

**BEFORE THE  
ARKANSAS PUBLIC SERVICE COMMISSION**

IN THE MATTER OF THE APPLICATION OF )  
**OKLAHOMA GAS AND ELECTRIC COMPANY** )  
FOR APPROVAL OF A GENERAL CHANGE IN )  
RATES AND TARIFFS )

DOCKET NO. 10-067-U

Direct Testimony

of

Bryan J. Scott

on behalf of

Oklahoma Gas and Electric Company

September 28, 2010

1 QUALIFICATIONS, EXPERIENCE AND PURPOSE

2 Q. **Would you please state your name, business address and job responsibilities.**

3 A. My name is Bryan J. Scott. My business address is 321 North Harvey, Oklahoma City,  
4 Oklahoma 73102. In March 2008, I joined Oklahoma Gas and Electric Company  
5 (“OG&E” or “Company”) as a member of the Rates and Costing team. I am currently the  
6 Director of Pricing and Load Research. I am responsible for pricing strategy and  
7 managing the Pricing and Load Research teams.

8  
9 Q. **Have you previously filed testimony before the Arkansas Public Service Commission  
10 (the “Commission” or “APSC”)?**

11 A. Yes. I have previously filed testimony on behalf of OG&E in Docket No. 08-103-U and  
12 for Southwestern Electric Power Company (SWEPCO) in Docket 95-358-TF, Docket 97-  
13 202-TF (docket withdrawn), and in Docket 99-205-TF. I have submitted testimony and  
14 testified in various hearings and proceedings before the Oklahoma Corporation  
15 Commission, the Louisiana Public Service Commission, and the Public Utility  
16 Commission of Texas. I have also submitted testimony to the Federal Energy Regulatory  
17 Commission.

18  
19 Q. **What is the purpose of your testimony?**

20 A. The purpose of my testimony is to describe OG&E’s overall rate design intent and the  
21 principles that were used to derive the overall rate design. I will also describe the request  
22 for \$875,000 for customer education regarding pricing plans and the proposed Customer  
23 Education and Demand Response rider (“CEDR”). Finally, I will explain the regulatory  
24 team’s due diligence to ensure that the economic downturn in the 2009 test year would  
25 not result in a rate design that produced excess revenues above what the Commission  
26 authorizes in this proceeding.

27  
28 RATE DESIGN INTENT

29 Q. **What is OG&E’s overall rate design intent?**

30 A. Our rate design intent is guided by three broad goals: to recover the authorized revenue

1 requirement, to promote efficiency in the consumption of electricity by customers, and to  
2 meet customers' pricing preferences (provide choices to customers).

3  
4 **Q. What does it mean “to recover the authorized revenue requirement”?**

5 A. It means that prices are changed such that they produce the revenues authorized by the  
6 Commission, based on test year data.

7  
8 **Q. What does it mean “to achieve efficiency in the consumption of electricity”?**

9 A. In essence, it means that consumers are able to select products and services by comparing  
10 what they are willing to pay for that service to the price at which suppliers are willing to  
11 supply them. In more technical terms, it means that customers should be able to choose  
12 products that have the highest value (consumer surplus) to them, and make choices by  
13 comparing what suppliers will charge for the product versus the price that customers are  
14 willing to pay. From an economic efficiency point of view, product prices should reflect  
15 the supplier's marginal, not average, costs.

16  
17 **Q. How else can the rate design support efficiency?**

18 A. Efficiency is supported when prices for electricity to our customers reflect costs as  
19 accurately as possible. These costs include capacity, fuel, operation and maintenance,  
20 etc., and, ideally, environmental externalities. OG&E's long term plans for continuing to  
21 supply electricity at the lowest practical cost are outlined in our latest Integrated  
22 Resource Plan and our 2020 Goal, described in the testimony of OG&E witness Howard  
23 Motley. It is the desire of OG&E to price electricity so that customers will be encouraged  
24 to improve their load factor and move consumption to lower cost time periods which will  
25 lower supply costs to all customers.

26 OG&E proposes to introduce rate designs that more accurately reflect the cost of supply  
27 at different times so that customers will be encouraged to shift consumption to lower cost  
28 time periods which will help lower supply costs for all customers. In addition to efficient  
29 pricing (the primary focus of my testimony), OG&E has two types of demand-side  
30 management programs specifically aimed at reducing the cost of electricity to consumers:

- 31 • Demand Response (“DR”)—DR programs are designed to encourage  
32 customers to reduce their load during peak loading periods. These programs

1 are either event based or price response driven. Event based programs are  
2 initiated by OG&E in response to varying external conditions such as  
3 system emergencies or extremely high market prices. Price response  
4 programs are tariffs with predefined, recurring pricing.

- 5 • Energy Efficiency (“EE”)—EE measures are designed to encourage  
6 customers to become more efficient in how they use energy. Measures are  
7 designed to educate customers, encouraging them to change their energy use  
8 habits in ways that will save energy and reduce their electricity bills. OG&E  
9 offers and number of measures designed to increase awareness and reduce  
10 monetary barriers which may inhibit adoption of energy efficiency measures  
11 by customers.

12 The combination of pricing plans, energy efficiency measures, and demand response  
13 programs provides OG&E customers with a comprehensive menu of programs that  
14 customers can use to manage their energy consumption and provide them the greatest  
15 economic value.

16  
17 **Q. What does it mean “to meet customers’ pricing preferences”?**

18 **A.** Our Arkansas customers want choices. In this docket, OG&E proposes alternative  
19 pricing plans that provide customers with more choices than they have today. In  
20 summary, OG&E researched customer preferences and found that most customers prefer  
21 an alternative to the standard pricing plan.

