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STATE OF NEW HAMPSHIRE

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PUBLIC UTILITIES COMMISSION

3

4 June 23, 2010 - 10:09 a.m.  
Concord, New Hampshire

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RE: DE 09-179  
PUBLIC SERVICE CO. OF NEW HAMPSHIRE:  
Petition for Adjustment of Stranded Cost  
Recovery Charge.  
(Hearing regarding mid-term adjustment)

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11 PRESENT: Chairman Thomas B. Getz, Presiding  
Commissioner Amy L. Ignatius

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13 Sandy Deno, Clerk

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15 APPEARANCES: Reptg. Public Service Co. of New Hampshire:  
Gerald M. Eaton, Esq.

16

Reptg. Residential Ratepayers:  
17 Rorie E.P. Hollenberg, Esq.  
Kenneth E. Traum, Asst. Consumer Advocate  
18 Office of Consumer Advocate

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Reptg. PUC Staff:  
Suzanne G. Amidon, Esq.

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23 Court Reporter: Steven E. Patnaude, LCR No. 52

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## I N D E X

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PAGE NO.

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WITNESS PANEL:        ROBERT A. BAUMANN  
                             STEPHEN R. HALL

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Direct examination by Mr. Eaton

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Cross-examination by Ms. Amidon

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Cross-examination by Mr. Mullen

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Interrogatories by Cmsr. Ignatius

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Ms. Hollenberg

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Ms. Amidon

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Mr. Eaton

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## E X H I B I T S

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EXHIBIT NO.

D E S C R I P T I O N

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Testimony of Robert A. Baumann,  
including attachments (05-04-10)

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Revised Attachments to Testimony  
of Robert A. Baumann (06-11-10)

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Chart entitled "Public Service Co.  
of N.H. Rate Changes Proposed for  
Effect on July 1, 2010 Percentage  
Change in each Rate Component"  
(2 pages)

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Chart entitled "Public Service Co.  
of N.H. Summary of Rates Proposed  
for Effect on July 1, 2010"

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RESERVED (Record request for a  
follow-up response by Witness Hall  
regarding Exhibit 6)

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1 P R O C E E D I N G

2 CHAIRMAN GETZ: Okay. Good morning,  
3 everyone. We'll open the hearing in docket DE 09-179. On  
4 May 4, 2010, Public Service Company of New Hampshire filed  
5 a petition requesting a mid-term adjustment to its  
6 Stranded Cost Recovery Charge rate on a service-rendered  
7 basis on July 1, 2010. The current average rate of 1.18  
8 cents per kilowatt-hour was approved on December 22nd,  
9 2009. And, PSNH projects an increase in the average SCRC  
10 rate to 1.24 cents per kWh due to lower market prices.  
11 The order of notice was issued on May 13 setting the  
12 hearing for this morning.

13 Can we take appearances please.

14 MR. EATON: For Public Service Company  
15 of New Hampshire, my name is Gerald M. Eaton. Good  
16 morning.

17 CHAIRMAN GETZ: Good morning.

18 MS. HOLLENBERG: Good morning. Rorie  
19 Hollenberg and Ken Traum here for the Office of Consumer  
20 Advocate.

21 CHAIRMAN GETZ: Good morning.

22 MS. AMIDON: Good morning. I'm Suzanne  
23 Amidon. I'm here for Commission Staff. And, with me  
24 today is Steve Mullen, who is the Assistant Director of

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1 the Electric Division for the Commission.

2 CHAIRMAN GETZ: Okay. Good morning. Is  
3 there anything we need to address before you proceed, Mr.  
4 Eaton?

5 MR. EATON: No. We had planned on  
6 putting on Mr. Baumann, who will explain the filings in  
7 the Stranded Cost Recovery Charge, and Mr. Hall will join  
8 him. Mr. Hall has prepared a couple of exhibits  
9 explaining the various rate changes that are proposed to  
10 take effect on July 1st, including the distribution rates,  
11 if the Commission were to approve the Settlement Agreement  
12 in that proceeding. And, that will give us an idea that  
13 we'll follow for the whole day with the other two hearings  
14 that follow.

