equity; capital structure; and revenue requirement.

Black Hills Colorado Electric Utility Company's Application to Implement a Purchased Capacity Cost Adjustment ("PCCA") Mechanism in Docket No. 09A-837E.

Public Service Company of Colorado's Phase II electric rate cases & I. Docket No. 09AL-299E. In the Phase I portion, I advised the Commissioners on the issues of Capital Structure, Long-Term Debt, Return on Equity and Imputed Debt. On the Phase II portion, I advised the Commissioners on the issues of Class Cost of Service Study, Service and Facilities Charges, and Provisions of Special Contract Rates.

Transfer of Aquila's Colorado Electric and Gas Operations to Black Hills Corporation in Docket No. 08A-837G

Public Service Company of Colorado's 2007 Electric Colorado Resource Plan Docket No. 07A-477E. In this docket I advised the Commissioners on the issues of the application of weighted average cost of capital and the issue of imputation of debt for purchased power agreements in relation to the criteria for bid evaluations.

Public Service Company of Colorado's Demand Side Management Program and Cost Incentive Adjustment – Docket No. 07A-420E. In this docket I assisted the Advisory Staff's DSM expert in understanding traditional rate making concepts and how those concepts need to be modified to develop options for the Commissioners to consider in developing a DSM incentive mechanism for DSM cost recovery as mandated by Colorado Statute.

Public Service Company of Colorado's Revision's to its Interruptible Service Order Service Credit in Docket No. 07S- 521E. In this docket I advised the Commissioners on what are appropriate cost recovery components when compensating industrial users for being interrupted as a result of a need for demand response to shave peak load.

"Investigation of Regulatory and Rate Incentives" in Docket No. 08I-113EG. My role in this generic docket before the Commissioners was to look at alternative ways of regulated electric and gas utilities as the regulatory landscape evolves. I was also tasked with looking at developing benchmark performance standards as well.

Public Service Company of Colorado's Phase II Gas Rate Case in Docket No. 08S-146G. In this case I advised the Hearing Commissioners on the Class Cost of Service Study and Rate Design.

Public Service Company of Colorado's Phase I Rate Case in Docket No. 08S-520E. In this docket I advised the ALJ on revenue requirement issues.

Public Service Company of Colorado's Application for Approval of a Contingency Plan for Meeting The 2013 Resource Need and its Request for Approval of Amendment of Purchase Power Contracts with Tri-State Generation and Transmission, Inc. in Docket No. 07A-107E. In this docket I advised the Commissioners on the adequacy of the Company's contingency plan and whether the approval of the amended of the Tri-State purchase power contract was in the public interest.

Public Service Company of Colorado's Electric Phase I Rate Case in Docket No. 06S-234EG. In this docket I advised the Commissioners on the issues of Capital Structure, Return on Equity and the regulatory treatment and pricing of the Company's renewable program called Windsource.

Public Service Company of Colorado's Application for Approval of An Energy Exchange Agreement between

Public Service and PacifiCorp in Docket No. 06A-015E. In this docket I advised the ALJ on whether the acceptance of the Settlement Agreement was in the Public Interest.

Public Service Company of Colorado's Application to Amend its 2003 Resource Plan to Shorten Acquisition Period in Docket No. 05A-543T. In this docket I advised the Commissioners on what resource acquisition criteria should be placed on the Company in evaluating future resource acquisition bids.

Public Service Company of Colorado's Electric and Gas, Phase I Rate Case in Docket No. 02S-315EG. In this docket I advised the Commissioners on the issues of Capital Structure, Return on Equity and various regulatory principles.

Public Service Company of Colorado's Gas, Phase I Rate Case in Docket No. 00S-422G. In this docket I advised the Commissioners on the issues of Capital Structure, Return on Equity, Depreciation and various regulatory principles.

Telecommunications Proceedings in Which Mr. Steele Served as a Commission Advisor

The Application of US Connect LLC for Designation as an Eligible Telecommunications Carrier in the State of Colorado in Docket No. 11A-986T.

The Application of Q Link Wireless LLC for Designation as an Eligible Telecommunications Carrier in the State of Colorado in Docket No. 11A-985T.

The Application of Nucla-Naturita Telephone Company and NNTC Wireless, LLC For Redefinition of Service Area Pursuant to Commission Decision No. C11-0551 in Docket No. 11A-938T.

The Application of TAG Mobile, LLC, For Designation as an Eligible Telecommunications Carrier in the State of Colorado For the Limited Purpose of Offering Wireless Lifeline and Link-Up Service to Qualified Households (Low Income Only) in Docket No. 11A-815T.

The Application of Terracom, Inc. For Designation as an Eligible Telecommunications Carrier on a Wireless Basis For The Limited Purpose offering Federal Lifeline and Link-Up Programs in Docket No. 11A-744T.

The Petition of Nucla-Naturita Telephone Company For High Cost Support Mechanism Funding in Docket No. 11M-720T.

