

EBA Additional Filing Requirement 15

Please provide an explanation of out-of-period adjustments: see “DPU Exhibit 1.5.0 SR” and “Confidential DPU Exhibit 1.5.1 SR” which are the Rocky Mountain Power (RMP) written response to DPU Data Request 5.1 and the Microsoft Excel attachment response DPU 5.1(1), Docket 12-035-67.

Response to EBA Additional Filing Requirement 15

Net Power Cost Adjustments

The Company decreased actual net power costs (NPC) \$2,954,333 to account for the following six adjustments: (1) coal cost adjustments, (2) prior period adjustments, (3) removal of special contract curtailment buy-through, (4) Leaning Juniper revenue, (5) Black Cap Solar allocation and (6) Old Mill Solar, LLC power purchase agreement (PPA) allocation.

1. Coal Cost Adjustments

Coal cost adjustments reduced actual NPC by \$84,721. These adjustments are necessary to remove legal fees related to fines and citations. In addition, adjustments are made to coal inventory to reflect coal costs in the correct period. Please refer to the Company’s response in EBA AFR 14 RMP, which provides the calculation of coal cost adjustments included in the EBA Deferral Period. , The were no accounting entries at the Company’s coal costs related to periods prior to the inception of the energy balancing account (EBA) in October 1, 2011.

2. Prior Period Adjustments

Prior period adjustments represent accounting transactions booked during the EBA Deferral Period, but that are related to operating periods prior to the inception of the EBA in October 1, 2011. There were no prior period adjustment accounting entries in the EBA Deferral Period.

3. Removal of Special Contract Curtailment Buy-Through

The removal of special contract curtailment buy-through reduced actual NPC by \$2,425,242. This adjustment is required to remove the effects of special contract customer elections to purchase market energy during curtailment events. Buy-through energy is a direct pass-through cost to special contract customers and is not included in NPC. Please refer to Confidential EBA AFR Attachment 15 -1 RMP, the tab entitled “Buy-Through”. Please also refer to Highly Confidential EBA AFR Attachment 15 -2 RMP and Highly Confidential EBA AFR Attachment 15 -3 RMP, which provides special contract buy-through customer-specific information.

Note: Highly Confidential EBA AFR Attachment 15 -2 RMP and Highly Confidential EBA AFR Attachment 15 -3 RMP contain customer-specific

information and are considered business confidential. The Company requests special handling. This information is only being provided to Commission Staff, the Division of Public Utilities (DPU), DPU's consultants, and the Office of Consumer Services (OCS). This information is provided subject to Utah Code 63G-2-305(2) and (3) to protect it from a Government Records Access and Management Act (GRAMA) request.

4. **Leaning Juniper Revenue**

In October 2013, the Company reached an agreement resulting in additional revenue for energy, renewable energy credits (REC), and production tax credits (PTC) related to the Leaning Juniper wind project. Actual revenue is booked in FERC Account 456. An adjustment is made to include \$60,732 in revenue related to Leaning Juniper energy output for purposes of the EBA. Please refer to Confidential EBA AFR Attachment 15 -1 RMP; specifically the tab entitled "Leaning Juniper".

5. **Black Cap Solar**

Black Cap Solar was procured to satisfy Oregon Revised Statute (ORS) 757.370 solar capacity standard. Therefore, the Black Cap Solar generation is situs assigned to Oregon and the energy is removed from NPC (i.e. marked to market) for the purposes of the EBA. The Black Cap Solar adjustment increases NPC \$77,788. Please refer to Confidential EBA AFR Attachment 15 -1 RMP; specifically the tabs following the tab entitled "Black Cap".

6. **Old Mill Solar, LLC PPA**

Old Mill Solar PPA was procured to satisfy Oregon Revised Statute (ORS) 757.370 solar capacity standard. Therefore, the Oregon Mill Solar generation is situs assigned to Oregon and the energy is removed from NPC (i.e. marked to market) for the purposes of the EBA. The Old Mill Solar adjustment decreases NPC \$461,425. Please refer to Confidential EBA AFR Attachment 15 -1 RMP; specifically the tabs following the tab entitled "Old Mill Solar".

Confidential information is provided subject to Utah PSC Rule 746-100-16.