



SPENCER J. COX  
*Governor*

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*Lieutenant Governor*

## UTAH DEPARTMENT OF COMMERCE

### Division of Public Utilities

MARGARET W. BUSSE  
*Executive Director*

CHRIS PARKER  
*Division Director*

## Action Request Response

**To:** Public Service Commission of Utah

**From:** Utah Division of Public Utilities

Chris Parker, Director  
Artie Powell, Manager  
Doug Wheelwright, Utility Technical Consultant Supervisor  
Brenda Salter, Utility Technical Consultant Supervisor  
Joni S. Zenger, Utility Technical Consultant  
David Williams, Utility Technical Consultant  
Michael Healy, Utility Analyst  
Gary Smith, Utility Technical Consultant  
Mark Long, Utility Technical Consultant  
Joanna Matyjasik, Utility Analyst  
Bhavana Venjimuri, Utility Analyst

**Date:** June 30, 2022

**Re:** **Docket No. 17-035-40**, Rocky Mountain Power's New Wind and Transmission Report for Calendar Year 2021.

## Recommendation (Approval With Conditions)

The Division of Public Utilities (Division) has reviewed Rocky Mountain Power's (RMP or Company) New Wind and Transmission Report for Calendar Year 2021 and recommends the Public Service Commission of Utah (Commission) approve the filing for compliance, with conditions outlined in the report below. The Division recommends the Commission approve the Company's request to modify the filing date from April 30 of each year to May 25, so that the Company can report the actual, rather than estimated, transmission rates for the Transmission Projects. The FERC formula rate process concludes on May 15 of each year, and as a result, estimates were used in this Report.

## Issue

This docket originated as the Application of RMP for Approval of a Significant Energy Resource Decision and Voluntary Request for Approval of a Resource Decision to build

Division of Public Utilities

Heber M. Wells Building • 160 East 300 South • P.O. Box 146751 Salt Lake City, UT 84114-6741  
[www.dpu.utah.gov](http://www.dpu.utah.gov) • telephone (801) 530-7622 • toll-free in Utah (877) 874-0904 • fax (801) 530-6512

new wind and transmission projects.<sup>1</sup> On April 29, 2022, the Company filed with the Commission its New Wind and Transmission Report for calendar year 2021 (CY 2021 Report). The Report was filed pursuant to the Commission's June 22, 2018, Order<sup>2</sup> (Approval Order) and its Order on Reporting Requirements<sup>3</sup> (Reporting Order) issued on October 22, 2018, in the above-referenced docket.

On April 29, 2022, the Commission issued an Action Request to the Division to review the Report for compliance and make recommendations by May 31, 2022. On May 5, 2022, the Commission issued a Notice of Filing and Comment Period, which stated that interested parties may submit comments in this matter on or before May 31, 2022, and may submit reply comments on or before June 15, 2022. The Division submitted a request for an extension of time on May 24, 2022, which the Commission granted on May 25, 2022. The Commission revised the Notice of Filing and Comment period to June 30, 2022, with reply comments due on July 15, 2022. This memorandum responds to the Commission's Action Request.

## Background

In Section 3.e of the Approval Order, the Commission conditioned its approval for the new wind and transmission projects (Combined Projects) on the Company filing a report with the following required information:

- (i) final project costs for each specific project comprising the Wind Projects and the Transmission Projects;
- (ii) realized Production Tax Credits (PTC) benefits from the Combined Projects;
- (iii) realized energy benefits from the Combined Projects;
- (iv) transmission costs of the Transmission Projects that are offset by revenues derived from wholesale transmission customers;
- (v) payments for any damages, including liquidated damages, paid to the Company related to the Combined Projects;

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<sup>1</sup> The New Wind and Transmission Projects in this docket, coupled with wind repowering projects in Docket No. 17-035-39, was known as the Company's Energy Vision 2020 projects (EV 2020).

<sup>2</sup> Docket No. 17-035-40, Approval Order, June 18, 2022.

<sup>3</sup> Id., Order on Reporting Requirements, October 22, 2018.