The Application of Virgin Mobile USA, LP. For Limited Designation as an Eligible Telecommunications Carrier in the State of Colorado in Docket No. 11A-657T.

The Petition of Wiggins Telephone Association for High Cost Support Mechanism Funding in Docket No. 11V- 594T

The Creation of a Telecom Advisory Group For The Purpose of Informing The Commission on Current Advancements in Telecommunications Technology And The Telecommunications Marketplace Pursuant to § 40-15- 101, C.R.S, in Docket No. 10M-565T

CenturyLink's acquisition of Qwest Communications in Docket No. 10A-350T.

The Application of Union Telephone Company, Doing Business as Union Wireless for Designation as an Eligible Telecommunications Carrier in Colorado in Docket No. 09A-771T.

The Petition of Qwest Corporation For Variances And Waivers From Certain Reporting Requirements in Docket No. 09V-146T.

The Petition of Phillips County Telephone Company of Phillips County, Colorado For High Cost Support Mechanism Funding, in Docket No. 08V-510T

Formal Complaint of Qwest Communications versus various Competitive Local Exchange Carriers in Docket No. 08F-259T.

Qwest Corporation's Application to Set the Maximum Price For Residential Basic Local Exchange Service Pursuant to Section 40-15-502, C.R.S. in Docket No. 08A-403T. Advised on the following issues: Appropriate methodology for calculating Changes in the Cost and Price of Providing Service; cost methodology for calculating Net Revenues; the appropriateness of the whether Bifurcation of Rates for High and Low Cost Wire Centers; impact of changing rates on the Colorado High Cost Surcharge Mechanism. Also assisted on court appeal in research and write court brief to Colorado Supreme Court.

Sprint Communications Company L.P.'S Petition for Arbitration With CenturyTel of Eagle, Inc. Pursuant to § 252(B) of The Communications Act of 1934, as Amended by The Telecommunications Act of 1996 in Docket No. 08B-121T.

The Petition of Qwest Corporation for Arbitration of an Interconnection Agreement with Union Telephone Company under § 252 of The Federal Telecommunications Act of 1996 in Docket No. 04B-491T.

The Application of N.E. Colorado Cellular, Inc., For Designation as an Eligible Provider Carrier Under 4 CCR 723- 41 in Docket No. 00A-491T.

Mr. Steele's Testimony Before The Colorado Public Utilities Commission, State and Federal Courts

"Rate of Return, Income Statement, and Rate Base," Union Rural Electric Association, Inc., Investigation & Suspension Docket No. 1490, March 1981.

“Rate of Return, Income Statement, and Rate Base,” Sangre de Cristo Electric Association, Inc., Investigation & Suspension Docket No. 1520, September 1981.

“Valuation of Assets and Acquisition Adjustment,” Rico Telephone Company, Transfer Application No. 34236, January 1982.

“Rate of Return,” Holy Cross Electric Association, Inc., Rate Case No. 6036, January 1982.

“Gas Cost Adjustment Tariff,” Public Service Company of Colorado, Case No. 5721, February 1982. “Rate of Return,” Union Rural Electric Association, Inc., Rate Case No. 6061, March 1982.

“Gas Cost Adjustment Tariff,” Peoples Natural Gas a Division of Northern Natural Gas Company,” Case No. 5721, April 1982.

Income Statement, Capital Expenditures, Refunds Received From Colorado Interstate Gas Company, and Operating Ratio,” City of Fort Morgan, Investigation & Suspension Docket No. 1555, April 1982.

“Rate Base,” Peoples Natural Gas Company, Investigation & Suspension Docket No. 1544, May 1982. “Rate Base,” Mountain Bell, Investigation & Suspension Docket No. 1575, November 1982.

“Identification and Valuation of Assets Transferred by Mountain Bell to American Bell,” Transfer Application No. 35033, December 1982.

“True-Up Audit on the Specific Identification and Valuation of Assets Transferred by Mountain Bell to American Bell,” Transfer Application No. 35033, July 1983.

“Income Statement (Electric, Gas and Steam)” Public Service of Colorado, Investigation & Suspension Docket No. 1640, March 1984.

“Accounting Issues in the Transfer of Mountain Bell’s Directory Assets to U S West Direct, a Non-Regulated Entity,” Case No. 84CV8902, District Court, City and County of Denver. September 1984.

“The Primary Aspects of Mountain Bell’s Transfer of Directory Publications to U S West Direct,” Application No. 36247, May 1984.

“The Impact of the Rate of Return of Mountain Bell’s Transfer of Directory Publications to U S West Direct,” Case No. 6360 and Case No. 6361, December 1985.

“Rate of Return and Quality of Service,” Union Telephone, Investigation & Suspension Docket No. 1699, April 1986.

“The Impact of the Transfer of Directory Publications from Mountain Bell to U S West Direct on Mountain Bell’s Revenue Requirement,” Investigation & Suspension Docket No. 1700, April 1986.

