

**STATE OF ILLINOIS
ILLINOIS COMMERCE COMMISSION**

Commonwealth Edison Company)	
)	ICC Docket No. 13-0387
Tariff filing to present the Illinois Commerce)	
Commission with an opportunity to consider)	
revenue neutral tariff changes related to rate)	
design authorized by subsection 16-108.5(e) of)	
the Public Utilities Act)	

REBUTTAL TESTIMONY OF HARRY L. TERHUNE

REACT EX. 5.1

ICC Docket No. 13-0387

**Commonwealth Edison Company's Response to
Coalition to Request Equitable Allocation of Costs Together ("REACT") Data Requests
REACT 5.01 – 5.17
Date Received: August 30, 2013
Date Served: September 9, 2013**

REQUEST NO. REACT 5.03:

Please refer to REACT Ex. 2.0, the Direct Testimony of Harry L. Terhune, at Lines 690-722.

- a. Did ComEd witness Bradley L. Bjerning, in preparing his Rebuttal Testimony, consider Mr. Terhune's finding that more than half of the miles of primary distribution lines are single- or two-phase? If yes, please explain fully in detail how that consideration is reflected in Mr. Bjerning's testimony. If no, please explain fully in detail why not.
- b. Did ComEd witness Bradley L. Bjerning, in preparing his Rebuttal Testimony, consider Mr. Terhune's finding that less than 1% of the load of the ELLC class and of the HV Over 10 MW class is taken from transformers utilizing single-phase or two-phase connections? If yes, please explain fully in detail how that consideration is reflected in Mr. Bjerning's testimony. If no, please explain fully in detail why not.
- c. Did ComEd witness Bradley L. Bjerning, in preparing his Rebuttal Testimony, consider Mr. Terhune's finding that the ELLC and HV Over 10 MW classes, while using single- and two-phase connections for less than 1% of their demand, are being charged on the basis Mr. Bjerning describes, for a demand-base share of all the single- and two-phase facilities? If yes, please explain fully in detail how that consideration is reflected in Mr. Bjerning's testimony. If no, please explain fully in detail why not.

RESPONSE:

ComEd objects to this data request as being vague and ambiguous as it is unclear what is meant by the phrase "how that consideration is reflected." Furthermore, ComEd does not have a "HV Over 10 MW" delivery class. For purposes of providing a response, ComEd refers to customers in the High Voltage (HV) Delivery Class with Maximum Kilowatts Delivered (MKD) that exceed 10 megawatts (MW) as "HV Over 10 MW customers". Subject to and without waiving this objection or ComEd's General Objections, ComEd responds as follows:

- a. Mr. Bjerning reviewed Mr. Terhune's findings in REACT Ex. 2.0 at 29:690 - 702, that suggests that more than half of the miles of primary distribution lines are single- or two-phase. Mr. Bjerning does not dispute Mr. Terhune's computation of 51.6% and discusses REACT's proposal in ComEd Ex. 7.0 at 24:407 - 30:525.

- b. Mr. Bjerning reviewed Mr. Terhune's findings in REACT Ex. 2.0 at 29:702 – 30:722, that suggests that less than 1% of the load of the ELLC class and of the HV Over 10 MW customers is taken from transformers utilizing single-phase or two-phase connections. Mr. Bjerning does not dispute Mr. Terhune's computation of less than 1% in REACT Ex. 2.14 and discusses REACT's proposal in ComEd Ex. 7.0 at 24:407 – 30:525.

- c. ComEd objects to subpart (c) of this data request as being vague and ambiguous. Mr. Bjerning does not understand what "basis" is being referred to in the statement : "[t]hat the ELLC and HV Over 10 MW classes, while using single- and two-phase connections for less than 1% of their demand, are being charged on the basis Mr. Bjerning describes, for a demand-base share of all the single- and two-phase facilities?"

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REBUTTAL TESTIMONY OF HARRY L. TERHUNE

REACT EX. 5.2

ICC Docket No. 13-0387

**Commonwealth Edison Company's Response to
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REACT 5.01 – 5.17
Date Received: August 30, 2013
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REQUEST NO. REACT 5.17:

Please refer to ComEd Ex. 11.0, the Rebuttal Testimony of Michael T. O'Sheasy, at Lines 213-216, wherein Mr. O'Sheasy claims that "The proposals of Messrs. Stephens and Terhune amount to allocation by exclusion."

