

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:

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

Response to EBA Filing Requirement 3

- (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) Ordered Method; therefore, the Stipulated Scalar Method is not used in the 2017 Energy Balancing Account (EBA).

17-035-01 / Rocky Mountain Power

March 15, 2017

EBA Filing Requirement 3

- (b) Please refer to the Direct Testimony of Company witness, Michael G. Wilding; specifically Exhibit RMP__(MGW-1). The calculation of the monthly amount debited or credited into the EBA Deferral Account for the months January – May is based on the formula noted above. For the months June – December, the same formula applies to the calculation of the monthly amount debited or credited into the EBA Deferral Account with the exception of removing the 70 percent sharing band.