

Docket No. 09-035-15
Technical Conference
October 13, 2011

Description of Commission Reporting Spreadsheet

The Excel file “Compare Stip & EBA Order - Sep 29, 2011.xls” compares the Stipulation in Docket No. 10-035-124, dated July 28, 2011, with the Energy Balancing Account (EBA) Order, issued March 3, 2011, in Docket No. 09-035-15 (March EBA Order). This information is based on the evidence presented to the Commission to date and requires the review and update/correction by parties to ensure the record evidence is accurately reflected. Pursuant to the September 13, 2011, order approving the Stipulation, swap transactions are included in Net Power Costs (NPC), and wheeling revenues are incorporated into the development of EBA rates.

The worksheet consists of four tabs: (1) NPC Results, (2) Graphs of Utah NPC per MWh, (3) Graphs of Utah NPC, and (4) Graph of the Difference in Utah NPC.

The NPC Results tab consists of several sections. The first section, rows 1 through 209, reproduces the NPC Study results provided in Greg Duvall’s rebuttal testimony (in pdf format). The NPC components are identified in column A, additional information useful for classifying and allocating certain components are presented in column B, the monthly NPC results are presented in columns C through N, and the annual NPC totals appear in column O. [This is the Net Power Cost (NPC) format.]

The second section, in rows 211 through 307, provides the classification information for certain NPC components and performs the aggregation necessary to present the NPC Study results in the format used in reporting and ratemaking. [This is the inter-jurisdictional allocations (IJA) format.] Although the parties may possess this information, it has not explicitly been made available to the Commission in this format. This file follows the procedures and values used in prior rate cases, and therefore is only an approximation. The information in rows 217 through 233 and rows 265 through 267 needs to be updated and provided on a monthly basis, and changes in classification incorporated.

The third section, rows 311 through 337, classifies and aggregates NPC into demand-related and energy-related categories, consistent with the format of the prior sections. The Utah NPC results and associated rates as provided by the Stipulation are then developed. [This is merely a transpose of the Stipulation’s Exhibit B format.]

The fourth section, rows 340 through 353, develops NPC results and associated rates consistent with the March EBA Order.

The fifth section, rows 356 through 359, compares the differences between the Stipulation and the March EBA Order with respect to Utah’s NPC results and associated rates.

The sixth section, rows 363 through 376, presents the wheeling revenues, and the seventh section, rows 379 through 389, develops the EBA rates consistent with the Stipulation and March EBA Order.

The rows highlighted with a turquoise background are the sources for the graphs. Rows 333 and 353 are in the tab named Graphs of Utah NPC per MWh, rows 337 and 349 are in the tab named Graphs of Utah NPC, and row 359 is in the tab named Graph of Difference in Utah NPC.

Observations for Discussion

The system's monthly unit costs, \$NPC/MWh, can be expressed as a weighted average of the states' monthly unit costs, where the weights are the states' share of monthly MWh usage. In general, the monthly shape of the system's unit costs, used in the Stipulation, will differ from the monthly shape of Utah-allocated unit costs, used in the March EBA Order, due to differences in loads among the states.

The Stipulation appears to treat NPC and wheeling revenues inconsistently. NPC rates in the Stipulation are based on (adjusted) system unit costs rather than Utah-allocated costs. However, the rates for wheeling revenues in the Stipulation are based on Utah-allocated revenues rather than (adjusted) system unit revenues.

A measure of the magnitude and an assessment of the significance of these differences has yet to be presented to the Commission.

Information regarding the calculation of the "Utah scalar" and how it is to be updated has yet to be presented to the Commission. The Company will present the calculation in the technical conference. Further, these issues can be aspects of the evaluation process and reporting requirements.