“Application of Union Telephone Company For Authority to Discontinue Service at Lodore, Colorado,” Abandonment Application No. 36949, November 1986.

“Affidavit of William A. Steele,” District Court, City and County of Denver, Civil Action No.85CV11531: Public Utilities Commission vs. Union Telephone Company, March 1987.

“Access Charges of Various Colorado Independent Telephone Companies,” Case No. 6607, June 1987.

“Rate of Return, Income Statement, Rate Base, Rate Design,” Union Telephone Company, Application No. 38333, February 1988.

“Role of Independent Telephone Companies in U S West Communications Local Calling Area Plan (LCAP),” Investigation and Suspension Docket No. 1766, November 1988.

“Management Audit of Delta County Tele-Comm. Inc.” Investigation and Suspension Docket No. 1760, July 1989.

“Financial Audit and Management Review of Colorado-Ute Electric Association, Inc.,” In the Matter of the Review and Monitoring of the Financial and Operating Status of Colorado-Ute Electric Association Inc., Montrose, Colorado, Docket No. 89M-230E, October 11, 1989.

“Affidavit of William A. Steele on behalf of the Debtor in Possession,” United States District Court in Bankruptcy For the District of Colorado, In re Colorado-Ute Electric Association, Inc., Case No. 90 B 03761 C (Voluntary Petition) Chapter 11, July 19, 1990.

“Affidavit of William A. Steele on behalf of Intermountain Rural Electric Association Inc.,” United States District Court in Bankruptcy For the District of Colorado, In re Colorado-Ute Electric Association, Inc., Case No. 90 B 03761 C (Voluntary Petition) Chapter 11, July 19, 1990.

“Accounting For Directory Publishing Revenues” U S West Communications, Inc. Rate Case, Docket 90S-544T, February 1991.

“Feasibility Study of PTI for Acquiring U S West Exchanges” In The Matter of The Joint Application of U S West Communications, Inc. and Eagle Communications, Inc., D/B/A PTI Communications, Inc., For Authority to Transfer Certain Telephone Exchanges, Operations and Business of U S West Communications, Inc., To Eagle Telecommunications, Inc., D/B/A PTI Communications, Inc., A Wholly Owned Subsidiary of Pacific Telecom, Inc.” Docket 93A-440T, January 21, 1994.

“In The Matter of the Joint Applications of US West Communications, Inc. And South Park Telephone Company, to Transfer Service Territory.” Application No. 95-582T, April 27, 1996.

Amendment to the Colorado Public Utilities Commission’s “Rules of Practice and Procedure”, April 1996.

“In The Matter of the Application of AT&T Communications of the Mountain States, Inc. To Amend Its Certificate of Public Convenience and Necessity to Provide Local Exchange Telecommunications Service.” Docket No. 96A-080T, July 26, 1996.

“In The Matter of the Notice by AT&T Communications of the Mountain States, Inc. of Its Intent to Exercise Operating Authority.” Docket No. 96A-081T, July 26, 1996.

“C. Addinton, Frank Burton, Amos Clark, Patty Clark, Anthony Flasco, Robert Genler, Wayne Latham Complaints Versus U S West Communications, Inc. and Condominium Management Company”. Docket No. 96F-230T, April 23, 1997.

“95H-1335 Rate Cap”, The Investigation and Suspension of Tariff Sheets Filed by Dubois Telephone Exchange, Inc. With Advice Letter No. 4” Docket No. 97S-143T, June 24, 1997.

“Operational Support Systems”, In The Matter Of Application of MCImetro Access Transmission Services, Inc., For A Certificate To Provide Local Exchange Service, Notice Of Intention To Exercise Operating Authority and Certificate Of Public Convenience And Necessity. July 24, 1997.

Investigation and Suspension of Tariff Sheets Filed by Rico Telephone Company, Docket No. 96S-201T, October 27, 1997. “Determining Appropriate Sales Price of Facilities”

“Modification to an Exchange Area Boundary vs. Expansion of Local Calling Area.” Investigation and Suspension of Tariff Sheets Filed by U S West Communications, Inc. With Advice Letter No. 2680. Docket No. 97S-563T, November 26, 1997.

In the Matter of the Application of US WEST Communications Inc., For Specific Forms of Price Regulation. Answer Testimony filed on April 16, 1998.

In the Matter of the Application of US WEST Communications Inc., For Specific Forms of Price Regulation. Cross Answer Testimony filed on April 26, 1998.

In the Matter of the Application of US WEST Communications Inc., For Specific Forms of Price Regulation. Rebuttal Testimony filed on May 27, 1998.

In the Matter of the Application of US WEST Communications Inc., For Specific Forms of Price Regulation. Direct Testimony filed on January 8, 1999.

In the Matter of the Application of Qwest Communications Corporation, LCI International Telecom Corp., USLD Communications, Inc. and U S West Communications, Inc. for Approval of the Merger of Their Parent Corporations, Qwest Communications International, Inc. and U S West Inc. Testimony filed on November 22, 1999 “Concerning the Feasibility Studies”.

