

DIRECT TESTIMONY

OF

RICHARD W. BRIDAL II

Accountant

ACCOUNTING DEPARTMENT
FINANCIAL ANALYSIS DIVISION
ILLINOIS COMMERCE COMMISSION

MIDAMERICAN ENERGY COMPANY

DOCKET NO. 15-0527

Reconciliation of revenues collected under fuel adjustment charges
with actual costs prudently incurred

September 7, 2016

1 **Witness Identification**

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

3 A. My name is Richard W. Bridal II. My business address is 527 East Capitol Avenue,
4 Springfield, Illinois 62701.

5 **Q. By whom are you employed and in what capacity?**

6 A. I am currently employed as an Accountant in the Accounting Department of the
7 Financial Analysis Division of the Illinois Commerce Commission (“ICC” or
8 “Commission”).

9 **Q. Please describe your professional background and affiliations.**

10 A. I am a registered Certified Public Accountant with a Bachelor of Business in
11 Accountancy from Western Illinois University. Prior to joining the Commission
12 Staff (“Staff”) in October 2008 as an Accountant, I was employed for eight years
13 as an auditor by the Medicare Part A Fiscal Intermediary for Illinois.

14 **Q. Have you previously testified before any regulatory bodies?**

15 A. Yes. I have testified before the Commission on various regulatory accounting
16 issues as an expert witness on behalf of the Accounting Department.

17 **Q. What is the purpose of your testimony in this proceeding?**

18 A. The purpose of my testimony is to report the results of my review of MidAmerican
19 Energy Company’s (“MEC” or “Company”) Fuel Adjustment Charges (“FAC”)
20 Reconciliation as presented by their witness Jean M. Turner, in MEC Exhibit 1.0,
21 Exhibit 1, and the underlying documents which support the calculations.

22 **Schedule Identification**

23 **Q. Are you sponsoring any schedules with your testimony?**

24 A. Yes. I prepared the following schedule relating to the Company, which show data
25 as of, or for the reconciliation period January 1, 2015 through December 31, 2015:

26 Schedule 1.01 FAC Reconciliation

27 **Results of the Review**

28 **Q. Please explain Schedule 1.01, FAC Reconciliation.**

29 A. Schedule 1.01, FAC Reconciliation, restates the Company's reconciliation
30 presented on MEC Ex. 1, Schedule 1, column 14 in a format consistent with
31 other reconciliations approved by the Commission. My review of the
32 reconciliation and underlying documents provided by the Company resulted in no
33 Staff adjustments presented in column (c).

34 **Recommendation**

35 **Q. Please state your recommendation.**

36 A. I recommend that the Commission approve the FAC reconciliation as presented
37 on ICC Staff Exhibit 1.0, Schedule 1.01. The reconciliation reflects \$31,471,477
38 in 2015 Total FAC Recoverable Costs and \$31,084,636 in 2015 Total FAC and
39 Base Fuel Cost Revenues,¹ resulting in a \$386,841 under-recovery of fuel costs
40 for the 2015 reconciliation year. The under-recovery of \$386,841, when
41 combined with the over-recovery balance from prior periods of \$(557,760),

¹ \$31,067,015 FAC Revenues + \$17,621 Base Fuel Cost Revenues = \$31,084,636 Total Revenues. See Schedule 1.01, lines 5-6.

42 results in a \$(170,919) over-recovered balance at December 31, 2015. That
43 amount is being flowed through MEC's FAC rates via Factor Ra in 2016.

44 I further recommend that Staff's FAC reconciliation presented on Exhibit 1.01 be
45 attached as an Appendix to the Final Order in this proceeding.

46 **Conclusion**

47 **Q. Does this question end your prepared direct testimony?**

48 **A. Yes.**

MidAmerican Energy Company
 FAC Reconciliation
 For the Year Ended December 31, 2015

Line No.	Description (a)	Per Company (b)	Staff Adjustments (c)	Per Staff (d) [(b) + (c)]
<u>Cumulative Under/(Over) Recovered Balance Carried Forward from 2014</u>				
1	Automatic Reconciliation Factor (Factor Ra) as of 12/31/14	\$ (557,760)	\$ -	\$ (557,760)
2	Ordered Reconciliation Factor (Factor Ro) to be Collected/(Refunded) from prior periods	-	-	-
3	Cumulative balance to be Collected/(Refunded) as of 12/31/14 (Line 1 + Line 2)	<u>\$ (557,760)</u>	<u>\$ -</u>	<u>\$ (557,760)</u>
<u>Determination of Cumulative Under/(Over) Recovered Balance at 12/31/15</u>				
4	2015 FAC Recoverable Costs	31,471,477	-	31,471,477
5	2015 FAC Revenues	(31,067,015)	-	(31,067,015)
6	2015 Base Fuel Cost (BFC) Revenues	(17,621)	-	(17,621)
7	Under/(Over) Recovery for 2015 (sum of lines 4-6)	<u>\$ 386,841</u>	<u>-</u>	<u>\$ 386,841</u>
8	Cumulative Balance to be Collected/(Refunded) at 12/31/15 (Line 3 + Line 7)	<u>(170,919)</u>	<u>-</u>	<u>(170,919)</u>
<u>Disposition of Cumulative Under/(Over) Recovery Balance at 12/31/15</u>				
9	Factor Ra at 12/31/15	(170,919)	-	(170,919)
10	Factor Ro(s) from Prior Periods not Collected/(Refunded) during 2015	-	-	-
11	Factor Ro for 2015 (Line 8 - (Line 9 + Line 10)) to be Collected/(Refunded)	<u>-</u>	<u>-</u>	<u>-</u>
12	Cumulative Balance to be Collected/(Refunded) at 12/31/15 (Sum of Lines 9 through 11)	<u>\$ (170,919)</u>	<u>\$ -</u>	<u>\$ (170,919)</u>

Sources:

Column (b): MEC Ex. 1, Sch. 1, p. 1, col. (14)