- a. Please explain fully in detail the basis for that statement.
- b. Does Mr. O'Sheasy agree that ComEd has historically designed the allocation of costs to and within rate classes or subclasses based upon the cost caused by the customers in each class or subclass? If so, please explain fully in detail why that is appropriate. If not, please explain fully in detail why not.
- c. Does Mr. O'Sheasy believe that ComEd should provide data, in sufficient detail for analysis, to customers or customer groups concerning other classes of customers than their own? If so, please explain fully in detail why that is appropriate. If not, please explain fully in detail why not.

RESPONSE:

- a. Mr. O'Sheasy interprets the proposals of Messrs. Stephens and Terhune to mean that if the equipment is not being used by certain customer groups or only to a *de minimis* degree then it should be "excluded" from cost allocation to those groups.
- b. Mr. O'Sheasy does not have extensive experience with the history of ComEd's allocation of costs to and within rate classes or subclasses. It is his understanding from this project that they do so based upon cost causation. See ComEd's Data Request Response to REACT 5.10 for why this is important to do so.
- c. Mr. O'Sheasy does not have an opinion on the amount or type of information ComEd should provide to customers or customer groups. This provision of data to customers or customer groups is a decision for ComEd to make, as it is for any utility. Much detail is provided in ComEd's ECOSS and through the discovery process. Some detail may be confidential or proprietary, and a utility should not violate customer privacy requirements. Therefore data availability should be an individual utility decision with regulatory oversight.

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REBUTTAL TESTIMONY OF HARRY L. TERHUNE

REACT EX. 5.3

**Commonwealth Edison Company's Response to
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REACT 5.01 – 5.17
Date Received: August 30, 2013
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REQUEST NO. REACT 5.05:

Please refer to ComEd Ex. 7.0, the Rebuttal Testimony of Bradley L. Bjerning, at Lines 443- 447, wherein Mr. Bjerning states, "Mr. Terhune does not suggest which delivery classes should be responsible for absorbing the \$9,261,212 reduction to the ELLC and HV Over 10 MW customers to maintain revenue requirement neutrality, nor does he discuss cost allocation adjustments for other delivery classes for the use of, no use of, or *de minimis* use of, facilities that operate at 4 kV or are in a single-phase or two-phase configuration."

- a. Has ComEd conducted any studies or analysis regarding which delivery classes should be responsible for absorbing the \$9,261,212 reduction to the ELLC and HV Over 10 MW customers to maintain revenue requirement neutrality? If yes, please provide all such studies or analysis and all supporting workpapers. If no, please explain fully in detail why not.
- b. Has ComEd conducted any studies or analysis regarding cost allocation adjustments for other delivery classes for the use of, no use of, or *de minimis* use of, facilities that operate at 4 kV or are in a single-phase or two-phase configuration. If yes, please provide such studies or analysis and all supporting workpapers. If no, please fully explain in detail why not.
- c. If the Commission were to direct ComEd to reduce the revenue allocation to the ELLC and HV Over 10 MW customers by \$9,261,212 to reflect their *de minimis* use of 4 kV facilities and single-phase and two-phase configurations, but did not provide specific direction regarding how to adjust delivery services rates for other customer classes, how would ComEd adjust cost allocation to maintain revenue requirement neutrality? Please explain fully in detail why and how ComEd would make such adjustments.

RESPONSE:

- a. No. ComEd has not conducted a study or analysis regarding which delivery classes should be responsible for absorbing the \$9,261,212 reduction proposed by Mr. Terhune. Such a study or analysis has not been conducted because the specifics of how such costs should be reallocated were not provided by Mr. Terhune. In addition, ComEd has no position as to which classes would receive any of the \$9,291,212 reduction in costs to the ELLC and HV Over 10 MW customers proposed by Mr. Terhune.
- b. Any "illustrative" studies or analysis for another delivery class or group of customers not submitted in ICC Docket No. 13-0387 were prepared in connection with confidential settlement discussions subject to a nondisclosure agreement and will not be provided absent the consent of all of the participants in those discussions.

- c. ComEd objects to subpart (c) of this request to the extent it calls for speculation. Subject to and without waiving the foregoing objection or ComEd's General Objections, ComEd responds as follows: See ComEd's response to subpart (a), above.