

RMP 2014 GRC Filing Requirements

R746-700-22-D.2

Accounting - Write-offs. A detailed description of Material write-offs of assets and/or liabilities from the start of the Base Year To Date that affect Utah revenue requirement. For each material write-off, the following will be provided (a-e):

- (a) Copy of journal entry recording the write-off;
- (b) Detailed description of the purpose of the write-off;
- (c) Copies of studies, report or analysis done in determining whether or not to write off the asset;
- (d) Amount of the write-off and identification of the accounts charged on a total Company and a Utah jurisdictional basis; and
- (e) Amount included in the projected Test Period for write-offs, if any, on a total Company and a Utah jurisdictional basis, by account.

Response to R746-700-22-D.2

- (a) Two write-offs exceeding \$250,000 on a Utah basis affected Utah revenue requirement during this time period. Please refer to Attachment R746-700-22.D.2-1 for journal entry recordings. In addition, there were numerous Construction Work In Progress (CWIP) write-offs during this period. Due to volume, journal entries for the CWIP write-offs will be made available upon request. Excluded from this assessment is the normal calculation of bad debt expense and write-offs related to customer accounts receivable.
- (b) Please refer to Attachment R746-700-22.D.2-1. Please also refer to Attachment R746-700-22.D.2-2 for a list of the write-offs of cancelled or abandoned CWIP projects.
- (c) Please refer to Attachment R746-700-22.D.2-1. Documentation of individual CWIP write-offs will be made available upon request.
- (d) Please refer to Attachment R746-700-22.D.2-1. Total Company CWIP write-offs were \$8,869,532 for the period July 1, 2012 – October 31, 2013. CWIP write-off entries credit FERC Account 107 and debit various accounts in the 500 – 935 range. The approximate amount allocated to Utah is \$3,827,741 for this same period. For the base period, total Company CWIP write-offs totaled \$8,051,056 of which approximately \$3,473,427 are allocated to Utah. The majority, which is distribution, is situs with the remainder Utah-allocated amount approximated using the System Generation (SG) factor. Please refer to Attachment R746-700-22.D.2-2 for a summary of CWIP write-offs.
- (e) No write-offs, other than those in the Base Year, have been included in Test Year results.