

STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION

COMMONWEALTH EDISON COMPANY,)
)
Reconciliation of revenues collected under Rider EDA) Docket No. 10-0537
with actual costs associated with energy efficiency and)
demand response programs.)

Surrebuttal Testimony of
MICHAEL S. BRANDT
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Commonwealth Edison Company

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1 **I. Introduction and Purpose**

2 **A. Identification of Witness**

3 **Q. Please state your name.**

4 A. Michael S. Brandt.

5 **Q. Are you the same Michael Brandt who submitted direct and rebuttal testimony on**
6 **behalf of Commonwealth Edison Company (“ComEd”) in this docket?**

7 A. Yes. My direct testimony is ComEd Exhibit (“Ex.”) 2.0 and my rebuttal testimony is
8 ComEd Ex. 3.0.

9 **B. Purposes of Testimony**

10 **Q. What are the purposes of your surrebuttal testimony?**

11 A. The purposes of my surrebuttal testimony are twofold – (1) acknowledge ComEd’s
12 agreement with Staff witness Scott Tolsdorf regarding the withdrawal of his proposed
13 billing adjustment and the removal of an alcoholic beverage purchase, and (2) clarify the
14 agreements reached with Staff witness Jennifer Hinman regarding the provision of a
15 budget-to-actual comparison and filing of evaluation reports. ComEd witness Martin
16 Fruehe also responds to Mr. Tolsdorf’s recommendation to disallow the recovery of all
17 incentive compensation recovered through Rider Energy Efficiency and Demand
18 Response Adjustment. *See* Fruehe Sur., ComEd Ex. 6.0.

19 **C. Response to Mr. Tolsdorf’s Testimony**

20 **Q. Please explain your understanding of Mr. Tolsdorf’s current position related to the**
21 **billing adjustment he proposed in his direct testimony.**

22 A. In his rebuttal testimony, Mr. Tolsdorf has withdrawn his proposed adjustment, which
23 would have resulted in a \$189,000 disallowance. For the reasons provided in my rebuttal
24 testimony, ComEd agrees with Mr. Tolsdorf's withdrawal of this adjustment.

25 **Q. Did Mr. Tolsdorf accept ComEd's proposal to remove the cost of an alcoholic
26 beverage in order to narrow the issues in this docket?**

27 A. Yes.

28 **D. Response to Ms. Hinman's Testimony**

29 **Q. In response to Ms. Hinman's recommendation that "the Commission direct the
30 Company to include in its next Rider EDA Annual Report a comparison of the EE
31 Plan Year budgets versus actual EE expenditures by program-level and portfolio-
32 level cost categories consistent with those articulated in the Company's EE Plan",
33 you testified that "ComEd agrees to provide the comparison described by Ms.
34 Hinman in a form that is substantially similar to the one she requests." Brandt
35 Reb., ComEd Ex. 3.0, 2:23-30. Did Ms. Hinman agree with ComEd's response?**

36 A. Yes. Ms. Hinman explains in her rebuttal testimony that "ComEd agrees to provide the
37 comparison described by Ms. Hinman." It is important to underscore, however, that
38 ComEd agreed to provide the comparison "*in a form substantially similar to the one [Ms.
39 Hinman] requests.*" Brandt Reb., ComEd Ex. 3.0, 2:29-30. As I explained in my
40 rebuttal testimony, this is an important clarification given the way in which ComEd
41 manages the programs:

42 Because ComEd does not manage to the individual cost categories for
43 each program, but allows the program manager the flexibility to manage
44 the total budget, ComEd will make every effort to report expenses in the
45 same cost categories provided in the Plan. However, ComEd must retain
46 the flexibility to identify the most appropriate individual cost category or

47 categories for the various expenses, especially in cases where an expense
48 cannot be clearly defined by one cost category, but rather goes across two
49 or more categories.

50 *Id.* at 2:30-36. Importantly, Ms. Hinman did not take issue with this clarification, and
51 ComEd therefore assumes it is unopposed.

52 **Q. In response to Ms. Hinman’s request that ComEd file the evaluation reports in the**
53 **reconciliation dockets, you explained that ComEd agreed to file “the annual**
54 **independent evaluation reports that are filed in, and the subject of, the annual**
55 **evaluation dockets also . . . in the reconciliation docket for the same Plan Year. For**
56 **example, the Plan Year 2 evaluation reports would be filed in the Plan Year 2**
57 **reconciliation docket once they become available.” Brandt Reb., ComEd Ex. 3.0,**
58 **2:37-3:51. Did Ms. Hinman take issue with your proposal?**

59 A. No, she did not. Although she did not fully describe my proposal, she did not oppose my
60 characterization of what ComEd agrees to file in each Plan Year’s reconciliation docket.

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

62 A. Yes.