- (vi) contribution to the 230 kV Network Upgrades' total cost from interconnection customers;
- (vii) annual revenue requirements associated with the Aeolus to Bridger/Anticline Line and the incremental transmission revenue resulting from the construction of the line;
- (viii) wind operations and maintenance costs associated with the Wind Projects that the Company owns;
- (ix) realized value of renewable energy credits (RECs) sold associated with the generation from the Wind Projects; and
- (x) other information the Company deems necessary or appropriate.

The Commission also directed the Company to file on or before September 1, 2018, specific recommendations for fulfilling the requirement, including the start date, frequency, duration, and level of granularity for the reporting, and to include recommendations as to the confidentiality of such reporting. Through a separate process that included a comment and reply comment period, the Commission approved the following reporting template in its Reporting Order:

<b>Table 1</b> <b>Approved Reporting Requirements of the Combine Projects</b> <b>Docket No. 17-035-40</b>				
<b>Required Information</b>	<b>Start Date</b>	<b>Frequency</b>	<b>Duration</b>	<b>Confidentiality</b>
(i) final project costs for each specific project	12 ME CY 2020, due 4/30/2021	annually	<b>10 years</b>	Confidential
(ii) realized PTC benefits	12 ME CY 2020, due 4/30/2021	annually	<b>10 years</b>	Non-confidential
(iii) realized energy benefits	12 ME CY 2020, due 4/30/2021	annually	<b>10 years</b>	Non-confidential
(iv) transmission costs of the Transmission Projects that are actually offset by revenues derived from wholesale transmission customers	12 ME CY 2020, due 4/30/2022	annually	<b>10 years</b>	Non-confidential
(v) payments for any damages, including liquidated damages	Included in annual reports, as applicable	annually	<b>10 years</b>	Confidential
(vi) contribution to the 230 kV Network Upgrades' total cost from interconnection customers	12 ME CY 2020, due 4/30/2022	annually	<b>10 years</b>	Non-confidential
(vii) annual revenue requirement associated with the Aeolus to Bridger/Anticline Line and the incremental transmission revenue resulting from the construction of the line	12 ME CY 2020, due 4/30/2022	annually	<b>10 years</b>	Non-confidential

(viii) wind operations and maintenance costs associated with the Wind Projects that PacifiCorp owns	12 ME CY 2020, due 4/30/2021	annually	10 years	Non-confidential
(ix) realized value of RECs sold	12 ME CY 2020, due 4/30/2021	annually	10 years	Confidential

The Company, in its April 29, 2021 filing, populated the spreadsheets in the reporting template with the required information for calendar year 2021. The Excel spreadsheet containing this data has been filed as the Company's Confidential Attachment 1: RMP's New Wind and Transmission Report for CY 2021 in its Report, herein known as Confidential Attachment 1.

## Discussion

The Division reviewed the Commission's Approval Order and its Reporting Order as it evaluated the compliance of the Company's filed Report. In its review of Confidential Attachment 1, the Division had several questions and set up a meeting with the Company on May 18, 2022. During the May 18, 2022 meeting, the Company's representative, Jana Saba, walked the Division through each tab of Confidential Attachment 1 and answered questions. The Division held a follow-up meeting on May 24, 2022, and sent an additional four sets of formal data requests to the Company, which the Company answered in a timely manner.<sup>4</sup>

The CY 2021 Report represents the second compliance filing of the Combined Projects. However, the Division points out that this is the first year the Company is required to report on Transmission Projects and 230 kV Network Upgrades found on tabs (iv), (vi), and (vii) of Confidential Attachment 1. In its review of the Company's calendar year 2020 Report, the Division pointed out that a portion of the data for the Combined Projects was not known because of pandemic-related delays.<sup>5</sup> The Division recommended re-examining the Final Project Costs this year to make sure those costs do not exceed the Commission-approved costs in its Approval Order or its Confidential General Rate Case Order in Docket No. 20-

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<sup>4</sup> Docket No. 17-035-40, DPU Sets 28-31, May 15-June 1, 2022 and RMP's Confidential and Redacted Data Request Responses to DPU Sets 29-31, May 25 – June 17, 2022.

<sup>5</sup> Docket No. 17-035-40, Division's Action Request Response for Calendar Year 2020, May 27, 2021, pp. 5-8.