15 CHAIRMAN GETZ: Okay. Thank you.

16 MR. EATON: So, I'd like to call Robert  
17 A. Baumann and Stephen R. Hall to the stand.

18 MS. AMIDON: Mr. Chairman, before the  
19 witnesses get sworn in, I notice that Commissioner Below  
20 is absent. Will you be requiring an expedited transcript  
21 from the court reporter?

22 CHAIRMAN GETZ: I think we can discuss  
23 that offline with Mr. Patnaude.

24 MS. AMIDON: Thank you.

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[WITNESS PANEL: Baumann ~ Hall]

1 (Whereupon Robert A. Baumann and  
2 Stephen R. Hall were duly sworn and  
3 cautioned by the Court Reporter.)

4 ROBERT A. BAUMANN, SWORN

5 STEPHEN R. HALL, SWORN

6 DIRECT EXAMINATION

7 BY MR. EATON:

8 Q. Mr. Baumann, would you please state your name for the  
9 record.

10 A. (Baumann) My name is Robert Baumann.

11 Q. And, for whom are you employed and what is your  
12 position?

13 A. (Baumann) I'm employed by Northeast Utilities Service  
14 Company as Director of Revenue Regulation & Load  
15 Resources. And, I have responsibility over PSNH  
16 revenue requirement filings and other revenue  
17 requirement tracking filings in our subsidiaries in  
18 Connecticut and Massachusetts.

19 Q. Have you previously testified before the Commission?

20 A. (Baumann) Yes.

21 Q. And, you've testified in this docket when the initial  
22 rate was set?

23 A. (Baumann) Yes.

24 Q. Mr. Baumann, do you have in front of you a filing that

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[WITNESS PANEL: Baumann ~ Hall]

1 was made in this proceeding on May 4th, 2010?

2 A. (Baumann) Yes.

3 Q. Do you recognize that document?

4 A. (Baumann) Yes.

5 Q. What does it contain?

6 A. (Baumann) It's our initial -- initial estimate of the

7 SCRC charge to be effective July 1, 2010. And, it

8 shows a slight increase from the current rate of 1.18

9 cents per kilowatt-hour to 1.24 cents per

10 kilowatt-hour.

11 Q. Are there any corrections you'd like to make to that

12 testimony?

13 A. (Baumann) No.

14 Q. And, it's true and accurate to the best of your

15 knowledge and belief?

16 A. (Baumann) Yes.

17 MR. EATON: Mr. Chairman, could we have

18 that marked as "Exhibit 4" for identification?

19 CHAIRMAN GETZ: So marked.

20 (The document, as described, was

21 herewith marked as Exhibit 4 for

22 identification.)

23 BY MR. EATON:

24 Q. Mr. Baumann, could you place in front of you a document

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[WITNESS PANEL: Baumann ~ Hall]

1 with my cover letter of June 11, 2010.

2 A. (Baumann) Yes.

3 Q. Do you recognize that document?

4 A. (Baumann) Yes, I do.

5 Q. And, what does that document contain?

6 A. (Baumann) This document is an update to our May 4th  
7 filing. And, it basically supports a proposed Stranded  
8 Cost Recovery Charge rate of 1.21 cents per  
9 kilowatt-hour to be effective on July 1st, 2010.