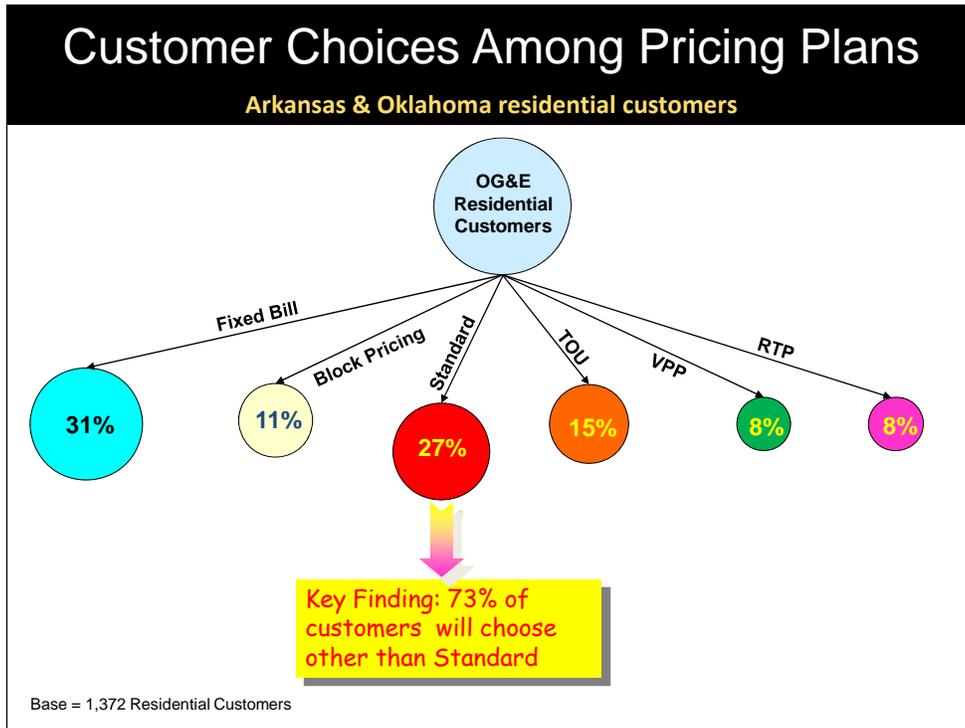
#### 22 23 PRICING PLAN RESEARCH

24 **Q. How did OG&E determine that its customers want choices?**

25 **A.** In 2009, OG&E conducted extensive and comprehensive research which showed that  
26 most customers prefer a pricing plan other than the standard rate traditionally offered by  
27 OG&E. Customer preferences can be grouped into three broad categories: 42% prefer  
28 increased price security (fixed bill, block pricing), 27% prefer the traditional plan  
29 (standard), and 31% prefer a price response plan such as Day Ahead Pricing (“DAP”),  
30 Time of Use (“TOU”), or Variable Peak Pricing (“VPP”). As illustrated in Chart 1 below,  
31 73% of OG&E’s residential customers prefer an alternate plan.

1

Chart 1



2

3 Q. Please describe the pricing plan research conducted by OG&E.

4 A. OG&E retained Dr. Ken Deal of *marketPOWER research, inc.* to conduct a study of  
5 customers' preferences for pricing plans. OG&E prepared pricing plans, plan features,  
6 feature prices, and demographic questions. OG&E also assisted with recruiting customers  
7 to participate in the study. Dr. Deal then prepared the survey instrument and analyzed the  
8 results. The survey method employed was *discrete choice conjoint*. Simply put, discrete  
9 choice conjoint analysis is a research technique that designs an experiment through which  
10 each respondent is presented with several sets of product alternatives (in this case, pricing  
11 plans) and asked to choose the one from each set that best suits their needs. The  
12 technique can be used to determine how customers value different features that compose  
13 an individual product (pricing plan). Statistical analysis of the data provides estimates of  
14 customers' shares of preferences for a wide variety of tested pricing plans. This technique  
15 is a well established market research tool that has been used for many years and thus is  
16 one of the best ways to identify a set of pricing plans that will best match customers'  
17 preferences for different product features.

1 Q. **Please describe the sample selection process for both the Oklahoma and Arkansas**  
2 **Residential conjoint Study.**

3 A. Residential customers were recruited to participate in the survey using four different  
4 methods.

- 5 • A link was established on the OG&E home website where customers were  
6 encouraged to complete the survey.
- 7 • Email invitations to participate in the survey were sent to e-bill customers.
- 8 • Direct emails were sent to 740 former web panelists and approximately 80  
9 customers who had expressed interest in participating in future OG&E surveys.
- 10 • Bill inserts were sent to customers encouraging participation and providing a  
11 URL for the survey site.

12 OG&E also offered incentives to encourage participation in the study. In recruitment  
13 material OG&E stated that the first 200 residential customers in Oklahoma and the first  
14 200 residential customers in Arkansas who fully completed and returned the  
15 questionnaire would be sent a \$10 honorarium. Consequently, all 140 Arkansas  
16 customers who complete the survey were sent honorariums. Some customers requested  
17 that their honorariums be sent to a charity on their behalf.

18  
19 Q. **What level of confidence does the Residential sample provide to the conjoint study?**

20 A. We performed the statistical analysis at the 95% confidence level. This means that there  
21 is a 95% probability that the responses of the customers who participated in the research  
22 are an accurate reflection of the population's

23 preferences. Therefore, OG&E is comfortable  
24 using the study to make decisions. The  
25 Oklahoma sample (n=1,232) and the Arkansas  
26 sample (n=140) were combined to provide a  
27 total sample of 1,372 (see Chart 2). Based on

28 the combined sample, estimates of population percentages are accurate within a range of  
29 +/- 2.7 percentage points 95% of the time. Considering the Arkansas results by  
30 themselves (n=140), estimates of population percentages would be accurate within a  
31 range of +/- 8.3 percentage points 95% of the time. Considering the Oklahoma results by

Chart 2

<b>Field completion:</b> end-of-day 12Dec09			
	Oklahoma	Arkansas	Total
Residential	1232	140	1372
Non-demand	295	26	321
Demand	41	8	49

1 themselves (n=1,232), estimates of population percentages would be accurate within a  
2 range of +/- 2.8 percentage points 95% of the time.

3 Typically, load research studies are generally designed at the 90% confidence level<sup>1</sup>. The  
4 level of confidence with OG&E's pricing plan research study compares well with the  
5 accuracy of typical load research data used to develop the allocation factors for the Cost  
6 of Service study.

