

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE 399

In the Matter of PACIFICORP, dba PACIFIC)
POWER, Request for a General Rate Revision,)

REBUTTAL TESTIMONY OF

ALEX J. KRONAUER

ON BEHALF OF

WALMART INC.

AUGUST 11, 2022

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1 **I. Introduction**

2 **Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS, AND OCCUPATION.**

3 A. My name is Alex J. Kronauer. My business address is 2608 SE J St., Bentonville, AR
4 72716-0550. I am employed by Walmart Inc. ("Walmart") as a Senior Manager, Energy
5 Services.

6 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS DOCKET?**

7 A. I am testifying on behalf of Walmart.

8 **Q. ARE YOU THE SAME ALEX J. KRONAUER WHO TESTIFIED EARLIER IN THIS DOCKET?**

9 A. Yes.

10

11 **II. Purpose of Testimony and Summary of Recommendations**

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A. The purpose of my testimony is to respond to portions of the Direct Testimony of
14 Madison Bolton filed on behalf of the Public Utility Commission Staff ("Staff")
15 addressing PacifiCorp's ("Pacific Power" or "the Company") Voluntary Renewable
16 Energy Tariff ("VRET"), the Schedule 273, Accelerated Commitment Tariff ("ACT").

17 **Q. PLEASE SUMMARIZE WALMART'S RECOMMENDATIONS TO THE PUBLIC UTILITY**
18 **COMMISSION OF OREGON ("COMMISSION") IN RESPONSE TO STAFF'S DIRECT**
19 **TESTIMONY.**

20 A. In response to Staff's Direct Testimony, Walmart makes the following
21 recommendations to the Commission:

22 a. The Commission should support Staff's recommendation to create a

1 customer-supplied option (“CSO”) for the VRET and make it available
2 to customers that can aggregate up to five average megawatts
3 (“aMW”).

4 2. The Commission should also support Staff’s recommendation to approve a
5 floating credit methodology in order to provide customers a known structure
6 with which to evaluate projects under the CSO.

7

8 **III. Response to Staff’s VRET Recommendations**

9 **Q. PLEASE SUMMARIZE STAFF’S RECOMMENDATIONS TO THE COMMISSION**
10 **REGARDING VRET.**

11 A. Staff recommends that the Commission not approve VRET until the Company
12 addresses the below issues:

13 1. While Staff recommends a CSO, Staff also recommends that the Company should
14 provide details on how the CSO would be integrated into the proposed VRET.

15 2. The Company’s proposed Schedule 273 should include a price floor in the energy
16 and capacity credit calculation or propose a floating mechanism instead of a fixed
17 credit.

18 3. The Company should provide further information on the subscriber mismatch fee
19 for Company-owned VRET resources.

20 *See Direct Testimony of Madison Bolton, page 9, line 12 to line 22.*

21 **Q. WHAT IS WALMART’S RESPONSE TO STAFF’S RECOMMENDATIONS WITH REGARD**
22 **TO THE VRET AS PROPOSED BY THE COMPANY?**

1 A. Walmart appreciates that Company's efforts to develop a VRET and also supports
2 Staff's first two recommendations.

3 **Q. WHAT IS WALMART'S RESPONSE TO STAFF'S FIRST RECOMMENDATION?**

4 A. Walmart is also supportive of a CSO. Some large customers have the sophistication to
5 identify a good renewable resource, and there are also large national accounts who
6 have contacts with many energy providers across the country that might have buying
7 power at least as good or better than an Investor Owned Utility ("IOU").

8 **Q. WHAT IS WALMART'S RECOMMENDATION TO THE COMMISSION ON STAFF'S FRIST**
9 **RECOMMENDATION?**

10 A. Walmart recommends that the Commission approve a CSO, and that option should
11 be available to customers that can aggregate up to five aMW.

12 **Q. WHAT IS WALMART'S RECOMMENDATION TO THE COMMISSION ON STAFF'S**
13 **SECOND RECOMMENDAION?**

14 A. Walmart supports Staff's recommendation to include a price floor in the energy and
15 capacity credit calculation or propose a floating mechanism instead of a fixed credit.
16 Walmart also recommends that the Commission approve a floating credit
17 methodology in order to provide customers a known structure with which to evaluate
18 projects under a CSO.

19 **Q. WHAT BENEFITS ARE THERE TO A FLOATING CREDIT?**

20 A. A floating credit ensures that subscribers and non-subscribers do not cross-subsidize
21 each other and will allow subscribers who are willing to take on the risk of resource
22 performance and the opportunity to save money on their bills.

1 **Q. WHAT IS WALMART’S RECOMMENDATION TO THE COMMISSION ON STAFF’S THRID**
2 **RECOMMENDATION?**

3 A. Walmart has no position on Staff’s third recommendation for additional information
4 on the subscriber mismatch fee for Company-owned VRET resources.

5 **Q. DOES THIS CONCLUDE YOUR DIRECT TESTIMONY?**

6 A. Yes.