035-04.<sup>6</sup> In its audit of the CY 2021 Report this year, the Division examined the Report for compliance in both substance and structure. Regarding the structure of the report, the Division finds that Confidential Attachment 1 fulfills the Commission's reporting requirements, per the Commission's Reporting Order.<sup>7</sup>

## Findings

With respect to the content of the Report, the Division completed a thorough review of the Report, including tabs (i) through (ix) of the spreadsheets. The Division's work papers are attached to this memo and labeled as Confidential DPU Attachment A. The Division reports its findings on each of the tabs below:

i. Final Project Costs.

The Confidential Attachment to RMP's 2021 Wind and Transmission Report provides year-end Final Project Costs for the New Wind Projects and Transmission Projects that (together with Wind Repowering<sup>8</sup> projects) make up Energy Vision 2020 (EV2020). The New Wind Projects consist of TB Flats I and II, Ekola Flats, and Cedar Springs II, also known as the Cedar Springs Build Transfer Agreement (BTA). RMP combined the TB Flats projects into a single project in its Second Supplemental Direct Testimony in the pre-approval portion of the EV2020 docket.<sup>9</sup> Both Cedar Springs (BTA) and Ekola Flats were completed in December of 2020, and RMP reports that TB Flats I and II (TB Flats) are now in service with a completion date of July 26, 2021. All projects have now been completed and placed in service.

The Division has reviewed the year-end Final Project Costs in comparison to the amounts approved for each project.<sup>10</sup> Cedar Springs (BTA) and Ekola Flats were both within the amounts approved by the Commission. The Division notes that, although the Company correctly reported the Final Project Costs for TB Flats, this amount exceeds the

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<sup>6</sup> Docket No. 20-035-04, Confidential Order, December 30, 2020, p. 51.

<sup>7</sup> Docket No. 17-035-40, Order on Reporting Requirements, October 22, 2018.

<sup>8</sup> Docket No. 17-035-39, RMP Application for Resource Approval for Wind Repowering Projects, June 30, 2017.

<sup>9</sup> Docket No. 17-035-40, Second Supplemental Direct Testimony of Chad A. Teply, February 2018.

<sup>10</sup> Docket No. 20-035-04, Confidential Order Issued December 30, 2020.

Commission-approved project costs.<sup>11</sup> Any costs greater than the Commission-approved amount for TB Flats would have to be approved in a rate case, or similar proceeding.

The Company has also reported on the year-end Final Project Costs for the Transmission Projects included in EV2020. These projects consist of 230kV Network Upgrades and the Aeolus to Bridger/Anticline Line. These two projects were both completed and in service in November of 2020. The Division confirmed that the Final Project Costs for these projects meet the Commission's Approval Order and Reporting Order.<sup>12</sup>

ii. Realized (Production Tax Credit (PTC) Benefits.

The Company provided actual realized PTC benefits for the Cedar Springs Wind BTA, Ekola Flats, and TB Flats wind projects for calendar year 2021. All 72 wind turbine generators (WTGs) at Cedar Springs were in service by December 31, 2020, creating tax benefits. For Ekola Flats, all 63 WTGs were also in service by December 31, 2020. With respect to TB Flats, 55 WTGs were placed in service by December 31, 2020. The remaining 77 WTGs were placed in service by December 31, 2021, with a total of 132 WTGs at TB Flats.<sup>13</sup> The full PTC Benefits will accrue for all three wind projects for the first ten years of operations.

The actual realized PTC Benefit is properly calculated in the Company's filing in its Confidential Attachment 1, at the authorized 2.5 cents per kilowatt-hour for energy generated in calendar year 2021.<sup>14</sup> The actual energy generation and resulting PTC numbers reported in RMP's CY 2021 Report are consistent with actual generation and PTCs reported in other filings in Utah, including the Company's 2022 Energy Balancing Account (EBA) (Docket No. 22-035-01).

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<sup>11</sup> Id., p. 51.

<sup>12</sup> The Company supplemented its April 29, 2021 filing with its response to DPU Set 28, the Company's Confidential Attachment 28.1 dated May 25, 2021. The Company's response provided the variance amounts (column D) of each line item that differs from the Final Project Costs (column C).