10 Q. And, are there any updates or corrections you'd like to  
11 make to this document?

12 A. (Baumann) Yes. I would call it an "update". During  
13 the process of data requests, there was a question  
14 concerning the rate reduction bonds and the interest  
15 associated with them. And, there was a drop, and the  
16 question was "why was there a drop?" And, the answer  
17 was that we had begun to amortize a credit. It's  
18 actually a -- amortize a reserve amount that was  
19 required in the rate reduction bond contracts. But,  
20 now, as they begin to get towards maturity, we have  
21 begun to amortize that reserve back to customers. And,  
22 that's why there was a drop in the interest.  
23 Subsequent to that, after we filed that data request,  
24 we looked into it. And, the forecasted amounts in the

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[WITNESS PANEL: Baumann ~ Hall]

1 SCRC going forward didn't have that credit forecasted  
2 in there, and that credit is about \$65,000 a month.  
3 And, if you were to look at it for the June through  
4 December projected time period, it's about another  
5 \$450,000 of credits that could be or should be part of  
6 the SCRC now that we've looked at it. If you apply  
7 that towards the total costs, our proposed rate today  
8 of 1.21 cents per kilowatt-hour drops to 1.20 cents per  
9 kilowatt-hour. So, it's a very minor amount, but it  
10 was something we subsequently found and thought we  
11 should let everybody know about it.

12 Q. With that clarification, is this true and accurate to  
13 the best of your knowledge and belief?

14 A. (Baumann) Yes.

15 MR. EATON: Could we have that marked as  
16 "Exhibit 5" for identification?

17 CHAIRMAN GETZ: So marked.

18 (The document, as described, was  
19 herewith marked as Exhibit 5 for  
20 identification.)

21 BY MR. EATON:

22 Q. Mr. Baumann, do you have any recommendation as to what  
23 rate the Commission should adopt today? Is it the 1.21  
24 cents or 1.20 cents?

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[WITNESS PANEL: Baumann ~ Hall]

1 A. (Baumann) I would recommend we adopt the 1.20 cents.  
2 It's a known -- It's a known issue. And, I think we  
3 should go with the latest known, even though it's been  
4 kind of introduced here a little late in the process.

5 Q. Thank you. Mr. Baumann, could you please provide a  
6 brief summary of your testimony.

7 A. (Baumann) Yes. The SCRC rate really is dropping very  
8 slight -- or, excuse me, increasing very slightly.  
9 And, as the Chairman said in the introduction, it's  
10 basically we have lower -- slightly lower market  
11 prices, which has increased the over-market value of  
12 IPPs that are embedded in the SCRC. There's also a  
13 very slight drop in the sales that had a very slight  
14 increase effect to the rate as well. But the rate is  
15 relatively flat, but those two items just inched it up  
16 a little.

17 Q. Mr. Hall, could you please state your name for the  
18 record.

19 A. (Hall) My name is Stephen R. Hall.

20 Q. And, could you tell the Commission for whom you're  
21 employed and what is your position?

22 A. (Hall) I'm Rate and Regulatory Services Manager for  
23 PSNH.

24 Q. What are your duties?

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[WITNESS PANEL: Baumann ~ Hall]

1 A. (Hall) I'm responsible for pricing and rate design,  
2 rate and tariff administration, and special rate  
3 offerings. I'm also responsible for regulatory  
4 interface and regulatory relations between PSNH, the  
5 PUC Staff, and the OCA.

6 Q. Have you previously testified before this Commission?

7 A. (Hall) Yes, I have.

8 Q. Mr. Hall, did you prepare some exhibits which you are  
9 ready to explain to the Commission at this time?

10 A. (Hall) Yes.

11 Q. The first one I'd like you to look at is presented in a  
12 landscape format, and reads at the top "Public Service  
13 Company of New Hampshire Rate Changes Proposed for  
14 Effect on July 1st, 2010 Percentage Change in each Rate  
15 Component". Do you have that?

16 A. (Hall) Yes, I do.

17 Q. Could you please describe that document.

18 A. (Hall) Sure. The purpose of this exhibit is to try to  
19 provide an overview of the effect on rate level of all  
20 of the changes we've proposed for effect on July 1st.  
21 This includes the proposal before the Commission in the  
22 rate case docket for the change to distribution rates;  
23 it includes the proposed change to the Transmission  
24 Cost Adjustment Mechanism that we'll be talking about

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[WITNESS PANEL: Baumann ~ Hall]

1 later today; the proposed changed to the SCRC rate  
2 that's the subject of this docket; and a proposed  
3 change to the Energy Service rate, which we'll also be  
4 talking about later today.