In the Matter of Investigation and Suspension of Tariff Sheets Filed by Delta County Tel-Com, Inc., with Advice Letter No. 90. Testimony Filed on April 6, 2000 “Concerning Product Management Expense.”

In the Matter of the Joint Application of U S West Communications, Inc. and Citizens Telecommunications Company of Colorado Regarding the Sale and Transfer of Certain Telephone Exchanges. Testimony presented on July 7, 2000 “In Support of the Stipulation to Approve the Sale and the Price Plan for Citizens.”

In the Matter of Investigation and Suspension of Tariff Sheets Filed by Delta County Tel-Com, Inc., with Advice Letter No. 90. Testimony presented on September 21, 2000 “In Support of the Stipulation.”

The Investigation and Suspension of Tariff Sheets by Agate Mutual Telephone Cooperative with Advice Letter No. 33. Testimony presented on December 17, 2001 on Cost of Capital, Income Statement, Rate Base, High Cost Fund Support and Rate Design.

In The Matter Of The Provision Of Regulated Telecommunications Services By Mile High Telecom Partners, LLP Without The Requisite Certificate Of Public Convenience And Necessity Issued By The Commission And Without An Effective Tariff On File With The Commission Docket No. 02C-082T. Testimony presented in support of the Stipulation on May 10, 2002.

In The Matter Of The Provision Of Regulated Telecommunications Services By Mile High Telecom Partners, LLP Without The Requisite Certificate Of Public Convenience And Necessity Issued By The Commission And Without An Effective Tariff On File With The Commission Docket No. 02C-082T. Testimony presented in the re-opening of the Docket on March 12, 2003.

Professional Associations

Mr. Steele is an instructor in the “Basics of Regulation” training course sponsored by the Center for Public Utilities at New Mexico State University since 1998 to present. He has been an instructor in both the electric and telecom portions of the course.

Mr. Steele was a member from 1989-2002 of the National Association of Regulatory Utility Commissioners (NARUC), Staff Subcommittee on Management Analysis (SSMA). As a member of this committee, he has been involved in various projects including being co-author of management audit manuals entitled “A Guide to Management Audit Plans”, published by NARUC in July 1992 and “A Guide to Auditing Implementation Activities”, and published by NARUC in February 1996.

Mr. Steele has also serve on various industry work groups including the Western Governors Association

Action Team on Telemedicine, the Colorado Telecommunications Association and the Colorado Legislative House Bill 95-1225 task force implementations teams for introducing competition in the local telecommunications exchange market.

Docket No. UE 374
Exhibit SBUA/200
Witness: Ronald Joseph White, Jr.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 374

SMALL BUSINESS UTILITY ADVOCATES

OPENING TESTIMONY OF RONALD JOSEPH WHITE, JR.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON
UE 374

In the Matter of)	
PACIFICORP d/b/a PACIFIC POWER)	OPENING TESTIMONY OF
Request for a General Rate Revision)	WITNESS RONALD WHITE, JR.
_____)	

Q. Please state your full name, occupation, and describe your background for this testimony.

A. My name is Ronald (“Ron”) Joseph White, Junior. I am one of the two Managing Members for BESThq LLC (“BESThq”). BESThq is a Collaborative Business Community and Executive Development Center. I am also a Managing Member for Probity Builders LLC, a consultancy that advises public and private Sector entities in matters related to growing small businesses and increasing diversity in community. I am providing this testimony in the context of my role at BESThq.

Q. Please describe your Education and Qualifications for this testimony.

A. Since leaving a large corporate position, I have spent the last 15 years coaching and consulting for small businesses. I am a retired Registered Professional Engineer and a Leadership in Energy and Environmental Designed (LEED) Accredited Professional. I have a degree in Civil Engineering from Santa Clara University. Since founding BESThq ten years ago, I have worked daily with small businesses with a focus on building relationships, empowering firms, and creating an inclusive and cooperative environment. Our weekly Executive Briefings and other

1 training programs provide technical information regarding the economy and other factors
2 impacting the success of small businesses. BESThq has over 170 current and alumni members.

3 **Q. What is the purpose of your testimony?**

4 A. To provide a small business perspective on this rate case and to support and help assure fair
5 utility services and rates for small businesses.

6
7 **Q. Please summarize your testimony:**

8 A. My testimony will describe Oregon's small business sector, how it relates to this docket,
9 relevant information specific to BESThq, and describe impacts of the COVID-19 pandemic on
10 small business in Oregon.

11
12 **Q. What is a small business in Oregon?**

13 A. Small businesses are referred to differently in different State of Oregon sources, but generally
14 signify businesses with a certain number of employees or amount of revenue. For example, as
15 used in the Oregon Small Business Development Act of 1983, "small business" means a business
16 having 100 or fewer employees. ORS 285B.123(2). However, a firm that is certified as an
17 Emerging Small Business in Oregon through the Certification Office for Business Inclusion and
18 Diversity may be as small as a business with fewer than 20 employees and average annual gross
19 receipts for the last three years that do not exceed \$1.9 million for a business performing
20 construction or \$780,000 for a business not performing construction. ORS 200.005.

