

17-035-40 / Rocky Mountain Power
April 16, 2018
WRA Data Request 3.1

WRA Data Request 3.1

Your response to DPU Data Request 13.1 (c) indicates that with regard to the results from the January 16 filing, replacing levelized PTCs with nominal PTCs results in approximately \$191 million in costs in all price-policy scenarios. Please update this estimate with the most current information. Using the most current information, for each price policy scenario, please provide the impact on costs if nominal capital costs replaced levelized capital costs.

Response to WRA Data Request 3.1

Production tax credit (PTC) estimates have been updated based on the final short list determined in the 2017 Renewable Request for Proposals (2017R RFP). Please refer to Confidential Attachment WRA 3.1, which provides an updated estimate of the impact of using nominal PTCs as a component of the real levelized 20-year study period results.

The example provided is the final shortlist medium gas, medium carbon dioxide (CO₂) case (R17-FSLW-MM), however the same estimated present value of revenue requirements (PVRR) impact (approximately \$214 million increased cost) can be applied to all price-policy scenarios.

Nominal capital costs are applied in the 2017 through 2050 results for each price-policy scenario in the Planning and Risk (PaR) model analysis. Please refer to the confidential work paper supporting the second supplemental direct testimony of Company witness, Rick T. Link, specifically file "EV2020 Second Supp Results Summary File - VOM adjusted", tab "PaR - RFP FSLW Studies", and then specifically the "red" blocks of data "PVRR(d) (Benefit)/Cost: Nom 2050".

Confidential information is provided subject to Public Service Commission of Utah (UPSC) Rule 746-1-602 and 746-1-603.