7  
8 **Q. How are Arkansas and Oklahoma Residential Class customers similar or different  
9 in their preference for pricing programs?**

10 A. According to the information provided by Dr. Deal, there are no statistically significant  
11 differences between Oklahoma and Arkansas residential customer samples. His analysis  
12 showed that the conjoint mean part-worth utilities (customers' preference for product  
13 features) for the pricing plan attributes were not statistically different<sup>2</sup> for 97 out of the 98  
14 parameters<sup>3</sup> that were estimated. As a result, the Oklahoma and Arkansas samples can be  
15 and were combined for further analysis, interpretation, and presentation.

16 Subsequent to the conjoint portion of the questionnaire, customers were asked to choose  
17 the one pricing plan that would be best for them. No other description besides the name  
18 of the pricing plan was mentioned in the question. There were no statistically significant  
19 differences<sup>4</sup> in the answers given between Oklahoma and Arkansas customers.

20  
21 **Q. Based on the analysis, are Arkansas customer's desires for various products similar  
22 to Oklahoma customers?**

23 A. Yes. For example, as illustrated in Chart 1, thirty-one percent of Oklahoma and Arkansas  
24 residential customers prefer a fixed bill option. Exhibit BJS-1 contains similar  
25 illustrations for the other customer classes.

26  
27 **Q. What did OG&E's research indicate that customers want in regard to electricity  
28 pricing plans?**

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<sup>1</sup> AEIC Load Research Manual, Second Edition, 2001, pages 4-4 to 4-5.

<sup>2</sup> No difference at the 5% significance level.

<sup>3</sup> The parameter that was different between Oklahoma and Arkansas was the 16¢ "swing" price for one of the block plans. OG&E is not introducing Block and Swing plans in this docket.

<sup>4</sup> No difference at the 5% significance level.

1 A. Customers want different plans. Electricity pricing plans incorporate several features that  
2 have value to customers. Some plans offer savings in exchange for flexibility in usage  
3 from customers or for the ability to update prices contemporaneously with changes in  
4 supply costs. Other plans offer customers certainty regarding monthly bill amounts. Still  
5 other plans offer a blend of features that may only appeal to a limited number of  
6 customers.

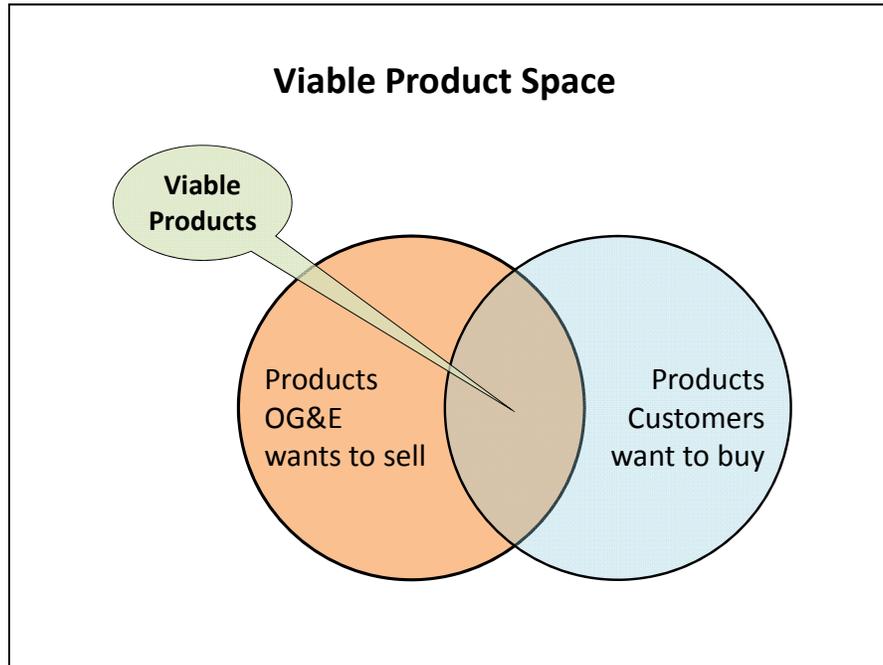
7 Our research confirms the fact that different customers have different preferences. Some  
8 customers want an hourly pricing plan to obtain the lowest possible bill. Others want  
9 price and bill certainty; they want to know how much their bill will be and are quite  
10 willing to pay a premium for that security.

11  
12 Q. **Will OG&E be able to offer all customers everything they request in a pricing plan?**

13 A. Unfortunately, no. As illustrated in Chart 3 below, there are products that customers want  
14 that OG&E is unable to offer. Likewise, there are products that OG&E may be happy to  
15 sell that customers are unlikely or unwilling to buy. The viable product space is  
16 represented conceptually by the intersection of the product space that customers are  
17 willing to buy and OG&E is willing to sell.

