

STATE OF ALASKA

THE REGULATORY COMMISSION OF ALASKA

Before Commissioners:

Stephen McAlpine, Chairman
Rebecca L. Pauli
Robert M. Pickett
Norman Rokeberg
Janis W. Wilson

In the Matter of the Request Filed by the)
MUNICIPALITY OF ANCHORAGE d/b/a)
MUNICIPAL LIGHT & POWER DEPARTMENT for)
Approval to Establish Depreciation Rates)

U-16-094

In the Matter of the Tariff Revision Designated as)
TA357-121 Filed by the MUNICIPALITY OF)
ANCHORAGE d/b/a MUNICIPAL LIGHT &)
POWER DEPARTMENT)

U-17-008

AFFIDAVIT OF ROBERT S. MUDGE

I, Robert S. Mudge, being first duly sworn on oath, depose and state as follows:

1. I am currently a Principal of the Brattle Group. I was hired to be an expert witness for the Municipality of Anchorage d/b/a Municipal Light & Power Department ("ML&P") in this matter. I filed direct and reply testimonies on the topic of rate stabilization in this proceeding.

2. I have reviewed the Office of the Attorney General, Regulatory Affairs & Public Advocacy Section's ("RAPA's") Motion for Partial Summary Disposition filed in this Docket. RAPA asks the Commission to rule that ML&P's rate stabilization plan ("RSP") is unjust or unreasonable in its entirety. In support of its motion, RAPA cites to portions of my prefiled direct testimony and exhibits in this docket for the proposition that "the [RSP] is unjust

Date: 11/20/17 Exh # H-7

Regulatory Commission of Alaska

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Northern Lights Realtime & Reporting, Inc.
(907) 337-2221

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1 embedded in the GLH proposal¹⁰ and addressed this issue explicitly, clarifying that a scenario
2 such as that suggested by RAPA would not affect the proposed RSP, as follows:

3 Please note that ML&P is not seeking treatment more advantageous to itself than
4 if rate stabilization were not implemented. Accordingly, to the degree realized
5 Capital Recovery Charges are less than the Revenue Requirement because of
6 lower than expected retail load, the corresponding portion of the difference would
7 not be added to the balance in the Rate Stabilization Account.¹¹

8 In addition to ML&P's intent, above, it is relatively less likely that ML&P would
9 face a scenario such as that suggested by RAPA in any case. Unlike GLH, ML&P forecasts *de*
10 *minus* electric load growth of 0.04 percent per year.¹²

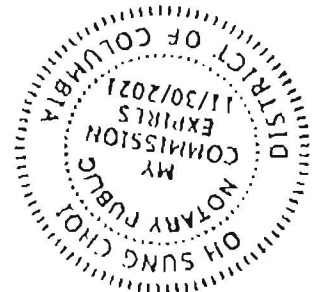
11 8. I will be available as an expert witness in the upcoming hearing if the
12 Commission desires or needs further clarification on any of my testimony or exhibits.

13
14 [FURTHER YOUR AFFIANT SAITH NAUGHT].

15
16 Robert S. Mudge

17 SUBSCRIBED AND SWORN to before me this 6th day of November 2017

18
19 NOTARY PUBLIC in and for SC
My commission expires: 11/30/2021



23 ¹⁰ Mudge direct testimony at 49.

24 ¹¹ Id. at 45.

25 ¹² Equity Management Plan corresponding to Exhibit 12 to TA357-121.

26 AFFIDAVIT OF ROBERT S. MUDGE

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