<sup>13</sup> The Protecting Americans from Tax Hikes Act of 2015 (the PATH Act) extended the availability of the PTCs for wind facilities that began construction before January 1, 2020.

<sup>14</sup> In Internal Revenue Service Code section 45 and the current IRS form 8835, the IRS provides for PTCs at the rate of 2.5 cents per kilowatt-hour of electrical energy produced by a wind facility in 2021.

The PTC Benefits tab provides the actual PTCs and the expected PTCs at the time of approval and calculates the variance between them. The Company calculated a loss from unrealized PTC benefits.

The Division sent data requests to the Company to understand and confirm the projected generation, tax credit rate, and the PTCs used in its CY 2021 Report.<sup>15</sup> The Company assisted in confirming the generation and tax credit rate assumed at pre-approval filing, including the assumed 2021 PTC tax credit rate that was higher than the actual 2.5 cents approved by the IRS for calendar year 2021.<sup>16</sup>

Given the information provided in the Company's data request responses, including the projected generation and the PTC tax credit rate, the Division was unable to confirm the projected PTC benefit used by the Company in its Report.<sup>17</sup> The Division calculated a 25 percent variance in PTC benefit from the PTC benefit reported in Rick Link's 2nd Supplement Direct Testimony and used in the Report. It is unclear how the PTC tax credit benefit used in the Report was calculated and if it contains a tax gross-up factor. The Division's calculated variance is included as DPU Confidential Attachment A: Calculated Projected and notes that this is not "realized PTC benefit," as this tab is named.

The Division requests the Company provide and explain, in its Reply Comments, the detailed calculation of projected PTC benefits, including the assumed generation by project, PTC tax credit rate, tax gross-up factor, or any other information used to compute the projected PTC Benefits in Rick Link's 2nd Supplement Direct Testimony and used in the Company's Confidential Attachment 1. The Division further requests the Company provide all source documentation with this reconciliation.

iii. Realized Energy Benefits.

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<sup>15</sup> Docket No. 17-035-40, DPU Data Request Sets 29 through 31, June 1, 2022.

<sup>16</sup> Id., Company Confidential Responses to DPU Data Request 30.1 and DPU Data Request 29.1 1<sup>st</sup> Supplemental, respectively, June 15, 2022.

<sup>17</sup> Id.

The Company complied with reporting the net power cost (NPC), or energy benefits. The Company populated the realized energy benefits tab with the appropriate data for calendar year 2021.

The Energy Benefits tab of the Company's CY 2021 Report calculates the Company's estimation of the value of each project's "zero fuel cost" generation based on actual project generation results. The Division confirmed that the total actual generation used to calculate Energy Benefits was consistent with other dockets reporting actual generation, including Docket No. 22-035-01, the Company's EBA filing.

The Company assumed projected energy generation when it proposed the New Wind projects in the Resource Approval Docket No. 17-035-40. The Division compared the Docket No. 17-035-40 assumed generation for 2021 with the projections filed in the last General Rate Case (2020 GRC) filing, Docket No. 20-035-04. The Division noted differences in the projected generation of each of the three wind projects for 2021. Through discovery, the Division was told that the differences were based on updated information available at the time of the 2020 GRC filing, including differences in project capacity and project start dates.<sup>18</sup>

The Division compared the Company's projected energy generation in Docket No. 17-035-40 with the actual energy generation realized in 2021. The Division calculated actual project generation at 10 to 38 percent less than the assumed wind generation projection at pre-approval. As previously stated, some energy benefits can be explained by yearly variation in wind speeds and conditions,<sup>19</sup> but the Division requests the Company explain this variation in its Reply Comments. The Division's calculated results are included in this report as DPU Confidential Estimated Energy Loss due to Unrealized Energy Generation.

To estimate the loss of Energy Benefits from the lower-than-projected wind generation realized in 2021, the Division used the Company's hypothetical Energy Benefit formulae method on an average annual basis, using the same percent of Heavy Load Hours (HLH) and Light Load Hours (LLH). The Division used this method, given the information it had

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<sup>18</sup> Id., Company Responses to DPU Data Request 28.1, May 25, 2022.