21
22
23 **Q. Why is it important to consider small businesses in electric utility ratemaking?**

24 A. Small businesses are an important part of the economy and electricity is a fundamental to
25 business operations. BESThq rents office space out to businesses and operates its own business.
26 Utility costs represent a significant portion of small business operating costs.

1 **Q. Can you describe the impact of this rate case on an Oregon small business?**

2 A. While BESThq itself is not a PacifiCorp customer, our members and organization understand
3 and represent small business as a core part of our work. I understand that if I were a PacifiCorp
4 d.b.a. Pacific Power (“PacifiCorp”) customer, my rate change would be a base change of 10.7%
5 and net change of 5.8%. Like most, perhaps all small businesses, we would not be in business
6 without reliable electricity. As a business person, I understand the need to raise prices, rates, etc.
7 and also the need to pay for capital investment. However, it is important that investments be wise
8 and the price hikes be fair, particularly for monopolies like electric utilities. Significant increases
9 may have a detrimental impact on our margins and potential survivability, especially given
10 stresses and lost revenue directly resulting from COVID-19.
11
12

13 **Q. How are you familiar with the PacifiCorp dba Pacific Power rate case?**

14 A. My familiarity is due to the Small Business Utility Advocates, which regularly informs the
15 BESThq business community about electric utility and other energy matters.
16

17 **Q. Would you consider switching to alternative pricing mechanism, instead of the typical**
18 **flat rate, for electricity?**

19 A. Yes.

20 **Q. Do you have an opinion on whether small businesses should be offered demand-side**
21 **management programs such as demand response, energy efficiency, price response and**
22 **load shifting, and education and information regarding managing energy use?**
23

24 A. I think small businesses should be able to participate in these types of programs if it fits the
25 small business’s needs.
26

1 **Q. As a representative of a small business, what is your opinion on the Governor's recent**
2 **Executive Order (EO 20-04) that aims to reduce greenhouse gas emissions by 45 percent by**
3 **2035 and 80 percent by 2050?**

4 A. I support the reduction in greenhouse gas emissions, and the BESThq business community
5 supports this too generally. We are still learning about what this EO 20-04 means for the BESThq
6 small business community. I support informing and working with small business on ways to
7 reduce these emissions by managing electricity use.

9 **Q. Has your business been impacted by COVID-19?**

10 A. Yes. Our current occupancy is now at 30%, down from nearly 100% last year, with lost lease
11 payments and tenants due to the COVID-19 pandemic.

13 **Q. Referring to the attached report of the Energy Trust of Oregon Conservation Advisory**
14 **Council ("CAC"), does it surprise you to hear that at the April 22, 2020 CAC meeting that**
15 **PacifiCorp attended, it was predicted 10 percent of urban businesses and 30 percent of**
16 **rural businesses will not come back after COVID-19?**

17 A. Yes, I would have anticipated a higher percentage of businesses not coming back, based on
18 my experience of working with small business over the last two decades.

20 **Q. Have you noticed any changes in the times of the day small businesses are using**
21 **electricity as a result of COVID-19?**

22 A. Yes, at least one major change is that due to the stay at home requirements less power has
23 been required at the workplace.

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

26 A. Yes.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 374

SMALL BUSINESS UTILITY ADVOCATES

QUALIFICATIONS OF RONALD JOSEPH WHITE, JR.



RONALD J. WHITE, P.E.(ret), LEED®AP
Owner / Manager – Probit Builders & BESThq

EDUCATION: Santa Clara University / BS Civil Engineering
University of Washington, Foster School of Business, MBEP

REGISTRATIONS: Professional Engineer, Retired, Registered in Oregon #18639
Leadership in Energy and Environmental Design Accredited Professional

QUALIFICATIONS:

- Created Probit Builders LLC in 2005, State Certified M/WESB # 4326
- Extensive work on literally thousands of projects of increasing complexity in private & public sector from \$5k - \$150M, including Construction Manager / General Contractor (CM/GC), Design-Build & Lump-Sum
- Practiced Operations Manager concurrently managing multiple large projects across multiple cities
- Program Manager for scores of contracts, consistently completed on-time, under budget, with high quality
- “Head Coach” with Probit Builders – “Coaching for the Sustainable Growth of Small Business”
 - Interim Program Manager for Port of Portland Mentor-Protégé Program (contract support)
 - Individually Mentored Hundreds of firms in formal and informal programs
 - Created / Facilitated award winning Mentor-Protégé Programs for Large Private & Non-Profit firms
- Co-Founder of BESThq in 2011 – Collaborative Business Community, Beaverton OR, www.BESThq.net
- Executive Director, Jardin Portland Foundation – 501(c)(3), www.JardinPortland.org
- Over 30 years of work in business, training, coaching, consulting, and management
- Worked with and / or trained over 500 companies and thousands of people / projects
- Trained as a Contracting Officer with the Federal Acquisition Regulations and SBA Programs
- Over 20 years of Active Duty and Reserve Military Experience, retired as a Lieutenant Commander Reservist in the U.S. Navy Civil Engineer Corps
- Extensive experience developing programs and implementing with business as an owner, agency representative and contractor
- Program Manager of Multiple Projects / Multiple Locations overseas including extensive work in Thailand, Tunisia, Guam, Spain and Mexico