18

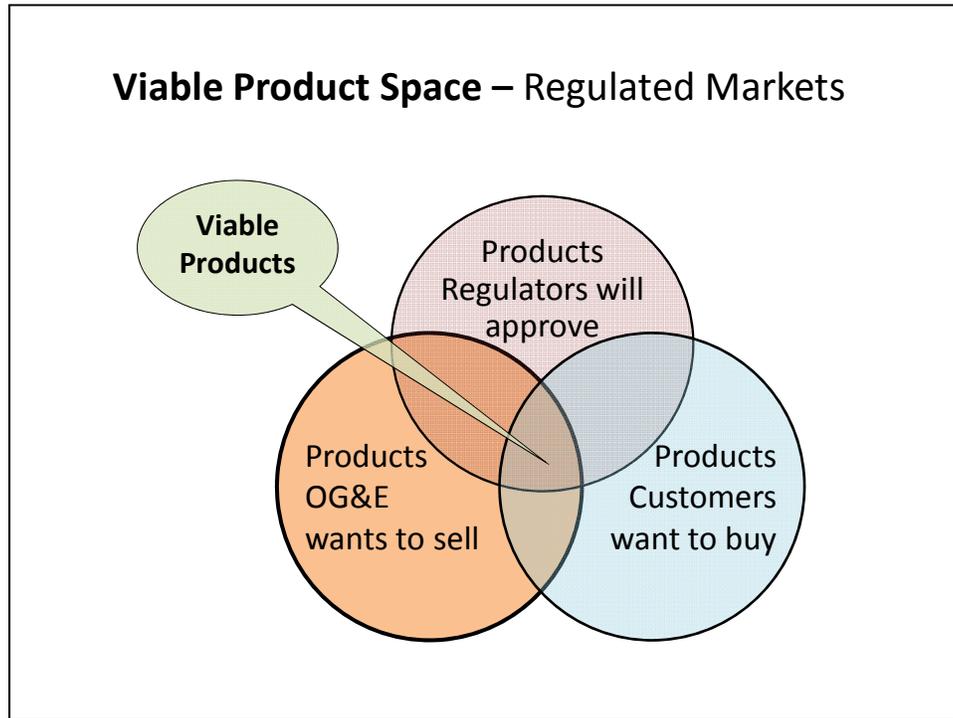
**Chart 3**



19 However, since OG&E is regulated, a more complete depiction of viable product space is

1 shown in Chart 4. In setting electricity rates, regulatory commissions must consider not  
2 only customer preferences, but also allocation of costs across customer classes and other  
3 goals such as minimizing environmental impacts and promoting energy efficiency. The  
4 other goals could reduce the number of options that otherwise could be offered.

5 **Chart 4**



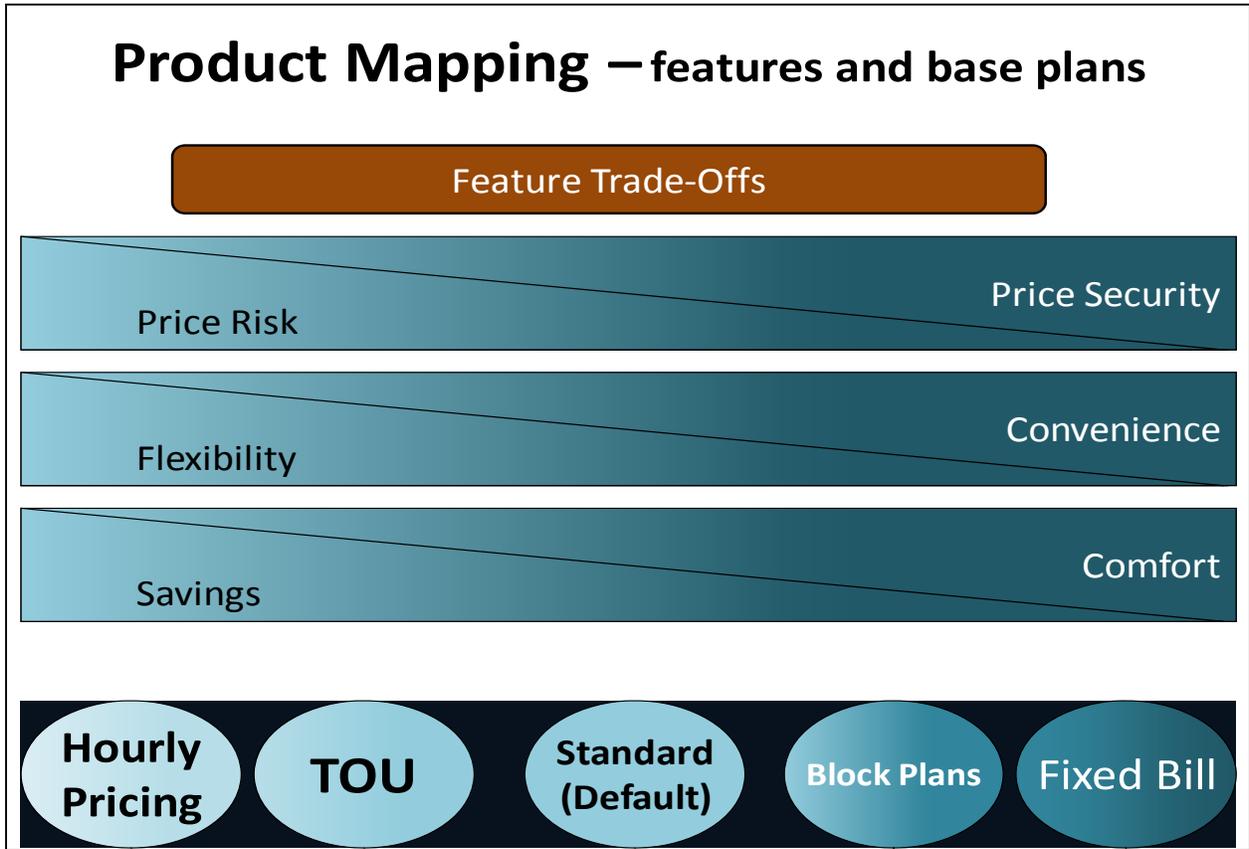
6  
7 **PRICING PLAN DEVELOPMENT**

8 **Q. How did OG&E use the research results to formulate its pricing strategy?**

9 **A.** OG&E has crafted its pricing strategy to provide customers with meaningful choices.  
10 However, no one pricing plan can meet all customers' needs. Therefore, OG&E proposes  
11 to offer a portfolio of plans that address the spectrum of customers' preferences for  
12 electricity pricing features. OG&E prepared a product map (shown in Chart 5) that shows  
13 how a few basic pricing plans can incorporate the trade-off of features preferred by  
14 customers.

