



1407 W. North Temple, Suite 330
Salt Lake City, Utah 84116

December 10, 2021

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

Re: Docket No. 09-035-15 - Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism
Rocky Mountain Power's Application to Establish an Interim Rate Process in the Energy Balancing Account

Rocky Mountain Power, a division of PacifiCorp hereby submits this application to the Public Service Commission of Utah ("Commission") pursuant to Utah Code 54-7-13.5 (2)(k), requesting approval to establish an interim rate process in the energy balancing account mechanism tariff Schedule 94, effective March 1, 2022.

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com
Jana.saba@pacificorp.com

By Regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Blvd., Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba, Manager, State Regulatory Affairs, at (801) 220-2823.

Sincerely,

A handwritten signature in blue ink that reads "Joelle Steward".

Joelle Steward

Vice President, Regulation

Enclosures

Emily L. Wegener (12275)
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Salt Lake City, Utah 84116
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Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF)
ROCKY MOUNTAIN POWER FOR APPROVAL) Docket No. 09-035-15
OF ITS PROPOSED ENERGY COST)
ADJUSTMENT MECHANISM)

**APPLICATION TO ESTABLISH INTERIM RATE PROCESS IN THE ENERGY
BALANCING ACCOUNT**

Rocky Mountain Power, a division of PacifiCorp (“Company” or “Rocky Mountain Power”), hereby submits this application (“Application”) to the Public Service Commission of Utah (“Commission”) pursuant to Utah Code 54-7-13.5 (2)(k), requesting approval to establish an interim rate process in the energy balancing account mechanism (“EBA”) tariff Schedule 94 (“Tariff Schedule 94”), effective March 1, 2022.

In support of its Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power is a division of PacifiCorp, an Oregon corporation, which provides electric service to retail customers through its Rocky Mountain Power division in the

states of Utah, Wyoming, and Idaho, and through its Pacific Power division in the states of Oregon, California, and Washington.

2. Rocky Mountain Power is a public utility in the state of Utah and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. Rocky Mountain Power's principal place of business in Utah is 1407 West North Temple, Suite 310, Salt Lake City, Utah, 84116.

3. Communications regarding this filing should be addressed to:

Jana Saba
Utah Regulatory Affairs Manager
Rocky Mountain Power
1407 West North Temple, Suite 330
Salt Lake City, Utah 84116
E-mail: jana.saba@pacificorp.com

Emily Wegener
Senior Attorney
Rocky Mountain Power
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Salt Lake City, Utah 84116
E-mail: emily.wegener@pacificorp.com

In addition, Rocky Mountain Power requests that all data requests regarding this application be sent in Microsoft Word or plain text format to the following:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

Informal questions may be directed to Jana Saba, Utah Regulatory Affairs Manager, at (801) 220-2823.

5. PacifiCorp submits this Application to request a modification to Tariff Schedule 94 to provide for an interim rate process in advance of the Company's energy balancing account filing that will be submitted around March 15, 2022. Attached to this application are the Company's proposed modifications to Tariff Schedule 94. Consistent with past Commission determinations, the schedule includes only one annual rate change.

4. In the 2021 Utah legislative session, Utah Code 54-7-13.5 was modified to authorize the Commission to "consider an interim rate request made as a part of an electrical corporation's filing an energy balancing account." Utah Code Ann. § 54-7-13.5(2)(k)(i)

6. Utah Code 54-7-13.5 (2)(k)(ii) requires a hearing before the Commission orders interim rates to go into effect. At this hearing, the Company must make "an adequate prima showing that: (A) the proposed interim rate appears consistent with prior years' filings; and (B) the interim rate requested is more likely to reflect actual power costs than the current base rates."

7. Due to the detailed energy balancing account filing requirements, the use of interim rates does not alter the standard of cost recovery and the Company's burden of proof.

8. The use of interim rates is in the interest of customers because it more closely aligns the timing of when the costs are incurred to provide electric service to customers to the costs being recovered in customers rates, mitigating concerns about intergenerational inequities and regulatory lag.


9. Currently, rates for the energy balancing account are set to true-up costs that are more than two years old before they are reflected in Schedule 94. The use of interim rates reduces the lag. Under the procedural schedule reflected in the attached Proposed Tariff Schedule 94, the Division and other parties will continue to have adequate time to audit and review the energy balancing account.

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission approve the Company's Application and order the Company to file a tariff compliance filing to implement the proposed interim rate process in Tariff Schedule 94 with an effective date of March 1, 2022.

DATED this 10th day of December 2021.

Respectfully submitted,

ROCKY MOUNTAIN POWER



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Attorney for Rocky Mountain Power

Attachment 1

ELECTRIC SERVICE SCHEDULE NO. 94 – Continued

Net Power Costs (NPC): the sum of costs incurred to acquire power to serve customers less revenues collected from sales for resale. NPC components are those included in the Company's production cost model and recorded in the FERC Accounts described in this electric service schedule.

Production Tax Credit (PTC): the renewable energy production tax credits included as an offset to the Company's federal income taxes based upon actual energy generated at eligible wind-powered generating facilities and generally considered a non-NPC item.

Wheeling Revenue: Revenues from Transmission of Electricity of Others recorded in the FERC Account described in this electric service schedule.

EBA PROCEDURAL SCHEDULE

1. Rocky Mountain Power will file its EBA application on or about March 15.
- ~~1.2.~~ On or before May 1, the Public Service Commission of Utah (PSC) will determine whether to approve interim rates with an amortization period through April of the following year, effective May 1.
- ~~2.3.~~ The DPU will complete its audit and file its report and supporting testimony by November 7.
- ~~3.4.~~ The PSC will hold a hearing on or about January 21 of the following year.
- ~~4.5.~~ The PSC will issue an order on or about February 21 of the following year before the next EBA filing is made, after which a true up of rates could be ordered.
- ~~5.6.~~ The EBA rate effective date will be March 1 for a rate effective period of 12 months. Any true-up to interim rates will go into effect May 1, and be amortized through April 30 of the year following the year the application is filed unless otherwise determined by PSC order.

EBA CALCULATIONS AND APPLICATION

APPLICABLE FERC ACCOUNTS: The EBA rate will be calculated using all components of EBAC as defined in the Company's most recent general rate case, major plant addition case, or other case where Base EBAC are approved. EBAC are typically booked to the following FERC accounts, as defined in Code of Federal Regulations, Subchapter C, Part 101, with the noted clarifications and exclusions:

FERC 501- Fuel

- FERC Sub 5011000
 - SAP 515100 – Coal Consumed-Generation (Include)
 - SAP (all other) – Legal, maintenance, utilities, labor related, miscel O&M (Exclude)
- FERC Sub 5013500 - Natural Gas Consumed (Non Gadsby) Natural Gas Swaps (Non Gadsby) (Include)
 - FERC Sub (All Other) – Property tax, office supplies, Labor, Fuel Handling, Supplies, Maintenance, Start-up Fuel, Start-up Fuel Diesel, Diesel Fuel Hedge, miscellaneous O&M, Flyash Sales (Exclude)

(continued)

Issued by authority of Report and Order of the Public Service Commission of Utah in Docket No. 20-035-04

FILED: January 13, 2021

EFFECTIVE: January 1, 2021

CERTIFICATE OF SERVICE

Docket No. 09-035-15

I hereby certify that on December 10, 2021, a true and correct copy of the foregoing was served by electronic mail to the following:

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