5 What the first page shows is the percent  
6 change by class in each of those components, assuming  
7 that everything we've proposed gets accepted and  
8 approved by the Commission as filed. So, if you go to  
9 the bottom line, "Total Retail" line, in the rate case,  
10 the "Distribution" component of rates would change by  
11 about 17.2 percent; the "Transmission" component about  
12 24 and a half percent; and so on. And, up above, it  
13 shows the percent change by rate class in each one of  
14 those components.

15 The second page is similar to the first  
16 page, except what the second page shows is, for the  
17 change to each component by rate class, it's the change  
18 in overall rate level. And, if you go to the bottom  
19 line in the second page, first column, under  
20 "Distribution", it says "3.92 percent". What that  
21 means is that, if the Commission approves the  
22 Settlement in the distribution rate case, it would  
23 result in an overall 3.92 percent change to overall  
24 rate level. And, if you look in the very last column,

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[WITNESS PANEL: Baumann ~ Hall]

1 under "Total Revenue", that column on this exhibit, on  
2 this page, is the same as the column on the previous  
3 page. And, that's because we're totaling everything,  
4 and, therefore, the percent change by individual rate  
5 component and percent change by total revenue turn out  
6 to be one in the same.

7 So, the intent of this is to provide you  
8 with an idea of the impact of the four rate changes  
9 that we're proposing to take effect on July 1st.

10 MR. EATON: Mr. Chairman, could we have  
11 this marked as "Exhibit 6" for identification?

12 CHAIRMAN GETZ: So marked.

13 (The document, as described, was  
14 herewith marked as Exhibit 6 for  
15 identification.)

16 BY MR. EATON:

17 Q. Now, Mr. Hall, I'd like you to look at another document  
18 that is printed in portrait mode that you prepared.

19 And, it's title is "Public Service Company of New  
20 Hampshire Summary of Rates Proposed for Effect on  
21 July 1, 2010". Do you have that in front of you?

22 A. (Hall) Yes, I do.

23 Q. Could you describe that document?

24 A. (Hall) Sure. What this presents is a summary of what

[WITNESS PANEL: Baumann ~ Hall]

1 all of the rates and charges would be by component, by  
2 rate class, if the four proposals that are on the  
3 table, three that we'll talk about today and one that's  
4 pending before the Commission in the distribution rate  
5 case, were approved by the Commission as filed. So,  
6 this exhibit shows what all of the rates and charges  
7 that will be contained in PSNH's tariff would look  
8 like. And, I've listed them all by rate class in each  
9 row and by component in each column; "Distribution",  
10 "Transmission", "Stranded Cost", and so on.

11 The one caveat that I would have, in  
12 addition to the earlier caveat that these represent  
13 what we proposed, is the "Stranded Cost Recovery  
14 Charge" column does not incorporate the change that Mr.  
15 Baumann just talked about, which would be a 1/1,000th  
16 of a cent reduction in rate level. So, some of these  
17 numbers in the "Stranded Cost Recovery Charge" column  
18 would change.

19 MR. EATON: Mr. Chairman, could we have  
20 this marked as "Exhibit 7" for identification?

21 CHAIRMAN GETZ: So marked.

22 (The document, as described, was  
23 herewith marked as Exhibit 7  
24 for identification.)