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Chart 5



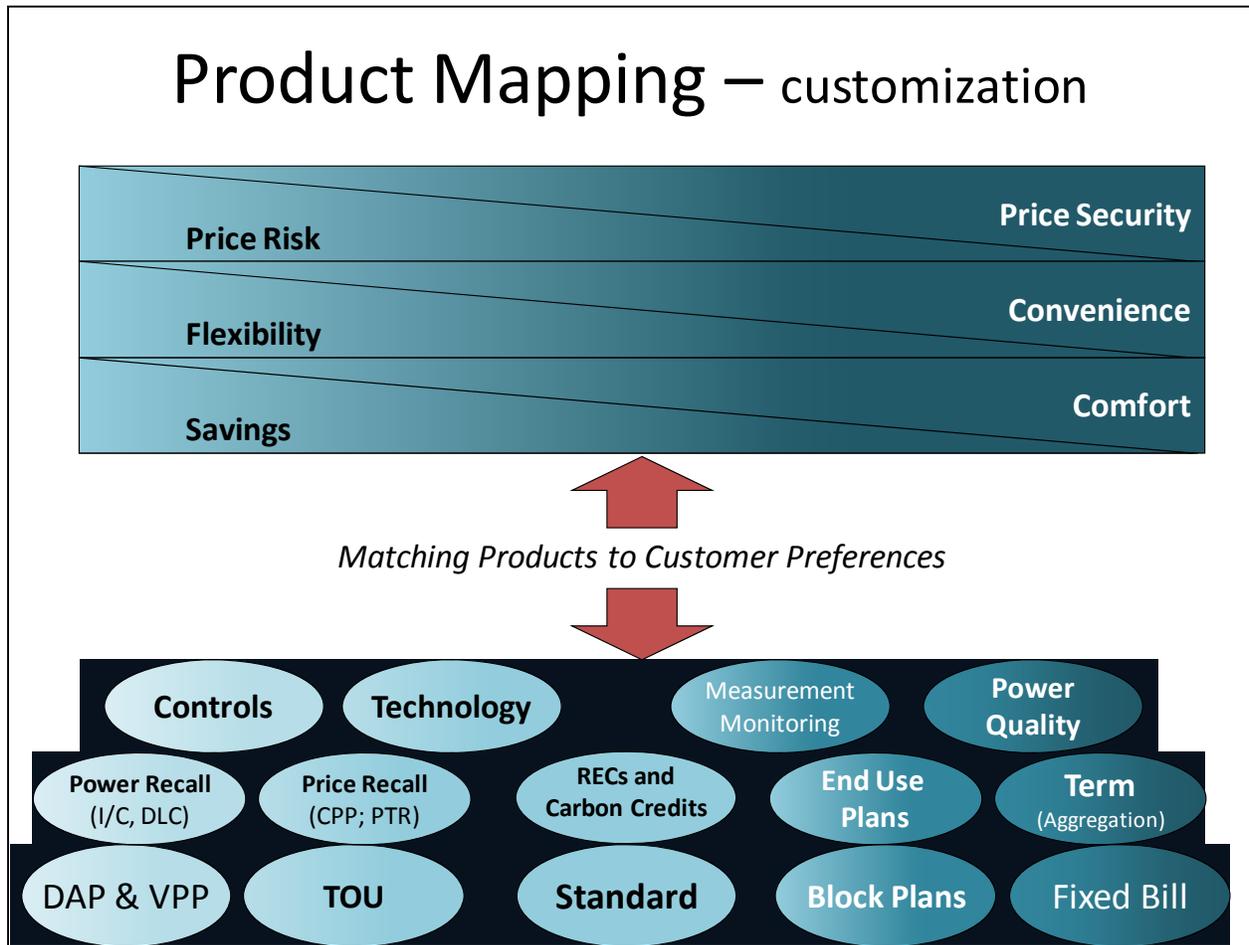
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3 **Q. How can other options be incorporated into OG&E’s portfolio of pricing plans to**  
 4 **enhance customer value?**

5 **A.** Each base plan can be customized to achieve specific objectives to meet customer needs  
 6 (see Chart 6). For example, some customers want “green” power and have a desire to  
 7 express their environmental concerns beyond what other customers may desire. OG&E  
 8 offers the sale of renewable energy certificates (“RECs”) to customers through its REP  
 9 rider.

10 Other customers may want technology (hardware such as programmable communicating  
 11 thermostats, or “PCTs”) that enables them to participate more fully in price response  
 12 plans such as TOU.

13 Through the use of these optional features, customers can tailor a pricing package that  
 14 will maximize their value.



2

3

### PROPOSED PRICING PLANS

4 Q. **What additional pricing plans or rates does OG&E propose to offer its customers in this docket?**

5

6 A. Specifically, we are proposing to offer price security and price response plans to each

7 major customer group. For residential and smaller commercial customers, we propose to

8 offer a fixed bill program (Flat Bill) and Variable Peak Pricing. For larger commercial

9 and industrial customers, we are proposing a new Load Reduction (“LR”) tariff and the

10 Day Ahead Pricing pilot program will become a standard tariff. Each of these is

11 discussed in detail by OG&E witness Greg Tillman. At this time, OG&E is not prepared

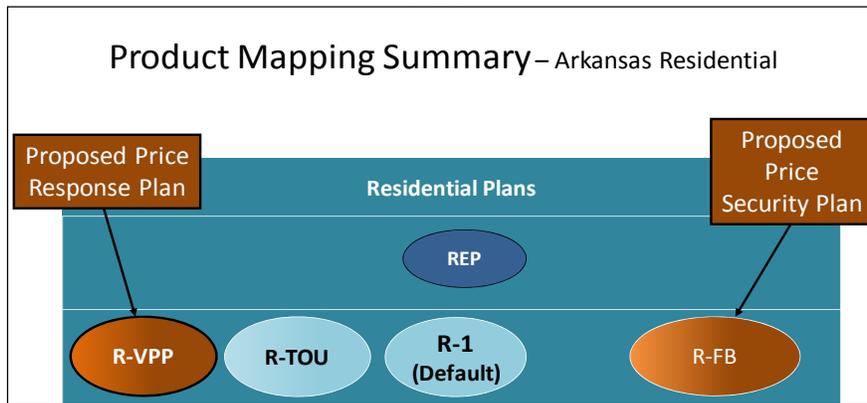
12 to introduce a price security plan for its largest business customers. OG&E plans to do so

13 in a future docket. Charts 7-9 show the current plans offered to each customer group and

14 show the proposed plan additions.

