Q. Please state your name and business address with PacifiCorp dba Rocky Mountain Power ("the Company").

A. My name is Jana L. Saba, and my business address is 201 South Main, Suite 2300, Salt Lake City, Utah 84111.

Qualifications

Q. What is your present position with the Company and what is your employment history?

A. I am currently employed as a regulatory projects manager for the Company. I have been employed by Rocky Mountain Power since 2007. Before assuming my current role in 2012, I was a regulatory analyst in the revenue requirements group.

Q. What are your responsibilities as regulatory projects manager?

A. I manage several ongoing regulatory projects, including the Company Renewable Energy Credit ("REC") filings in various states. In my role as regulatory analyst, I acted as the subject matter expert on the regulatory treatment of revenues received from the sale of RECs.

Q. What is your education background?

A. I received a Master of Science in Finance from the University of Utah in 2006 and a Bachelor of Science in Finance from Utah State University in 2002. In addition, I have attended various educational, professional, and electric industry-related seminars.

Purpose of Testimony

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to support and explain the calculation of the balance in the REC Balancing Account ("RBA"). Specifically I describe the components that make up the $17.0 million deferral balance the Company is requesting for recovery from customers through Schedule 98, including:

- the determination of the beginning RBA balance at January 1, 2013,
- the true-up of the November and December 2012 actual Utah-allocated REC revenue,
- the allocation of calendar year 2013 REC revenues,
- the calculation of the 10 percent incentive as provided in the Stipulation in Docket No. 11-035-200 ("the 2012 Stipulation"),
- the revenues associated with the Leaning Juniper contract,
- the calculation of the calendar year 2013 REC revenues included in base rates,
- the amount of surcredits that were given to Utah ratepayers, and
- the calculation of carrying charges that were applied to the deferral balance.

Q. Please provide a brief summary of how the RBA is calculated.

A. On September 13, 2011, a stipulation ("the 2011 Stipulation") was approved by the Commission that resolved several dockets including Docket Nos. 10-035-14 ("UAE REC Docket") and 10-035-124 ("2011 General Rate Case"). In the 2011 Stipulation, the parties established a REC balancing account mechanism to track the difference between REC revenues included in rates and actual REC revenues collected. Under the RBA, the variances are identified and deferred each month for one full calendar year ("the Deferral Period"). In this RBA filing, the ("2014

RBA”), the deferral period was January 1, 2013 through December 31, 2013. Annually on March 15th, an RBA application is filed to present these differences, including applicable carrying charges, with a true-up of the difference between the amounts in rates and actual sales occurring through Schedule 98. In the 2012 Stipulation, paragraph 37 stated:

> 37. The parties agree that any difference between base REC revenues and actual REC revenues as determined by the Commission for calendar year 2013 should be recovered or returned over a three-year period from the effective date of the approved rate change to collect or refund such balance, with no carrying charges during such three-year collection or refund period.

The deferral amount established in this filing will be collected from Utah customers June 1, 2014 through May 31, 2017.

Q. Please describe the Company’s RBA filing.

A. Employing the methodology described above, the deferral balance to be collected from customers through Schedule 98 is approximately $17.0 million. The table below provides a summary of how the Company arrived at this amount.

Summary of Utah REC Balancing Account (Schedule 98)

Description	Amount
REC Revenue Deferred Balance @ December 31, 2012	**$ 5,023,114**
November & December 2012 True up	(5,798)
2013 Booked REC Revenues	4,430,031
Leaning Juniper Revenue July 2011 - December 2013	8,010
2013 Revenues in Base Rates	(20,000,000)
2013 Schedule 98 Surcredit	(3,703,945)
10% Incentive Incremental REC sales per Docket No. 11-035-200	(410,867)
2013 Carrying Charges	(410,923)
REC Revenue Deferred Balance @ December 31, 2012	**$ (15,070,379)**
Estimated Schedule 98 Surcredit January 1 - May 31, 2014	(1,566,513)
Estimated Carrying Charges January 1 - May 31, 2014	(356,239)
Total Deferral Balance to be Credited to Customers	**$ (16,993,130)**

Exhibit RMP___(JLS-1) is an electronic version of the table shown above and is linked to Confidential Exhibit RMP___(JLS-2) which includes the supporting the calculations.