<sup>19</sup> Docket No. 17-035-40, CY 2020 Order, July 21, 2021, pp. 5-6.



available to approximate the method used by the Company. DPU Confidential Attachment A: Realized Energy Benefits, provides a simplistic attempt to quantify in dollars the loss in generation from the projected amounts based solely on the assumption that the additional energy not generated by the new resources is valued as if it would be replaced by market transactions, the same assumption used by the Company in the Energy Benefits tab method of the 2021 Report.

The Division has calculated an estimated monetary loss to Utah customers that it respectfully requests the Company explain or otherwise correct in its Reply Comments. The Division makes no current recommendation as to how to recoup this loss to Utah customers, absent an explanation for this loss by the Company. The Division notes that projections, in general, need to be scrutinized before being approved, as projections will vary from actuals and the shifting of that risk to ratepayers should be done advisably. When projections do not pan out, the Division has, in this case, determined what the estimated cost to Utah ratepayers is, and this should be noted by the Commission.

iv. Transmission Costs.

The Division verified that the format and formulas of this tab are the same as those approved by the Commission in its Order on Reporting Requirements.<sup>20</sup> Cell D2 (Annual Transmission Revenue Requirement) is a figure from internal Company accounting and is not found on the Federal Energy Regulatory Commission (FERC) Open Access Same-Time Information System (OASIS).<sup>21</sup> In its Application, the Company noted that “an estimate had to be used in the preparation of tab (iv) Transmission Costs.”<sup>22</sup> The figure is close to the figure ultimately posted on a spreadsheet on OASIS titled “2021 True-up.”<sup>23</sup> The Division verified the other inputs into tab (iv) where figures were available from the OASIS spreadsheet. The Open Access Transmission Tariff (OATT) is the electronic transmission

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<sup>20</sup> Docket No. 17-035-40, Reporting Requirements Order, October 22, 2018.

<sup>21</sup> [www.ferc.gov/OASIS](http://www.ferc.gov/OASIS). The OASIS is an Internet-based system for obtaining electric power transmission services in North America. It is the primary mean by which high-voltage transmission lines are reserved for moving wholesale quantities of electricity and originated from the Energy Policy Act of 1992. It was formalized in 1996 through FERC Orders 888 and 889.

<sup>22</sup> Docket No. 17-035-40, CY 2021 Report, April 29, 2022, p. 3.

<sup>23</sup> That spreadsheet is found at <https://www.oasis.oati.com/ppw/> in folder “PacifiCorp OASIS Tariff/Company Information/OATT Pricing/2022 Transmission Formula Annual Update.”

tariff accepted by the FERC (pro forma) requiring all Transmission Service Providers to provide non-discriminatory access to that of the Transmission Service Provider and its affiliates. Transmission Service Providers, such as PacifiCorp, can also post formula rates that have been approved by FERC.

The Company requested in its CY 2021 Report filing that the Commission approve a change in the filing date for future New Wind and Transmission Reports from the required date of April 30 of each year to May 31 of each year. This will allow the Company to provide actual, rather than estimated Transmission Reports on tab (iv) of the Calendar Year 2022 Report (CY 2022 Report) and for all future reports. The Division recommends the Commission approve the change in filing date, as the actual costs on this tab are preferred to estimations and outweigh the approximately one-month delay in the filing of the Report.

v. Liquidated Damages.

There were no liquidated damages reported.

vi. 230 kV Network Upgrades.

This tab breaks down the material, internal labor, external contract services, and other categories of costs for the 230 kV network upgrades for TB Flats and Cedar Springs Wind. While the figures for the cost breakdowns are confidential, the Division reports that the overall cost of the 230 kV network upgrades reported in the CY 2021 Report is 1.73 percent higher than the amount approved in the Company's CY 2020 Report, as well as the approved amount in the 2020 GRC filing.<sup>24</sup> This variance is below the 5 percent threshold that requires an explanation to be filed with the Report.<sup>25</sup> There were no budget targets provided for individual cost categories such as material and labor. The Company explained in its CY 2020 Reply Comments the following reasoning:<sup>26</sup>

While the Company understands it bears the burden to justify all costs for a project, a reasonable level of discretion is appropriate to narrow down which cost variances require more detailed explanation for auditing purposes.

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<sup>24</sup> Docket No. 17-035-40, CY 2020 Report, Order, July 21, 2021, p. 3.

