

Response to ComEd's
Third Set of Data Requests to Staff
Docket No. 11-0721
Response of Staff Witness Knepler

ICC Person Responsible: Steven Knepler
Title: Supervisor Accounting Department
Business Address: Illinois Commerce Commission
527 East Capitol Avenue
Springfield, IL 62701

ComEd 3.10 Please refer to page 8, lines 136-144 of Mr. Knepler's direct testimony (Staff Ex. 2.0). Assuming that FERC continues to apply the formulae currently now used to set ComEd transmission rates, do you agree that if the changes he there proposes to the wages and salaries allocator (*i.e.*, inclusion of production wages in the numerator) that approximately \$2,674,000, or 0.5%, of costs allocated via the wages and salaries allocator would not be recovered through either transmission or distribution rates? If your answer is anything other than an unqualified "yes," please explain in detail why you do not agree? Provide any workpapers or calculations used in responding to this data request.

Response: Mr. Knepler cannot say how stranded costs, if any, from the change in allocation should be recovered. Mr. Knepler agrees that the instant docket is to set delivery service rates for the 7 months of 2012 where actual 2010 costs are being used as a proxy to set these rates and that later these rates will be trued up to actual 2012 costs. Mr. Knepler further agrees that it is not appropriate for ComEd to overcharge its delivery service customers by \$2,674,000.