

1 Q. Please provide evidence to support the statement at page 12 that “the vast
2 majority of utilities have demand charges and time-varying rates in their
3 wholesale and retail tariffs” and indicate what percentage of wholesale tariffs to
4 distribution utilities have both demand charges and time-varying components.
5

6 ANSWER:

7 This statement is based on a report entitled *Electric and Gas Rates for the*
8 *Residential, Commercial and Industrial Sectors*. The report indicates that in 1993,
9 over 91% of electric utilities surveyed offered time of use rates to
10 commercial/industrial customers, and 66% offered time of use rates to residential
11 customers (see Bowman Pre-filed Evidence, page 14, lines 14 to 20). As the
12 survey included vertically integrated utilities, it did not address wholesale rates,
13 so percentages related to wholesale rates are not available.