

**REBUTTAL TESTIMONY**

**OF**

**THOMAS L. GRIFFIN**

**ACCOUNTING DEPARTMENT**

**FINANCIAL ANALYSIS DIVISION**

**ILLINOIS COMMERCE COMMISSION**

**RESOURCE TECHNOLOGY CORPORATION – PONTIAC FACILITY**

**CITATION TO SHOW CAUSE FOR CONTINUED QSWEF CERTIFICATION OF  
PONTIAC FACILITY AND TO INVESTIGATE COMPLIANCE WITH FINAL ORDER IN  
DOCKETS 97-0031 THROUGH 97-0045 CONSOLIDATED**

**DOCKET No. 02-0461**

**APRIL 27, 2006**

1 **Witness Identification**

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

3 A. My name is Thomas L. Griffin. My business address is 160 North LaSalle  
4 St. Chicago, Illinois 60601.

5 **Q. Are you the same Thomas L. Griffin who submitted Direct Testimony**  
6 **in this case?**

7 A. Yes

8 **Purpose of Testimony**

9 **Q. What is the purpose of your Rebuttal Testimony?**

10 A. I will address portions of the Direct Testimony of Resource Technology  
11 Corporation witness John E. Connolly (RTC Exhibit 3.0);

12 **Q. Does Mr. Connolly agree with your calculations on ICC Staff Exhibit**  
13 **2.01 and ICC Staff Exhibit 2.02?**

14 A. No, Mr. Connolly believes that Mr. Borden used ComEd's estimated  
15 numbers for the retail rates in 2002 and 2003 when he calculated the  
16 amount of money RTC owes the state for using inappropriate fuel to  
17 generate electricity during those years. ComEd subsequently adjusted  
18 those estimates thereby producing lower tax credits. (RTC Exhibit 3.0

19 pages 5 and 6 and RTC Exhibits 3.02 and 3.03) It should be noted that  
20 Mr. Connolly was responding to testimony submitted by Staff witness  
21 David Borden. Mr. Borden left the Commission after submitting his pre-  
22 filed testimony and the record in this case shows that I adopted Mr.  
23 Borden's testimony. That testimony is marked for identification as ICC  
24 Staff Exhibit 2.0 Revised and the exhibits attached to that testimony are  
25 the same as previously attached to Mr. Borden's testimony.

26 **Q. Do you agree with Mr. Connolly's position and the calculations that**  
27 **he made on RTC Exhibits 3.02 and 3.03?**

28 A. Yes, I reviewed documents submitted to the Commission that calculated  
29 the tax credits that they took for purchases from the Pontiac facility during  
30 those years. The records show that the calculations on ICC Staff Exhibits  
31 2.01 and 2.02 did use the estimated amounts for the retail rate and that  
32 those rates were subsequently adjusted as Mr. Connolly testified.  
33 Therefore, I agree with Mr. Connolly's calculations on RTC Exhibits 3.02  
34 and 3.03 and recommend that the amount of repayment that RTC should  
35 make for using natural gas to generate electricity during 2002 at the  
36 Pontiac facility is \$3,454,584.16 and the amount of repayment that RTC  
37 should make for using natural gas to generate electricity during 2003 at  
38 the Pontiac facility is \$1,389,127.97.

39 **Q. Did you review Mr. Connolly's testimony where he stated that "...the**  
40 **Illinois regulations regarding QSEF's specifically 'froze' these**

41           **FERC regulations as of January 1, 1989” (RTC Exhibit 3.0, pg. 17)**  
42           **and Mr. Wenner’s testimony where he stated “...As described in the**  
43           **testimony of John E. Connolly, the Illinois regulations regarding**  
44           **QSWEF’s ‘froze’ into law the FERC regulations as of January 1,**  
45           **1989.” (RTC Exhibit 1.0, pg. 16)**

46    A.     Yes, Staff does not agree with RTC’s interpretation of those regulations  
47           and disagrees with RTC’s interpretation of the primary fuel requirement of  
48           Section 8-403.1 of the Public Utilities Act. Staff will address that issue in  
49           its brief.

50    **Conclusion**

51    **Q.     Does this conclude you rebuttal testimony?**

52    A.     Yes.