<sup>25</sup> Id. at p. 5.

<sup>26</sup> Docket No. 17-035-40, RMP's Reply Comments, June 17, 2021, p. 3.

When the Company forecasts large projects, it does its best to project the costs for the individual categories, but as the actual costs are realized and the applicable accounting standards are applied, costs will always vary. The more valid method to assess how the Company performed against the projections at the time of pre-approval is to look at the Company's ability to deliver the project within the overall budget at the time of pre-approval. Requiring the Company to add these excessive variance explanations would overly complicate the report without adding anything meaningful.

vii. Revenue Requirement Aeolus to Bridger.

The format and formulas of this tab were verified by the Division to be the same as those approved by the Commission in its Order on Reporting Requirements. The Division verified the "Capital Investment" figure on this tab (Line 1, cell I9) comes from the Company's internal accounting system and is not found on OASIS. This is also true of the "Depreciation" figure (Line 9, cell I19) and other accounting balances on this tab, which the Division verified with phone and online meetings with the Company.

The Division confirmed the accuracy of taxes, as well as the other factors, found in cells I27 through I32 and verified the data with the following sources:

- ✓ Cell I47 (line 1227, Federal/State Combined Tax Rate) is from the Dec. 2021 Results of Operations. Docket No. 22-035-10, RMP's December 2021 ROO, Excel sheet titled "RMP Attachment 1 – UT JAM December 2021 ROO" tab "Report" (cell J81).
- ✓ Cell I49 (line 1229, Pretax Return) is calculated using the UT JAM December 2021 ROO (tab "variables" cell AS30). This calculation is performed using the Commission-ordered capital structure and ROE from the 2020 GRC.
- ✓ Cell I50 (line 1230, Property Tax Rate) is calculated as shown in the Company's confidential Excel sheet named "Attach DPU 29.6 CONF" which is referenced in the Company's answer to DPU Data Request 29.5 (Rocky Mountain Power's Responses to DPU 29th Set Data Requests 29.1-29.6, June 8, 2022).
- ✓ Cell I52 (line 1231, Utah SG Factor) is from the Dec. 2021 Results of Operations. Docket No. 22-035-10, RMP's December 2021 ROO, Excel sheet titled "RMP Attachment 1 – UT JAM December 2021 ROO" tab "Report" (cell N286/cell L286).

- ✓ Cell I53 (line 1233, Utah GPS Factor) is from the Dec. 2021 Results of Operations. Docket No. 22-035-10, RMP's December 2021 ROO, Excel sheet titled "RMP Attachment 1 – UT JAM December 2021 ROO" tab "Report" (cell N285/cell L285).

viii. Wind Operation and Maintenance (O&M) Costs.

The Company provided total O&M Costs for year-end 2021 for each of the wind projects. Cedar Springs (BTA) and Ekola Flats were in service for the full year, while TB Flats was placed into service on a circuit-by-circuit basis from December 2020 through July 2021.<sup>27</sup> Therefore, O&M costs reported for 2021 do not represent a complete year because TB Flats was not in service for the full year. The Company stated that once a full year of data is available, it will provide a more accurate analysis of any variances between approved amounts and final O&M amounts.<sup>28</sup>

The total O&M Costs reported are within the amount forecast by the Company in the EV2020 testimony of Rick T. Link in February 2018.<sup>29</sup>

ix. Renewable Energy Credits (RECs).

The Division reviewed the Renewable Energy Credits (RECs) reported in tab (ix) of RMP's Confidential Attachment 1 for compliance with the Commission's Order. The number of RECs generated in 2021 corresponds with the 2021 Wind Projects' plant generation contained in tab (ii) of Confidential Attachment 1. The Division verified the number of RECs allocated to Utah, along with the Utah revenue received from the sale of the associated RECs.

The Division also reconciled the RECs generated and sold to the 2022 Renewable Balancing Account (RBA) filing.<sup>30</sup> The Division verified the number of REC sold from generation at the Cedar Springs Wind, Ekola Flats Wind, and the TB Flats Wind projects.

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<sup>27</sup> Docket No. 17-035-40, CY 2021 4-29-2022, Tab (i) Final Project Costs, footnote on Line 93.

