

EBA Filing Requirement 3

Annual energy balancing account (EBA) filing requirement, in accordance with the “Report and Order on EBA Filing Requirements and Pilot Program Evaluation Plan” in Docket 09-035-15, dated June 15, 2012.

EBA Monthly Accrual Calculations

- (a) Stipulated Scalar and Allocated Wheeling Revenue Accrual Method. Using, and linked to, the applicable data in EBA Filing Requirement 1 and EBA Filing Requirement 2, provide the monthly accruals for the deferral period per the equations contained in Schedule 94.
- (b) Allocated Net Power Cost (NPC) and Wheeling Revenue Accrual Method (for reporting purposes only, unless ordered otherwise). Using, and linked to, the applicable data in EBA Filing Requirement 1 and EBA Filing Requirement 2, provide the monthly accruals for the deferral period per the following equation:

$$Deferral_{Utah,month} = 0.70 \times \left(\frac{NPC_{Utah,month}^{actual}}{MWh_{Utah,month}^{actual}} - \frac{NPC_{Utah,month}^{base}}{MWh_{Utah,month}^{base}} \right) \times MWh_{Utah,month}^{actual}$$

Where:

NPC is net of wheeling revenue and megawatt-hours (MWh) are Utah retail sales; and

an annual interest rate of 6 percent (0.5 percent per month) is applied to the average balance carried in the account each month as follows:

$$Balance_{current_month} = \left[Ending_Balance_{previous_month} + Deferral_{current_month} \right] + \left[\left(Ending_Balance_{previous_month} + \left(Deferral_{current_month} \times 0.5 \right) \right) \times 0.005 \right]$$

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Note: the Deferral Period for the 2016 Energy Balancing Account (EBA) is January 1, 2015 through December 31, 2015 (2016 EBA).

- (a) In the settlement agreement in Docket 13-035-184 Base Net Power Costs (NPC) were set using the Public Service Commission of Utah (UPSC)

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Ordered Method; therefore, the Stipulated Scalar Method is not used in the 2016 EBA.

- (b) Please refer to the Direct Testimony of Company witness, Michael G. Wilding; specifically Exhibit RMP__(MGW-1).