SUMMARY – Seasoned leader and motivator brings long track record of success:

Ron has worldwide experience working with programs and peoples across the globe in both the private and public sectors. An early leader, Ron served as the Regimental Commander of over 200 cadets during his officer training at Officer Candidate School, Newport, RI. While serving on active duty in the U.S. Navy Civil Engineer Corps, he designed, planned, managed and completed construction projects in numerous locations around the world. Trained as a Contracting Officer, he managed over 90 Navy construction contracts in Connecticut and Massachusetts, including a Design-Build Child Development Center and renovation to the 104 unit Bachelor Officer Quarter at the Submarine Base Groton, CT. While on active duty, Ron deployed with the Navy Seabees and completed projects in multiple countries including Spain, Tunisia, and Thailand. While in Thailand and as the Seabee Officer in Charge, Ron successfully and concurrently completed five projects spread out across Mainland Thailand. Living in the remote villages of Thailand for 3 months, the isolated desert of Tunisia for 2 months and in Spain for 5 months, Ron gained an acute, real-time understanding of peoples and cultures. True diversity training by immersion, Ron grew to celebrate differences in people and inspire greatness from all. In 2005, Ron retired as a Lieutenant Commander in the Naval Reserves, but fondly cherishes his diverse and international experiences as the foundation of his commitment to promoting diversity and small business success.



In 1997, he joined Hoffman Construction Company in Portland, OR, successfully completing increasingly difficult projects. From 1999 – 2003, Ron worked daily at PDX on four large projects, including the \$147 million Phase 2 expansion, a CM/GC project. Ron demonstrated his large program expertise by returning over \$ 1 million back to the Port of Portland as cost control / contracts manager. He continued his exemplary work at PDX on the \$22.5 million TES South Phase 3, and the logistically and technically challenging \$3.2 million PDX Communication Center Relocation which relocated all critical operations facilities including their Telephone, CCTV, Security, and Radio control systems – without delay, impact or incident.

In January 2005, Ron created Probity Builders LLC – a company focused on “coaching the sustainable growth of small business.” Probity provides professional consulting services specializing in small business, construction and diversity programs. Living the challenges of small business, Ron and Probity have successfully and steadily increased their client base through the years and were recognized by the Oregon Association of Minority Entrepreneurs (OAME) as the Small Business of the Year in 2007. Working to provide expanded and holistic solutions for clients, Probity created BESThq as a place to incubate business and expand community impact.

WORK HISTORY – Unique Public and Private background establishes framework for success:

- Owner / Manager, Probity Builders LLC, Portland, OR
- Operations/Project Manager and Project Engineer, Hoffman Construction, Portland, OR
- Civil Engineer Corps Officer, United States Navy
 - Instructor for Construction Management, Civil Engineer Corps Officer School, (CECOS) Port Hueneme, CA
 - Company Commander / Officer-In-Charge – “Seabees,” Naval Mobile Construction Battalion 40, Port Hueneme, CA
 - Assistant Resident Officer in Charge of Construction Contracts, Groton, CT
- Plan Check Engineer, City of Fremont, CA
- Field Engineer, Hensel Phelps Construction Company, Santa Clara, CA
- Enlisted Infantryman, United States Army Reserves

PERSONAL CHARACTERISTICS – Trust, integrity and personal approach promotes partnership:

- RESULTS ORIENTED, exceptionally effective leader who inspires, motivates and succeeds: confident, decisive, hard working, thrives on challenges, excels under pressure
- Extraordinary communicator, a “people person,” who understands people; exemplary ethical standards
- Extensive computer experience using Microsoft Office, Project Management software
- Dedicated to dynamic improvement, perpetual enthusiasm, and teamwork

TRAINING HISTORY – Extensive training ensures exceptional performance:

- Extensive training in as a Contracting Officer and in Federal Contracting (FAR)
- Worked two years on Active Duty as primary instructor for Navy Seabee Management at CECOS; Provided instruction to over 1,000 Supervisors and Managers
- Provided extensive training to Probity Builders client’s in all facets of small business and diversity

PERSONAL INTERESTS:

- Professional Affiliations: ACCA, AGC, BDI, NAMC-OR, NWCA, OAME, and USGBC
- Active and long-time member of Holy Trinity Church, past Chair of the Pastoral Council
- Married with three daughters, a devoted father and husband
- Mentor / Trainer in Port of Portland’s Mentor-Protégé Small Business Development Program
- Help create local non-profit organization, Jardin Portland Foundation, serves as Executive Director
- Enjoys coaching and playing soccer, fishing, NASCAR, and family time.

