

EXECUTIVE SUMMARY  
REBUTTAL TESTIMONY OF J. MATT TRACY  
DOCKET NO. EO-2002-384

Section I: Introduction

The recommendations to the Commission include the following: the need for this case to point out the destination of Aquila's rates; respond to the various proposals to limit the maximum change in rates; point out problems with the production and transmission demand allocator used by Staff and OPC; reiterate the need to change rate structures; and remove from consideration the need for changes due to the potential sale of Aquila Networks – L&P ("L&P").

Section II: COS Destination

This section reaffirms the need for the Commission to determine that as of now, the best information available shows that class revenues should be at the destination shown by the COS method chosen by the Commission.

Section III: Plan to Arrive

This section supports the need for arriving quickly at the selected destination, and avoiding solutions that move some small amount and then stop.

Section IV: Production and Transmission Demand Allocator

This section reviews the production and transmission demand allocators offered by the various parties. Class load shapes are described to provide a perspective on load factor and how it plays into the choice, and impact of the allocators. Rebuttal Schedule JMT-1, updating Schedule JMT-2 from direct testimony, is introduced. Rebuttal Schedule JMT-2, which shows the system and major class load shapes, is introduced and described.

Section V: Change Rate Structure

This section describes the need to change rate structures to ease communication, and to facilitate customer response to price signals.

Section VI: No Sale

This section explains to the Commission that the conditions concerning the potential sale of the L&P division are moot.