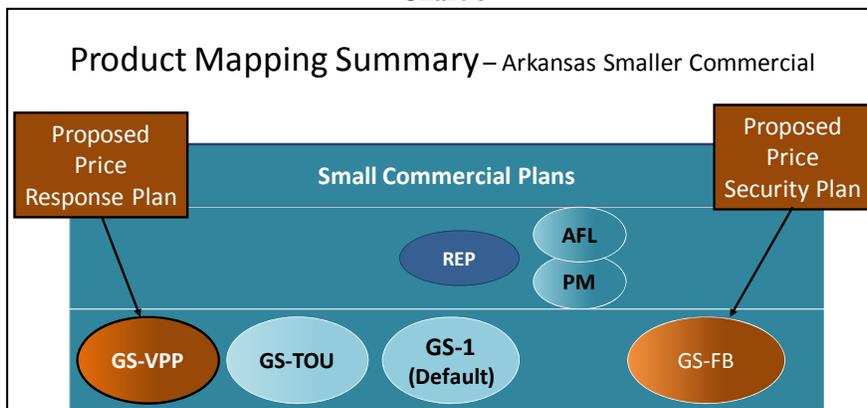
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Chart 7



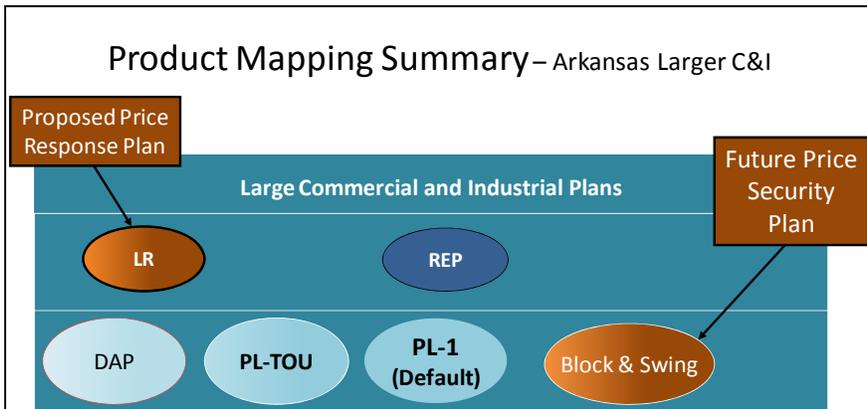
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Chart 8



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Chart 9



4

5 Q. What rate design changes does OG&E propose in order to improve consumption  
6 efficiency?

7 A. We are proposing to improve the design of rates for standard service to establish prices  
8 that are more reflective of marginal costs and block sizes that will increase the amount of  
9 energy that is affected by marginal cost based prices. In other words, we are proposing to

1 redesign rates so that they continue to produce revenues that, in aggregate, collect the  
2 company's total embedded costs but whose rate components better reflect marginal costs,  
3 thus providing incentives for more efficient consumption at the margin. This is also  
4 discussed in detail by Mr. Tillman.

5  
6 **Q. What types of price security products is OG&E offering?**

7 A. We are proposing to offer a fixed bill product that we currently offer our residential and  
8 general service customers in Oklahoma. Based on our research, there is a large segment  
9 of customers who would prefer bill stability that a fixed bill product offers. Mr. Tillman  
10 discusses the proposed fixed bill plan in detail in his direct testimony.

11  
12 **Q. Would a fixed bill product work against your energy efficiency goals and encourage  
13 customers to over-consume?**

14 A. No, for several reasons. First, customers on a fixed bill product will still pay for  
15 electricity based on the Commission-authorized base rates that other customers pay.  
16 Their bills are only fixed for one year at a time and based on a forecast of their  
17 consumption, base rates, expected fuel costs and a risk premium. If they consume more  
18 than they otherwise would on standard pricing, their fixed bill price for the next year will  
19 reflect that increased consumption. Thus, while their bill is fixed for the first year (and  
20 there is no true-up for higher consumption levels in that year), the effect of consuming  
21 more will be reflected in that customer's next fixed bill offer.

22 Second, based on our experience in Oklahoma, some customers will consume slightly  
23 more in the first year than they did on the standard rate, but consumption levels in the  
24 following year returned to levels consistent with their prior usage.<sup>5</sup>

25 Finally, economic efficiency is not only about setting prices that reflect the true cost of  
26 providing a particular service. It is equally important to offer products that customers  
27 really value. Our pricing plan research indicates that many customers would place great  
28 value on having a fixed bill product.

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<sup>5</sup> "An Evaluation of Customer Response to OG&E's Guaranteed Fixed Billing Program", David Glycer and Bruce Chapman, Christensen Associates Energy Consulting, April 22, 2008, page 2, Table ES-1.

1 Q. **If the Commission authorizes OG&E to offer customers these pricing plans, will**  
2 **customers participate at anticipated levels? In other words, “...if you build it, will**  
3 **they come”?**

4 A. No. OG&E customers will not and cannot choose these pricing plans if customers are  
5 unaware of their availability and are not provided sufficient education to make a personal  
6 choice.

7  
8 Q. **Why is customer education important?**

9 A. OG&E found in its research that 69% of its Arkansas residential customers were **not**  
10 aware that optional plans existed. In the pricing research, the surveyed customers chose  
11 from the full range of pricing plans because they were made aware of the plans in the  
12 questionnaire. In real life, our customers will need to be made aware of the plans,  
13 educated regarding their features and then convinced of the advantages offered.

14  
15 Q. **Do you have a specific example related to Arkansas customers?**

16 A. Yes. According to the Company’s research, approximately 31% residential customers  
17 say they would participate in a TOU type program. In Arkansas, this would equate to a  
18 subscription level of approximately 16,500 residential customers. OG&E included an  
19 optional residential TOU plan with the rates placed in effect in June 2009 from Docket  
20 No. 08-103-U. No residential customers subscribed to the plan for several months. Then,  
21 OG&E included a one-time bill insert describing the R-TOU in November 2009.  
22 Customers then began to enroll in the plan. From that one-time advertisement,  
23 approximately 600 residential customers chose to enroll in R-TOU. These results are  
24 shown in Chart 10 for R-TOU along with some other recently introduced plans.