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[WITNESS PANEL: Baumann ~ Hall]

1 BY MR. EATON:

2 Q. Mr. Hall, do you have anything further to add to your  
3 testimony?

4 A. (Hall) No.

5 Q. Mr. Baumann, do you have anything further to add to  
6 your testimony?

7 A. (Baumann) No, I don't.

8 MR. EATON: The witnesses are available  
9 for cross-examination.

10 CHAIRMAN GETZ: Thank you.

11 MS. AMIDON: Staff agreed to go first,  
12 at the request of the Office of Consumer Advocate. So, I  
13 will -- I have a couple questions, and Mr. Mullen will  
14 also have some questions for the witnesses.

15 CHAIRMAN GETZ: Thank you.

16 MS. AMIDON: Good morning.

17 WITNESS HALL: Good morning.

18 CROSS-EXAMINATION

19 BY MS. AMIDON:

20 Q. Mr. Baumann, were there any new costs that were  
21 included in the SCRC rate in this mid-term adjustment?  
22 In other words, is the same classes of costs that were  
23 -- that are part of the SCRC rate, and there are no new  
24 categories of Part 2 or Part 3 -- I mean, Part 1 and

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[WITNESS PANEL: Baumann ~ Hall]

1 Part 2 costs that going into this rate, is that  
2 correct?

3 A. (Baumann) That's correct.

4 Q. Okay. And, in the past, we've asked you when the  
5 Company expects to see the end of the Part 2 stranded  
6 costs related to the over-market purchases from the  
7 Independent Power Producers. Can you tell us when you  
8 may see a significant reduction or an end to those  
9 costs?

10 A. (Baumann) Well, the contracts -- some of the contracts  
11 go out for quite a long time still, into the 2000 --  
12 mid 2020s. But, I think, in the next few years you're  
13 going to see a reduction in what I'll call the  
14 "significant ones". Some of the ones that go out a  
15 long ways are rather small, but they are contractually  
16 obligated to go out that far.

17 Q. And, when you say that we'll see some significant  
18 reductions, do you have an approximate time frame when  
19 we might see those?

20 A. (Hall) Part 1 of the SCRC, which is the largest  
21 component, is scheduled to end in May 2013, which is 12  
22 years after it began. So, at that point, we'd see a  
23 decrease, I believe probably something like six-tenths  
24 of a cent or eight-tenths of a cent. So, that will be

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[WITNESS PANEL: Baumann ~ Hall]

1 a significant drop.

2 Q. And, just for the record, I asked about Part 3 costs,  
3 but Part 3 costs are fully paid, is that correct?

4 A. (Baumann) Yes.

5 MS. AMIDON: Okay. Thank you. Mr.

6 Mullen.

7 MR. MULLEN: Good morning.

8 BY MR. MULLEN:

9 Q. Just following up, I think, if we turn to Attachment  
10 RAB-1, Page 1 of Exhibit 5. And, I'm just trying to  
11 get a sense of the magnitude of Part 1 versus Part 2.  
12 And, understanding this was prepared on the basis of  
13 the 1.21 cents that Mr. Baumann has revised to 1.20  
14 cents. But, just looking at Line 10, where the total  
15 average SCRC rate was 1.21 cents. And, if you look at  
16 the total costs on Line 1, Part 1 you could say is  
17 roughly two-thirds of the total costs, would that be  
18 right?

19 A. (Baumann) That's correct.

20 Q. So, if I look at the total rate of 1.21 cents, that  
21 would tell me that Part 1 will be roughly 8 mills and  
22 Part 2 would be roughly 4 mills, is that correct?

23 A. (Baumann) Yes.

24 Q. Okay. And, for Part 1, where those are scheduled to

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[WITNESS PANEL: Baumann ~ Hall]

1 end in May of 2013, as Mr. Hall testified, there really  
2 -- you don't really expect any changes in that  
3 component, correct?

4 A. (Baumann) That's correct.

5 Q. It just relates to securitization bonds that have to  
6 run their term?

7 A. (Baumann) Yes.

8 Q. Related to the approximately 450,000 of credits for  
9 amortization for interest that you were talking about  
10 for the remainder of 2010?