Q. Please describe how Exhibit RMP___(JLS-2) is organized.

A. Confidential Exhibit RMP___(JLS-2) presents the supporting documents for the Company's proposed change to tariff Schedule 98 and provides the detailed calculation of the $17.0 million deferral balance presented in this filing. Page 2.1 shows the calculation used to determine the Utah allocated actual 2013 REC revenues, illustrating the reallocation of revenue for renewable portfolio standard ("RPS") eligibility. Page 2.2 provides the calculation of the SG allocation factor that was used on page 2.1 as the basis to allocate REC revenue to Utah. The allocation factors are consistent with those used in the energy balancing account ("EBA") filing.

Q. Are there any items in this RBA that are new to the RBA mechanism?

A. Yes. This RBA contains two new items that have not been addressed in prior RBA filings. First, the Company employed the 10 percent incentive that was included as part of the 2012 Stipulation. Second, the Company included revenues associated with the Leaning Juniper contract. Both items are described in more detail below.

Q. How did the Company determine the REC revenue beginning deferred balance as of January 1, 2013?

A. The REC revenue deferred balance of $5.0 million for January 1, 2013 was rolled over from the December 31, 2012 ending balance shown in Mr. Steven R.

McDougal's' testimony in Exhibit RMP___(SRM-2), line 14 in Docket No. 13-035-33 ("2013 RBA").

Q. Are any adjustments to the January 1, 2013 beginning balance necessary?

A. Yes. In the 2013 RBA filing, the resource assignments for the November and December 2012 REC revenue were estimated. The total Company REC sales are amounts for those months known at the time of filing; however, the specific assignment of RECs sold by individual resources in November and December 2012 was not finalized. The updated resources assignments for November and December 2012 are provided in Mr. Bruce W. Griswold's Confidential Exhibit RMP___(BWG-3). The Company committed to flow through the difference in this filing. The update reduces the Utah allocated share of November and December 2012 actual REC sales by approximately $6,000. The January 1, 2013 starting balance was reduced by this amount to reflect the final amounts. A similar true-up was included in the 2013 RBA to true-up November and December 2011 resources and will be necessary in the 2015 RBA to reflect the update of the November and December 2013 resources that are also estimated in this filing.

Q. Please describe how the 2013 Utah allocated booked REC revenue was calculated.

A. During calendar year 2013, the Company booked $7.6 million from REC sales on a total Company basis. Utah's allocated share of REC revenue is determined using the SG factor, including a reallocation of revenue initially allocated system wide to reflect compliance with state renewable portfolio standards. The resulting Utah allocated amount of REC revenue during 2013 was $4.4 million.

Q. Please describe the 10 percent incentive that parties agreed to in the 2012 Stipulation.

A. The 2012 Stipulation specified that the Company would be allowed to retain 10 percent of the revenues obtained from sales of RECs incremental to the forecast REC revenue included in that case of $25 million through May 31, 2013, and thereafter incremental to the revenues received under contracts entered into after July 1, 2012. These contracts were memorialized in Confidential Exhibit B to the 2012 Stipulation. The period in this RBA that qualifies for the incentive is June 1, 2013 through December 31, 2013 ("the Qualifying Period"). The Company calculated the incentive by taking 10 percent of the Utah allocated REC revenue during the Qualifying Period, i.e., $4.1 million, which is calculated as the sum of the revenues from June through December in RMP___(JLS-2), line 4, which results in $410k, as shown on line 4. In addition, Mr. Griswold's Confidential Exhibit RMP___(BWG-4) provides supporting detail of the specific contracts included in the 2012 Stipulation and the new contracts executed after July 1, 2012 that resulted in revenue from June 1, 2013 through December 31, 2013.