1

**Chart 10**

Optional Pricing Plan Subscription Counts													
	JUN. 2009	JUL. 2009	AUG. 2009	SEP. 2009	OCT. 2009	NOV. 2009	DEC. 2009	JAN. 2010	FEB. 2010	MAR. 2010	APR. 2010	MAY. 2010	JUN. 2010
Residential Time-of-Use		-	-	-	-	1	11	50	156	281	421	565	591
Commercial Time-of-Use		-	-	-	-	-	9	9	9	12	13	15	15
Renewable Energy Program	1	1	2	2	2	2	9	17	19	19	20	25	27
Day-Ahead Pricing Pilot		1	1	1	1	1	1	1	1	1	1	1	1

Education Campaigns													
	JUN. 2009	JUL. 2009	AUG. 2009	SEP. 2009	OCT. 2009	NOV. 2009	DEC. 2009	JAN. 2010	FEB. 2010	MAR. 2010	APR. 2010	MAY. 2010	JUN. 2010
Campaign	A					B & C							
<b>Campaign Descriptions</b>													
<p><b>A</b> = Billing insert (OGE Currents) section "Dollars &amp; Sense" was issued to Residential customers in Arkansas. The article offers the OG&amp;E Power Plus Program Information line phone number for customers to learn about energy, time, and money saving programs like Time-of-Use.</p> <p><b>B</b> = Billing insert (OGE Currents) section "Dollars &amp; Sense" was issued to Residential customers in Arkansas. The article explains the basics of the TOU program and offers the company website and phone number for enrollment.</p> <p><b>C</b> = Time-of-Use program description and Frequently Asked Questions two page letter was mailed to all Residential customers</p>													

2

3 **Q. Based on OG&E’s research, how many Arkansas customers would potentially**  
 4 **participate in an optional rate?**

5 **A.** The research shows that 73% or approximately 40,000 residential customers would  
 6 subscribe to an optional rate. OG&E has similar expectations for industrial and  
 7 commercial customers.

8

9 **Q. How can OG&E achieve the participation levels for its optional pricing plans that**  
 10 **its research has shown could be achieved?**

11 **A.** An educational media effort highlighting these optional plans provides the needed  
 12 information for our customers to make choices. As shown previously in Chart 10,  
 13 informed customers make better decisions. As a matter of fact, uninformed customers  
 14 have no apparent decision to make. The Company requests the Commission to authorize  
 15 customer education funding which is discussed in the next section of my testimony.

1 CUSTOMER EDUCATION AND DEMAND RESPONSE RIDER

2 Q. **What is the amount OG&E is requesting for customer education?**

3 A. The Company proposes to spend \$775,000 per year in Arkansas for customer media  
4 education and \$100,000 per year for measurement and evaluation of that communication.  
5 OG&E is requesting Commission authorization to recover its actual expenses for  
6 customer education on pricing plans through the proposed Customer Education and  
7 Demand Response rider (“CEDR”). The Company proposes an annual cap of \$875,000  
8 on these expenses to be recovered through the CEDR rider.  
9

10 Q. **Please describe the focus of the customer education effort.**

11 A. OG&E reviewed the list of communities we serve in Arkansas and population of each  
12 and determined that about 91% of our served customers live in Fort Smith, Van Buren,  
13 Clarksville, Barling, Ozark, and Charleston. A media plan was developed to meet an  
14 effective reach goal of 72%. This includes a multi-faceted outreach effort which includes  
15 television, radio and newspaper outlets, plus collateral investments of direct mail, bill  
16 inserts, website expansion, and events. Additionally, the costs for producing television  
17 spots, newspaper ads, radio spots, collateral, and website expansion were also included in  
18 the proposed amount. Understanding the ongoing effectiveness of the communications is  
19 critical to achieving the effective reach goal, so the cost of quarterly measurement and  
20 evaluation was included.  
21

22 Q. **What costs are recovered through the CEDR rider?**

23 A. The CEDR rider is designed to recover customer education expense and the cost of retail  
24 purchased power incurred through OG&E’s price response programs. Mr. Tillman  
25 describes the mechanics of the CEDR rider in his direct testimony.  
26

27 Q. **What is retail purchased power?**

28 A. Retail purchased power is defined as power that is purchased back from our Arkansas  
29 retail customers through demand response programs. The programs included in this  
30 application are: the load reduction program, DAP, and Cogeneration and Small Power  
31 Production (“COG-1”). As these costs are incurred, they will be collected from all  
32 customers on a per kWh basis through the CEDR rider.

RATE DESIGN DUE DILIGENCE

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**Q. Does OG&E perform due diligence when developing a rate case filing?**

A. Yes. In August, the regulatory team completed its initial cost of service and rate design. During a due diligence review, it became obvious that the economic downturn affected the initial cost of service results.

**Q. Why did OG&E make an adjustment to revenues and kilowatt hours to reverse the effect of the economic downturn in 2009?**

