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State of Utah
Department of Commerce
Division of Public Utilities

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ACTION REQUEST RESPONSE

TO: Public Service Commission

FROM: Division of Public Utilities:
Chris Parker, Director,
Artie Powell, Energy Manager
Brenda Salter, Technical Consultant
Charles Peterson, Technical Consultant

DATE: February 25, 2016

DOCKET: **Docket No. 15-035-69, Request for Agency Action to Review the Carrying Charges Applied to Various Rocky Mountain Power Account Balances**

RECOMMENDATIONS (Approve)

The Division of Public Utilities (Division) recommends that the Commission approve the amended carrying charge set forth in Rocky Mountain Power (Company) Schedule 300.

DISCUSSION and CONCLUSION

On February 24, 2016 Rocky Mountain Power filed amended tariff Schedule 300 to reflect an annual carrying charge of 4.45 percent. The Company had previously filed with the Commission on February 8, 2016 and indicated a carrying charge of 4.445 percent, which is the exact mathematical calculation of the two annual corporate interest rates designated in the Commission's order on January 20, 2016 in this docket. The Company explains that it discovered technical issues related to implementing the 4.445 percent rate subsequent to its original carrying charge update filing.

The amended carrying charge is derived by simply rounding the rate up one decimal place. The Division notes that Questar Gas Company rounded to 4.45 percent in its carrying charge update in Docket No. 16-057-T01. This rounding procedure is acceptable to the Division. Consequently, the Division recommends that the Commission approve the amended carrying charge of 4.45 percent as discussed above. The amended carrying charge is to take effect on March 1, 2016.

Attachments

cc: Michele Beck, Committee of Consumer Services
Bob Lively, Rocky Mountain Power