RELEVANT PROJECT EXPERIENCE:

➤ Westside Christian High School Road Realignment and Soccer Field



- Location: Tigard, Oregon
- Role: Owner's Representative for BSC Oregon, WCHS
- Activity: Coordinated & Managed Owner, Engineer (Pietrok), Contractor activities

➤ Thomas Cully Park



- Location: Portland, Oregon
- Role: Owner's Representative and Program Manager for Verde
- Activity: Coordinated & Managed Portland Parks, Owner, Engineer (ESA), Contractor activities

➤ Port of Portland TES II, TES IIL & Emergency Operations Center Relocation



- Location: Portland International Airport, Oregon
- Role: Operations Manager with Hoffman Construction
- Activity: Completed Constructability review, Contract buyout and Project Management

Docket No. UE 374
Exhibit SBUA/202
Witness: Ronald Joseph White, Jr.

BEFORE THE PUBLIC UTILITY COMMISSION

OF OREGON

UE 374

SMALL BUSINESS UTILITY ADVOCATES

**ENERGY TRUST OF OREGON CONSERVATION ADVISORY COUNCIL APRIL 2020
MEETING NOTES**

Conservation Advisory Council Meeting Notes

April 22, 2020

Attending from the council:

Alyn Spector, Cascade Natural Gas
Anna Kim, Oregon Public Utility
Commission
Emily Moore, Northwest Energy Efficiency
Alliance (for Julia Harper)
Dave Moody, Bonneville Power
Administration
Jason Klotz, Portland General Electric
Kari Greer, Pacific Power

Kerry Meade, Northwest Energy Efficiency
Council
Lisa McGarity, Avista
Rick Hodges, NW Natural
Tim Hendricks, BOMA
Wendy Gerlitz, NW Energy Coalition
Warren Cook, Oregon Department of
Energy

Attending from Energy Trust:

Hannah Cruz
Alex Novie
Kirstin Pinit
Thad Roth
Peter West
Amber Cole
Tyrone Henry
Julianne Thacher
Spencer Moersfelder
Fred Gordon
Scott Leonard
Eric Braddock
Peter Schaffer

Quinn Cherf
Steve Lacey
Jay Ward
Marshall Johnson
Mark Wyman
Sue Fletcher
Melanie Bissonnette
Tom Beverly
Cameron Starr
Caryn Appler
Jay Ward
Shelly Carlton

Others attending:

Don Jones, Jr., Pacific Power
Lindsey Hardy, Energy Trust Board
John Molnar, Rogers Machinery
Alan Meyer, Energy Trust Board
Elee Jen, Energy Trust Board

Shelly Beaulieu, TRC
Whitney Rideout, Evergreen Consulting
Dan Tillis, Cascade Natural Gas
Andrea Estrada, ICF International
William Rector, BPA

1. Welcome and Introductions

Hannah Cruz, senior communications manager, convened the meeting at 1:30 p.m. The meeting was held as a video conference. Prior council meeting notes are posted [online](#) and the council accepted them with no changes.

Hannah Cruz welcomed Rick Hodges from NW Natural to the council. He is replacing Holly Meyer, who served on the council for 11 years.

The council was to give input on the development of Energy Trust's 2021 organizational goals on this day in a workshop. Instead, members will have an opportunity to give feedback at the council's June meeting. By then, goals will be near final, and council input will be referenced by staff members as they move into drafting action plans.

2. COVID-19 Updates

Topic summary

Council members provided updates on how COVID-19 has affected their organizations and how they are responding to the pandemic and social distancing requirements.

Discussion

Tim Hendricks of BOMA described conditions at buildings in his portfolio. Most people are working from home. They've adjusted HVAC schedules to unoccupied modes. Sanitizing is a focus area. They are starting to look at how they will re-admit people into buildings while maintaining social distancing and sanitary conditions. They've been asked to put all discretionary spending on hold.

Council members asked if energy efficiency upgrades are considered discretionary and about opportunities for work in light of high vacancy rates (Emily Moore). Tim Hendricks said both answers depend on the organization or company.

Kari Greer of Pacific Power described actions taken by the utility. Most staff are working from home. Pacific Power has suspended disconnections for nonpayment, is waiving late fees and has flexible repayment plans for customers. Employee safety is a priority. Pacific Power is trying to forecast revenues and usage and has seen a significant shift from commercial to residential, which is to be expected.

Pacific Power is now one full billing cycle into the stay-at-home order and starting to see what will happen to customers' ability to pay. Unpaid balances will begin to accrue. Chambers and economic development groups have advised in urban areas, 10% of businesses won't come back after restrictions are eased; in rural areas, 30% won't come back.

