ROCKY MOUNTAIN POWER
POWER
A DIVISION OF PACIFICORP

July 21, 2016

Erika Tedder
Division of Public Utilities
160 E 300 S, 4th Floor
Salt Lake City, UT 84114
dpudatarequest@utah.gov (C)
etedder@utah.gov

RE: UT Docket No. 16-035-15
      DPU 3rd Set Data Request (1-3)

Please find enclosed Rocky Mountain Power's Responses to DPU 3rd Set Data Requests 3.1-3.3.
Also provided is Attachment DPU 1.3.

If you have any questions, please call Tarie Hansen at (801) 220-2053.

Sincerely,

Bob Lively
Manager, Regulation

DPU Data Request 3.1

PacifiCorp's cost-of-service study model filed on June 16, 2016 in Docket No. 16-035-15 (2015 COS model) contains a number of changes from the cost-of-service study model filed on January 12, 2016 in Docket No. 15-035-51 (2014 COS model).

1) Please compare the 2015 COS model with the 2014 COS model and identify:
   a. the added tabs, including the rationale therefor;
   b. the deleted tabs, including the rationale therefor; and
   c. any other changes to the 2015 COS model, including the rationale therefore.

Response to DPU Data Request 3.1

To increase transparency and ease of use, the model used for the 2015 Annual Cost of Service filing was revamped so that it no longer contains macros. In the previous version of the model, functional unbundling was performed by calculating each function within the "Hot Sheet" and pasting the values of the cost data into the tabs labeled "Generation", "Transmission", "Distribution", etc. The revised version of the model calculates all functions simultaneously with formulas in tabs for each function.

   a. The tabs named "Production-Demand", "Production-Energy", "Transmission-Demand", "Transmission-Energy", "Dist-Subs", "Dist-P&C", "Dist-Xfmr", "Dist-Service", and "Dist-Meter" were added, because the detailed calculations for each sub-function are now performed in their own unique tab instead of within the "Hot Sheet".
   b. The "Hot Sheet" tab was eliminated from the 2015 Annual Cost of Service study, because macros are no longer employed to calculate each function and sub-function. The "Message" tab was eliminated, because it provided a counter indicating the status of completion for the macros that were executed in the previous version of the model. The "Dialog" tab was eliminated, because it generates a pop-up window presenting information about the cost of service model that is unnecessary for the model's calculations.
   c. In the previous version of the model, the Production function was sometimes called "Generation" and sometimes called "Production". The new version of the model calls this function "Production" throughout the model. This correction was made to make the cost of service model less confusing. A correction was made so that the operating expenses assigned to each class at the earned return on rate base includes an adjustment to income taxes necessary for the classes to actually earn the rate of return. This correction occurs on the formulas on row 62 in the "Class Summary" tab, rows 58, 128, and 198 in the "Production Summary" tab, rows 58, 128, and 198 in the "Transmission Summary" tab, rows 58, 128, 198, 268, 338, and 408 in the "Distribution Summary" tab, row 58 in the "Retail

Summary" tab, row 58 in the "Misc Summary", and on rows 95, 96, and 99 in the "P+T+D+R+M", "Production", "Transmission", "Distribution", "Retail", "Misc", "Production-Demand", "Production-Energy", "Transmission-Demand", "Transmission-Energy", "Dist-Subs", "Dist-P&C", "Dist-Xfmr", "Dist-Service", and "Dist-Meter" tabs. This correction was made to more accurately reflect the cost of service for the classes. The functional factors within the "Func Factors" tab on cells B68 through F77 are calculated internally within the cost of service study in the most recent version of the cost of service study. Previously these functional factors were calculated within the "Function" tab of the Jurisdictional Allocation Model. This change was made to increase transparency and ease of use.

DPU Data Request 3.2

In the 2014 COS model one could utilize the "Hot Sheet" tab to make changes to the model. The 2015 COS model no longer includes a "Hot Sheet" tab. Please explain how the 2015 COS model can be manipulated in the absence of the "Hot Sheet" tab. Similarly, please identify if there are any limitations in the 2015 COS model resulting from the absence of the "Hot Sheet" tab.

Response to DPU Data Request 3.2

Instead of modifying the "Hot Sheet" tab, the model can be manipulated by altering the "P+T+D+R+M", "Production", "Transmission", "Distribution", "Retail", "Misc", "Production-Demand", "Production-Energy", "Transmission-Demand", "Transmission-Energy", "Dist-Subs", "Dist-P&C", "Dist-Xfmr", "Dist-Service", and "Dist-Meter" tabs directly. The latest version of the model is not limited relative to previous versions of the model that included the "Hot Sheet" tab. The current version of the model contains the same functionality as the previous version.

DPU Data Request 3.3

In the 2015 COS model, please explain how the hard-coded factors in the FUNC factor tab are developed and how they can be validated based on data available in the 2015 COS model.

Response to DPU Data Request 3.3

Please refer to Attachment DPU 3.3 for the derivation of the hard-coded values located within the "Func Factors" tab of the 2015 Annual Cost of Service Study. These hard-coded values were calculated externally from the Cost of Service Study.