Q. Did any of the contracts shown in the 2012 Stipulation Exhibit B result in revenue during calendar year 2013?

A. No. As demonstrated in Exhibit RMP___(BWG-4), the contracts that were listed as excludable from the 10 percent incentive calculation have all expired during 2012. Thus, all of the REC revenue beginning June 1, 2013, qualifies for the 10 percent incentive calculation.

Q. Please explain the REC revenue attributable to the Leaning Juniper contract REC revenues shown on Exhibit RMP___(JLS-2), line 6.

A. The Leaning Juniper contract revenues shown on line 6 represent the revenue the Company received from the Leaning Juniper contract, which is described in the testimony of Mr. Griswold. The Company booked approximately $18,000 during calendar year 2013 related to the REC component of the contract. The Utah allocated amount of these revenues is approximately $8,000 and is included as a credit to Utah customers in this RBA filing.

Q. How was the amount of 2013 REC revenue in base rates determined?

A. The REC revenue in rates during 2013 was determined in accordance with the amounts set in the 2012 Stipulation. From January 1, 2013 through August 31, 2013, the amount of REC revenue in base rates was set at $25.0 million Utah allocated, which equates to approximately $2 million per month. REC revenues in base rates were reset with the Step 2 change beginning September 1, 2013 through December 31, 2013 to $10.0 million Utah allocated, which equates to approximately $833,000 per month. These monthly amounts are reflected accordingly in Confidential Exhibit RMP___(JLS-2) and produce a total of $20 million in Utah-allocated REC revenues during calendar year 2013.

Q. What were the total 2013 Schedule 98 surcredits included on customer bills?

A. In total, Utah ratepayers received approximately $3.7 million in surcredits through Schedule 98 during calendar year 2013. The 2013 RBA established a $3.3 million surcredit, which reset the rate on June 1, 2013.

Q. Please describe what the Estimated Schedule 98 January 1, 2014 - May 31, 2014 represents.

A. This represents an estimate of the surcredits that will be returned to ratepayers during January through May 2014 as a result of the 2013 RBA filing. With the exception of January 2014, the monthly amounts shown on RMP___(JLS-2), line 18 are estimated as the actual amounts were not known at the time of filing. The Company will update the February through May actual collections as part of the 2015 RBA filing.

Q. If this filing is intended to true-up calendar year 2013 REC revenues, why are the Estimated Schedule 98 credits for January through May of 2014 included in your deferral calculation?

A. As discussed earlier, the deferral balance established in the 2013 RBA was to be returned to customers through May 31, 2014. Thus, it is necessary to subtract the 2014 surcredits to correctly represent the May 31, 2014 ending balance.

Q. Please explain why a portion of the Estimated Schedule 98 January 1 through May 31 appears in the June 2014 section of Exhibit RMP___(JLS-2).

A. This represents the amount that is related to customer usage prior to June 1, 2014, but due to billing cycle lag, will not be included on customer bills until June 2014.

Q. Did you include carrying charges in this filing? If so, please describe how they were calculated.

A. Yes. Approximately $410,000 in carrying charges for 2013 were applied to arrive at the total deferral balance. The Company's most recently approved cost of debt was applied to the monthly deferral balance to calculate the monthly carrying charge. The cost of debt rate used was 5.37 percent for the entire calendar year 2013 as approved in the 2012 Stipulation.

Q. Please describe how this carrying charge was calculated for the January 1, 2014 through May 31, 2014 period.

A. Carrying charges for January through May 2014 were calculated in the same manner as the calendar year 2013 carrying charge. However, the carrying charges for this time period will change slightly when the February through June 2014 surcredit amounts are updated.

Q. In the 2013 RBA, the Company estimated surcredits for the February through June 2013 period. Is the impact on the carrying charges related to updating those surcredits included in this filing?

A. Yes. The $410,000 carrying charges in this filing include the impact of updating the February through June 2013 surcredit amounts.

Q. Will carrying charges be applied to the deferral amount determined in this RBA during the collection period from June 1, 2014, through May 31, 2017?

A. No. In accordance with the 2012 Stipulation, no carrying charges will be accrued during the three-year collection period.

Q. Does this conclude your direct testimony?

A. Yes.