Dan Tillis of Cascade Natural Gas said the utility is getting calls from customers with bill payment difficulties and is working with those customers. Cascade is not disconnecting customers for nonpayment or charging late fees. The utility's winter help fund, which is funded by donations, had \$100,000 in it as of a few weeks ago. Customers can request help or receive a hardship grant if they were laid off or if their work hours were cut back.

Cascade does not yet have data to share on changes in energy use.

Dave Moody of Bonneville Power Administration said as a wholesaler, BPA will lag behind utilities in terms of financial impact. Staff is working remotely. Load has shifted slightly toward the evening. Most consumer-owned utilities have halted in-home work and efficiency programs have been curtailed or halted other than processing invoices.

BPA is working to support consumer-owned utilities. Trade ally workshops have been converted to webinars and strategic energy management offers have gone remote. Some projects are ongoing, but discretionary projects will stop. In the short term, BPA sees a significant impact in the pipeline, but it's too early to tell for the long term.

Lisa McGarity of Avista said it is suspending late fees and proactively communicating payment and assistance options to customers. Avista has scaled back all nonessential field work and everyone is working remotely.

Community Action Partnership agencies have stopped weatherization work for now and are doing intake via email, mail and phone. There still is money in Avista's low-income assistance budget. Avista is offering energy savings tips, building shutdown checklists and HVAC system change lists for commercial customers. Avista also created a small business resource handout

for customers to know how to access federal funds, made additional donations to nonprofits responding to the crisis and is staying in touch with local leaders to assist where possible.

Jason Klotz of Portland General Electric said PGE has suspended disconnections and late fees and is making payment arrangements to help customers or connecting them to energy assistance. PGE has closed community offices for safety reasons and waived credit card fees for small businesses. Regional outreach managers are in contact with key customers and sending internal weekly reports on what they hear.

PGE has committed \$1 million for food insecurity and educational programs and has committed funding to community action organizations and the Oregon Business Foundation.

PGE has seen a drop in sales and revenue. It has reduced spending on operations and maintenance. There's a 6.5% shift to residential usage and a shift in the time of day when customers are using power. The non-residential load is down. Hardest hit sectors are restaurants and lodging with a 25% reduction in usage. PGE fielded an international survey and found most countries are seeing an 8% to 25% reduction in overall load.

Council members asked if there have been reductions in customer demand response programs including smart thermostats (Rick Hodges). Jason Klotz said PGE suspended some marketing and will ramp back up in early May. There are also concerns with Google Nest and migration that has impacted how customers sign up and stay engaged. Test Bed activity timelines have changed, and PGE may request an extension from the OPUC depending on field work.

Rick Hodges of NW Natural said it won't know quarter one impacts until early May but that impacts so far have varied sector to sector. Some hotels are operating with very low occupancy; some restaurants are remodeling kitchens to accommodate takeout orders; most food processors are busy; auto and airline part shipments are way down, but cardboard production for Amazon is up. Elsewhere, schools that have bond funds that need to go toward energy efficiency are moving forward with projects.

Rick Hodges said low- and no-cost project messaging from Energy Trust is helpful, while bill assistance calls should go to the utilities.

Council members asked about the future of natural gas commodity costs given the decline in demand for gasoline (Alan Meyer). Rick Hodges noted oil and natural gas prices are somewhat linked. Lisa McGarity noted natural gas prices are combined into long- and short-term contracts and that savings will be on short-term contracts.

Kerry Meade of Northwest Energy Efficiency Council said it is working remotely, still loaning out tools and working with a Building Operator Certification program online.

Wendy Gerlitz of NW Energy Coalition said it is working to protect customers, particularly low-income customers. It is requesting Congress put additional funding into the federal Low Income Home Energy Assistance Program (LIHEAP), which received \$900 million in the CARES Act. The coalition is also advocating for state funds to help low-income customers.

Warren Cook of Oregon Department of Energy said nearly all department staff is working remotely. There hasn't been a slowdown in its solar rebate program.

After the meeting, Emily Moore of Northwest Energy Efficiency Alliance provided an update via email. NEEA is tracking supply chain insights and gathering insights from trade associations, manufacturers, distributors, retailers, contractors and utilities from around the region. Like NW

Energy Coalition, NEEA is working on a market insights summary that can be shared when ready.

Next steps

None.

3. Energy Trust COVID-19 Response

Topic summary

Peter West, Energy Trust's director of energy programs, described changes Energy Trust has made to customer offerings, including short- and long-term adjustments. Project counts are down substantially this year compared with last year. Energy Trust's response has been targeted industry by industry. For instance, residential markets aren't being impacted as much. Staff is looking at what customers are experiencing right now and what can be done to meet their needs. From now through May, several new offers will be made available.

Discussion

Members asked about a list of 12 renewable energy projects Energy Trust submitted to Sen. Jeff Merkley's office for possible future funding (Lisa McGarity). Peter West said the list had irrigation modernization efforts in Klamath Falls and east of the Cascades.

Next steps

None.

4. Public Comment

None.

5. Adjourn

The meeting was adjourned at 3 p.m. The next council meeting is scheduled for June 17, 2020.