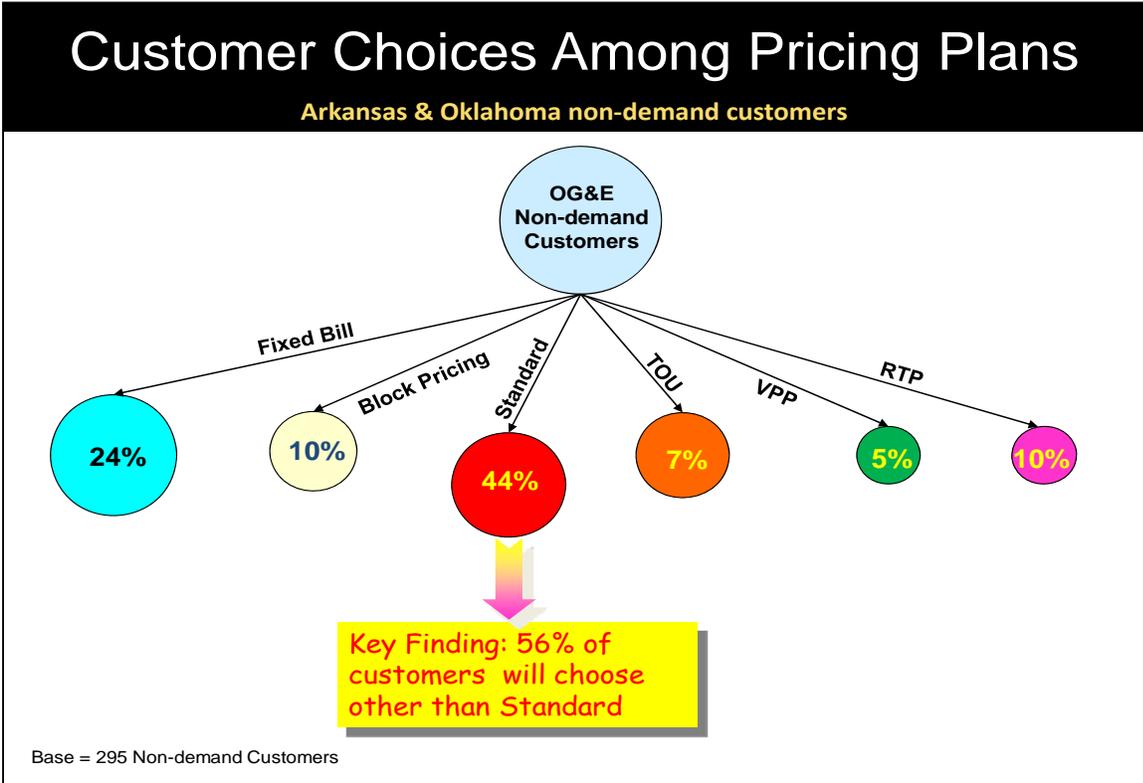
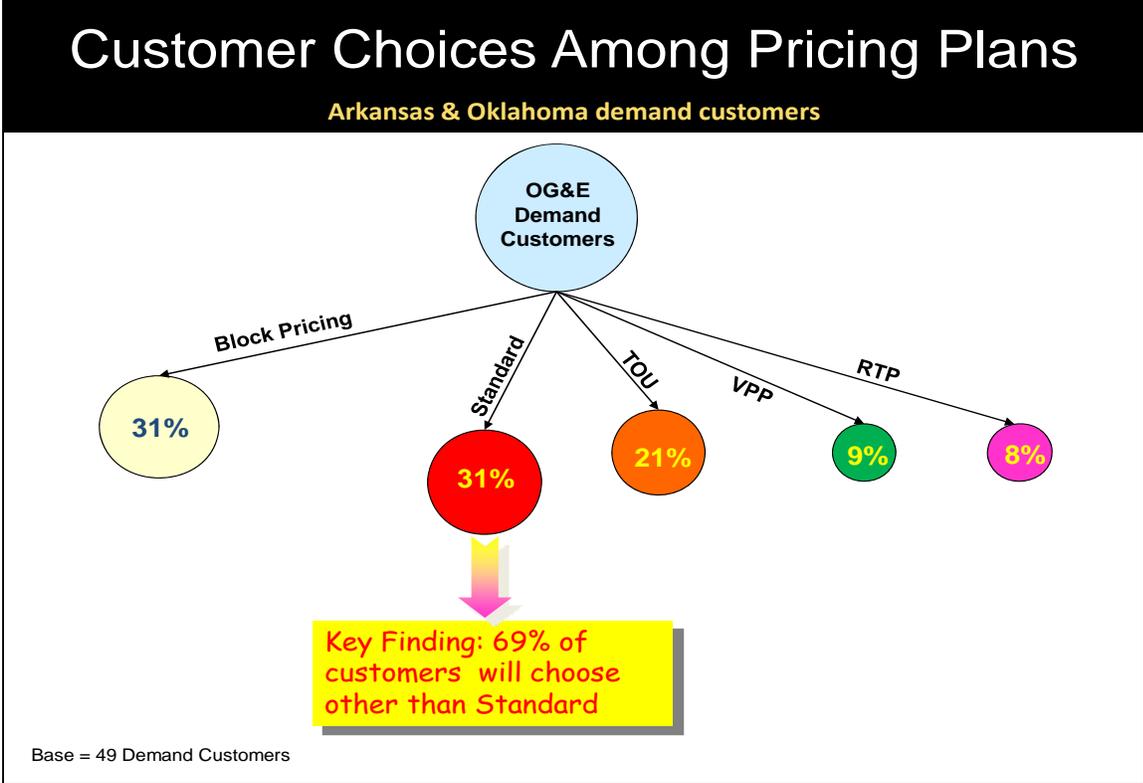
A. OG&E made the economic recovery adjustment to ensure that the proposed new rates would not result in an over recovery. In 2009 there was a substantial decrease in industrial sales (specifically service levels 2, 3, and 5) to Arkansas Power and Light and Power and Light TOU customers due to the state of the economy. The 2010 sales data indicates that kWh sales to these customers have already rebounded. Therefore, OG&E created a pro forma adjustment to increase kWh sales, revenues, and hourly demands (kW) to reflect the average of 2007 and 2008 sales levels. OG&E witness Adam Bigknife sponsors the Economic Recovery Pro Forma Adjustment and the workpapers found in Schedule E-13 of the application. The 2009 load shapes for these customers were also proportionally increased to account for these additional sales. By making this adjustment, the revenue deficiency was reduced by approximately \$178,000 annually.

**Q. What is the benefit to Arkansas customers?**

A. The customer benefit is \$1.3 million. If OG&E had designed rates based on the lower test year kilowatt hours, the Company would have realized a \$1.3 million windfall annually. By proposing this adjustment, the increased kilowatt hours will be utilized in the proof of revenue calculation to ensure that the Company only recovers the revenue level authorized by the Commission in this proceeding.

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

A. Yes, it does.



ATTESTATION

I do hereby swear and affirm that the foregoing is my direct testimony in APSC Docket No. 10-067-U.

Bryan Scott  
9/24/2010  
Date