11 A. (Baumann) Yes.

12 Q. Would I be correct to say that in the future we would  
13 see such credits reflected on, I'm looking at RAB-1,  
14 Page 4, would they show up in Line 7 as reduced  
15 interest amounts or would they show up somewhere else  
16 on these schedules?

17 A. (Baumann) Yes. They would be on Line 7, on Page 4 of  
18 RAB-1. The original data request talked about  
19 April 2010, which is 887,000, that had a drop, and in  
20 May. But, going forward, June, as you notice, it's  
21 \$883,000. That should probably be lowered by  
22 approximately \$65,000, and every month subsequent to  
23 that, in the 2010 forecast.

24 Q. Okay.

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[WITNESS PANEL: Baumann ~ Hall]

1 A. (Baumann) Because that's how we came up with the seven  
2 months times about \$65,000, which is about \$450,000.

3 Q. Now, Mr. Baumann, you said that there's really two main  
4 reasons for the slight increase in the proposed SCRC  
5 rate. I think one had to do with over-market costs of  
6 IPPs. And, the other you said there was a reduction to  
7 sales, is that right?

8 A. (Baumann) Yes, a very slight reduction. But, in  
9 theory, if sales go down, your rate is going to go up.

10 Q. In terms of the lower sales, do you know what the  
11 primary drivers of that are?

12 A. (Baumann) Well, it's based on an economic analysis.  
13 And, in simple terms, and it's probably about as much  
14 as I know about sales, you know, as projected rates go  
15 up in this situation, the TCAM is projected to go up,  
16 the elasticity, if you will, of customer consumption  
17 will react to the point that there will be less  
18 consumption. So, when our economists reran the sales  
19 forecast with these additional increases or anticipated  
20 increases, there was a slight decrease due to the  
21 reaction that customers would, in theory, have with an  
22 increased price, therefore, decreased demand.

23 Q. And, it's true to say that any change in sales is not  
24 at all related to customer migration for this

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[WITNESS PANEL: Baumann ~ Hall]

1 particular part of the rate, that's correct?

2 A. (Baumann) That's true. This is a non-bypassable  
3 charge, which includes 100 percent of the PSNH  
4 customers.

5 Q. Okay. Mr. Hall, looking at Exhibit 6.

6 A. (Hall) Okay.

7 Q. The first page.

8 A. (Hall) I'm there.

9 Q. Actually, the first page and the second page. And, I'm  
10 looking at the line that says "LG Special Pricing", and  
11 I'm in the "SCRC" column.

12 A. (Hall) Okay.

13 Q. The first page shows an increase, just looking at that  
14 rate component, of "25.38 percent". And, the second  
15 page shows a decrease when you're looking at overall  
16 revenues of "5.73 percent". Can you explain what's  
17 happening there?

18 A. (Hall) I believe I can, but I'm going to want to  
19 confirm what I say and submit a record request to get  
20 back to you. I believe it's attributable to the way  
21 that special pricing customers are handled, that  
22 relates back to the Restructuring Settlement that was  
23 approved in 2001, where the Stranded Cost Recovery  
24 Charge is like a swing variable, for how to deal with

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[WITNESS PANEL: Baumann ~ Hall]

1 total rate level under special pricing.

2 That's generally what I think is going  
3 on. But what I'll have to do is, I'll have to get back  
4 to you with a detailed response. And, I can submit  
5 that tomorrow, if that's all right?

