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ARIZONA CORP. COMM
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IN THE MATTER OF THE APPLICATION OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC., FOR A HEARING TO DETERMINE THE FAIR VALUE OF ITS PROPERTY FOR RATEMAKING PURPOSES, TO FIX A JUST AND REASONABLE RETURN THEREON, TO APPROVE RATES DESIGNED TO DEVELOP SUCH RETURN AND FOR RELATED APPROVALS.

Docket No. E-01575A-08-0328

IN THE MATTER OF THE APPLICATION OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC., FOR AN ORDER INSTITUTING A MORATORIUM ON THE NEW CONNECTIONS TO THE V-7 FEEDER LINE SERVING THE AREAS OF WHETSTONE, RAIN VALLEY, ELGIN, CANELO, SONOITA, AND PATAGONIA, ARIZONA.

Docket No. E-01575A-09-0453

LINDA KENNEDY DIRECT TESTIMONY
IN SUPPORT OF INTERVENOR JAMES F. ROWLEY III

16 MARCH 2010

This filing contains my Direct Testimony in support of Intervenor James F. Rowley III who requested that I be a witness in these hearings.

I was asked by Mr. Rowley to prepare a graphical depiction of numeric data provided by Sulphur Springs Valley Electric Cooperative.

I certify this filing has been mailed or delivered to parties on the Service List this date.

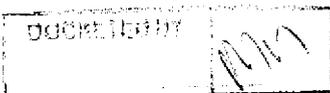
Respectfully submitted on this 16th day of March 2010.

Arizona Corporation Commission
DOCKETED
MAR 17 2010

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DIRECT TESTIMONY

OF

Linda Kennedy

AS A

WITNESS

FOR

**James F. Rowley III,
INTERVENOR**

16 MARCH 2010

IN THE MATTERS

OF

**THE APPLICATION[S] OF SULPHUR SPRINGS VALLEY ELECTRIC COOPERATIVE, INC.,
FOR A HEARING TO DETERMINE THE FAIR VALUE OF ITS PROPERTY FOR RATEMAKING
PURPOSES, TO FIX A JUST AND REASONABLE RETURN THEREON, TO APPROVE RATES
DESIGNED TO DEVELOP SUCH RETURN AND FOR RELATED APPROVALS.**

AND

**FOR AN ORDER INSTITUTING A MORATORIUM ON THE NEW CONNECTIONS TO THE V-7
FEEDER LINE SERVING THE AREAS OF WHETSTONE, RAIN VALLEY, ELGIN, CANELO, SONOITA,
AND PATAGONIA, ARIZONA.**

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6. This Witness Testimony.

Q. Why are you a witness in these proceedings?

A. As I had generated the graphics, I should be prepared to explain my methodology. Notes made during the preparation of the graphs were used to prepare Exhibit 1, Protocol: Display of Data.

Q. Would you care to interpret the graphs included in Exhibit 1?

A. No, I am not qualified to interpret the meaning of these graphs. An average, which I used in these graphs, is one means to describe distribution of data and is not difficult to calculate. Electrical flow, which is what these data seem to describe, is not my area of expertise. I can describe the graphs but it would be inappropriate for me to interpret them.

Exhibit 1

Protocol: Display of Data
Prepared by: Linda Kennedy, Ph.D.
Date: February 23, 2010

Project: Prepare a graphic display of data from C.D. received from James F. Rowley III (JR) and labeled:

Downing – Set One
Data Request
E-01575A-09-0453
DRI – 1
January 29, 2010

Methods:

C.D. contained one file, "DR1-1_01292010.xls"

I transferred the complete file from C.D. to hard drive (size as transferred 34,602 kb)

The file contained an Excel spreadsheet with 5 worksheets labeled: 2005, 2006, 2007, 2008, 2009.

Each worksheet contained data w/headings of:

Date	Time	kW			kVAR			kVA		
		A- Phase	B- Phase	C- Phase	A- Phase	B- Phase	C- Phase	A- Phase	B- Phase	C- Phase

There was no additional explanatory text on the C.D. or on any worksheet.

The data in the Date and Time columns were in this format:

09-Jan-05	13:00
09-Jan-05	13:15
09-Jan-05	13:30
09-Jan-05	13:45

JR asked me to prepare graphics limited to the data under the heading "kW" in the form of average kW readings per month for each year.

- 1) I copied the entire file to a new spreadsheet, and labeled that file, "kw only 2005 through 2009.xls." which became my working file. The original file (DR1-1_01292010.xls) was archived. The remainder of this memo refers only to "kw only 2005 through 2009.xls."

2) I worked on each worksheet in the following order: 2009, 2008, 2007, 2006, and 2005 in the following manner:

- a) I deleted all data in columns labeled kVAR and kVA
- b) Some data were inappropriate for averaging and were isolated. If a single cell in a row contained suspect data all cells in that row were excluded from further calculations.

These rows included:

-Cells with text

-Cells with "0"

-Cells with negative numbers

-Cells with values very different from surrounding data. For example:

14-May-06	0:30	5768	2757	6830
14-May-06	0:45	20994	9218	25090
14-May-06	1:00	17181	7597	20525

Compared to:

14-May-06	0:15	617	561	648
14-May-06	1:15	564	517	624

-Cells with the data repeated for many rows. For example:

29-Dec-06	8:30	1566	1270	1760
29-Dec-06	8:45	1566	1270	1760
29-Dec-06	9:00	1566	1270	1760
29-Dec-06	9:15	1566	1270	1760

d) Using the above criteria 1830 rows were not included to calculate average kW by month/year:

	2009	133
	2008	59
	2007	96
	2006	512
	2005	1030
Total:		1830

e) To calculate the average per month for each phase the data in each column were summed by month and divided by a count of the rows within that data range. The averages were arranged in tabular format. For example:

	A-phase	B-phase	C-phase
Jan 2005	1067	860	1120
Feb 2005	1098	849	1143
Mar 2005	953	759	979
Apr 2005	816	672	822
May 2005	865	709	868
Jun 2005	973	809	1008
Jul 2005	1120	914	1158
Aug 2005	963	767	975
Sep 2005	927	752	945
Oct 2005	827	677	841
Nov 2005	903	725	926
Dec 2005	1114	886	1212

Output: Graphs were generated for each year and for the five year period. Symbols were used to indicate points (average kW/month) and lines to show trend (note: lines do not indicate continuous data).