<sup>28</sup> RMP's Reply Comments on CY 2020 Report, June 17, 2021, p. 4.

<sup>29</sup> Docket No. 17-035-40, Second Supplemental Results Summary File, Testimony of Rick T. Link, Exhibit RTL-1SS February 21, 2018.

<sup>30</sup> Docket No. 22-035-07, Confidential RMP Attachment L - RMP Wilding Natives and Workpapers 3-15-2022, <TAB> RMP\_MGW-4.

The Division concludes the 2021 REC generation and sales in the CY 2021 Report appear to be accurate.

x. Other.

The Company did not report any other information on tab (x).

## **Final Remarks**

The Division finds the Report complies with the Commission's Approval Order and its Reporting Order. The Final Project Costs for Cedar Springs and Ekola Flats are within the Commission-approved amounts. The Final Project Costs for TB Flats exceed those approved by the Commission. The Company must seek approval for the excess costs in a general rate case or other ratemaking-type proceeding, should it elect to do so.

The Division was able to reconcile the data on most of the tabs. However, the Transmission Costs were estimated, as actual FERC OATT rates are not made available until May 15 of each year. The Division, therefore, recommends the Commission approve the Company's request to file future reports on May 30 of each year.

In addition, the Division's review in this matter required several calls and/or meetings with the Company, as well as three sets of data requests to perform a complete audit of the CY 2021 Report. The Division was unable to verify tab (ii) Realized PTC Benefits and tab (iii) Realized Energy Benefits and recommends the Company reconcile this information in its reply comments. Otherwise, the Commission should order the Company to provide a reconciliation of these tabs.

The Division requests that the Commission order the Company to file all supporting documentation when it files its CY 2022 and all future New Wind and Transmission Reports. This includes all source materials needed to verify data contained in tabs (i) through (ix) in each successive report. As an auxiliary matter, the Division recommends the Company also provide all source documentation with each of its compliance reports when the Company files its complimentary Wind Repowering Reports in Docket No. 17-035-39. As previously mentioned, the Wind Repowering, along with the New Wind and Transmission Projects in this docket, comprise the Company's EV2020. Reporting criteria were set in both dockets,

and all supporting data must be provided as a preliminary matter with the Company's filing for the Division to reconcile the data in multiple, complex spreadsheets.

## **Request for Change in Filing Date**

As previously stated, this is the first year for which the transmission reporting was required to be populated in tabs (iv), (v), and (vii). The Company has requested a change in the deadline for filing all future New Wind and Transmission Reports from April 30 of each year to May 25, beginning with the next CY2022 report, which (if approved) would be filed on May 25, 2023. In this Report, the Company was required to estimate the transmission costs, since the FERC formula rate filings the Company relies on in preparation of the data is not available until after May 15 of each year. The Division recommends the Commission approve the Company's request for the change in due date to allow actual, rather than estimated, data in future compliance reports.

## **Conclusion and Recommendations**

The Division concludes that RMP's Report is compliant and recommends the Commission approve the Company's CY 2021 with the following conditions:

1. The Company accurately reported the Final Project Costs for TB Flats. However, these costs exceed the approved project costs, and the Company could recover the excess costs in a ratemaking proceeding.
2. The Division recommends approving the Company's request to file all future compliance reports in this matter on May 25 of each year.
3. The Division requests the Company respond to losses in realized energy benefits and realized PTC benefits in its reply comments, including reconciling tabs (ii) and tabs (iii) with all source documentation.
4. The Division requests the Commission Order the Company to file all supporting documentation for all future EV 2020 compliance reports. (This includes all materials needed to verify data contained in tabs (i) through (ix) in this docket, as well as all source data necessary to verify the Company's Wind Repowering Reports in Docket

No. 17-035-39). The Division respectfully requests the Commission order the Company to file the supporting documentation for each of the complex spreadsheets at the time the Company files its respective compliance reports.

The Division appreciates the Company's assistance in finding source data for this report in a timely manner. This concludes the Division's findings in this matter.

cc: Jana Saba, RMP  
Michele Beck, OCS

CONFIDENTIAL - SUBJECT TO PSC RULE R746-1-602 and 603

# Confidential DPU Attachment A