6 MR. MULLEN: Okay. Thank you. I have  
7 nothing further.

8 CHAIRMAN GETZ: All right. We'll  
9 reserve "Exhibit Number 7" for the response.

10 MR. MULLEN: Would that be number "8"?

11 CHAIRMAN GETZ: "8", I mean. Yes.

12 (Exhibit 8 reserved)

13 CHAIRMAN GETZ: Okay. Ms. Hollenberg?

14 MS. HOLLENBERG: Thank you. No  
15 questions.

16 CHAIRMAN GETZ: Commissioner Ignatius.

17 CMSR. IGNATIUS: Thank you.

18 BY CMSR. IGNATIUS:

19 Q. Mr. Hall, your exhibits putting together all of the  
20 different changes were very helpful. But I need you to  
21 get me that final step. I guess, looking at Exhibit 6,  
22 you've broken out the changes for all of the different  
23 adjustment mechanisms we have. Where do we see, from a  
24 customer's perspective, what their bill is going to

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[WITNESS PANEL: Baumann ~ Hall]

1 look like, assuming all of these things are approved as  
2 filed, and looking at making some assumption about  
3 consumption?

4 A. (Hall) Yes. Where you would look is in the "Total  
5 Revenue" column of either the first or second page.  
6 And, for example, the residential class overall will  
7 see a 6 percent increase. Now, it will vary based on  
8 the amount of consumption. But, overall, Residential  
9 rates will increase by 6 percent; General Service Rate  
10 G by about 5.2 percent; and so on. So, it's that last  
11 column that gives you an idea, on an overall rate  
12 class, how much rates will change.

13 Q. And, the place in which the recent rate case settlement  
14 proposal factors into this is built into the  
15 "Distribution" percentages?

16 A. (Hall) Yes, ma'am.

17 Q. So, all of this is a -- even a midcourse adjustment  
18 that we're looking at today that will only be for a  
19 matter of months; the distribution percentages are  
20 longer term and the multi-year proposal that has been  
21 agreed to in the Settlement Agreement is still pending  
22 before the Commission, correct?

23 A. (Hall) Correct. This is the July 1st, 2010 rate change  
24 that's been proposed.

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[WITNESS PANEL: Baumann ~ Hall]

1 CMSR. IGNATIUS: All right. Thank you.

2 CHAIRMAN GETZ: Mr. Eaton, anything  
3 further for the witnesses?

4 MR. EATON: I have nothing on redirect.

5 CHAIRMAN GETZ: Okay. Then, the  
6 witnesses are excused. Thank you, gentlemen. Is there  
7 any objection to striking identifications and moving the  
8 exhibits into evidence?

9 MR. EATON: No.

10 CHAIRMAN GETZ: Hearing no objections,  
11 they will be admitted into evidence. Anything before  
12 opportunity for closings?

13 (No verbal response)

14 CHAIRMAN GETZ: Hearing nothing, then,  
15 Ms. Hollenberg.

16 MS. HOLLENBERG: Thank you. One moment  
17 please.

18 (Atty. Hollenberg conferring with Mr.  
19 Traum.)

20 MS. HOLLENBERG: I was just going to say  
21 that the Office of Consumer Advocate does not oppose the  
22 proposed change in the Stranded Cost Recovery Charge.

23 CHAIRMAN GETZ: Thank you. Ms. Amidon.

24 MS. AMIDON: Thank you. Staff has

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1 reviewed the filing and we conducted some discovery. And,  
2 based on the testimony that we heard today from Mr.  
3 Baumann, and subject to reviewing the calculations, we  
4 would accept the proposed rate for July 1 of 1.20 cents  
5 per kilowatt-hour for the SCRC.

6 CHAIRMAN GETZ: Thank you. And, Mr.  
7 Eaton.

8 MR. EATON: Thank you, Mr. Chairman.  
9 Public Service Company is requesting a change today of  
10 1.20 cents per kilowatt-hour on an average basis with the  
11 rate design that is found in Exhibit 7. And, we think the  
12 change is in accordance with previous calculations and the  
13 design of the Stranded Cost Recovery Charge, and we  
14 recommend that the Commission adopt the proposed rate.

15 CHAIRMAN GETZ: Okay. Thank you. Then,  
16 we will close this hearing and take the matter under  
17 advisement.

18 (Whereupon the hearing was adjourned at  
19 10:38 a.m.)  
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