

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of Rocky Mountain Power for Approval of a Significant Energy Resource Decision and Voluntary Request for Approval of Resource Decision	<u>DOCKET NO. 17-035-40</u> <u>ORDER</u>
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ISSUED: September 29, 2026

1. Procedural History and Background.

On May 22, 2026, Rocky Mountain Power (RMP) filed its New Wind and Transmission Report for Calendar Year 2025 (“2025 Report”) with the Public Service Commission (PSC). RMP submitted the 2025 Report in accordance with the PSC’s orders issued in this docket on June 22, 2018, October 22, 2018, and July 21, 2021 (collectively, the “Gateway Reporting Orders”). The Gateway Reporting Orders establish reporting requirements pertaining to certain wind and transmission projects,¹ including the report’s substance, format, granularity, and timing.

The Division of Public Utilities (DPU) filed comments on July 27, 2026 (“DPU Comments”). On August 11, 2026, the PSC received reply comments from RMP (“RMP Reply Comments”).

DPU states the 2025 Report complies with the reporting requirements set by the Gateway Reporting Orders and recommends the PSC acknowledge the 2025 Report.

¹ The combined projects were approved as part of RMP’s Energy Vision 2020 (EV2020), coincident with approval of its Wind Repowering projects in Docket No. 17-035-39.

2. DPU Comments.

DPU reviewed RMP's filing and found the 2025 Report to be in substantially the same format as previous reports. As noted by DPU previously in this docket, DPU finds the Wind Projects² continue to generate less power than RMP projected when it applied for initial PSC approval. DPU notes this docket now contains five years of Wind Project production data showing consistent performance. RMP identified curtailment as the primary cause of decreased generation, citing maintenance, "availability," and avian curtailment.³ DPU is hopeful RMP's recent acquisition of several battery storage facilities, as identified in its 2025 IRP,⁴ will reduce the need for future curtailments.

DPU notes that integration costs, or the cost to maintain flexible reserve generation or storage capacity sufficient to replace intermittent generation when it is unavailable, decreased from \$2.03/MWh in 2024 to \$1.72/MWh in 2025.⁵ Operations and Maintenance ("O&M") costs were lower than projected. RMP confirmed that all O&M costs have been expensed, not capitalized.⁶ Tab (iv) of the 2025 Report records "transmission costs of the Transmission Projects that are actually offset by revenues derived from wholesale transmission customers."⁷ The PSC's June 22, 2018, order

² The "Wind Projects" refers to (1) TB Flats I & II; (2) Cedar Springs; and (3) Ekola Flats.

³ DPU Exhibit No. 2 – RMP Response to DPU DR 36.2(3) – Curtailment, CONFIDENTIAL.

⁴ PacifiCorp's 2025 Integrated Resource Plan, Volume 1, pp. 4 and 19.

⁵ DPU Exhibit No. 2 – RMP Response to DPU DR 35.6(1) – Integration Costs.

⁶ DPU Exhibit No. 2 – RMP Response to DPU DR 36.4 – Operations and Maintenance.

⁷ Order at 35-36 (June 22, 2018).

defines Transmission Projects⁸ as the specific transmission facilities approved in this docket. Tab (iv) reports this information in a detailed way for the integrated transmission system in the PACE balancing area (as a Net Zonal Revenue Requirement). Specific transmission project details are not segregated. DPU believes that reporting the transmission revenue requirement for all the transmission in PACE (instead of individually) does not offer sufficient evidence to address the prudence of the decision to build the Transmission Projects. DPU is uncertain whether RMP tracks these projects individually such that RMP could issue a report that more discretely identifies transmission revenue requirements by project. Ultimately, DPU takes no position on whether Tab (iv) can or should be changed in future reports. Tab (iv) in the 2025 Report shows a 59 percent increase in the annual transmission revenue requirement for PACE and accompanying increases in costs flowing from that revenue requirement. DPU understands this increase is due, in part, to large segments of the Gateway South and Gateway West transmission lines being placed into service in late 2024 and 2025. DPU finds the transmission revenue requirement for the Aeolus to Bridger project consistent with previous years. Wheeling revenue on the Aeolus to Bridger line decreased from \$6,852,270 in 2024 to \$4,858,949 in 2025. Renewable Energy Credit ("REC") sales in 2025 increased significantly. Overall, DPU found no

⁸ "Transmission Projects" are network upgrades to certain 230kv transmission lines as detailed in the June 22, 2018, order and the Aeolus to Bridger/Anticline transmission line.

errors, issues, or omissions in the 2025 Report and recommends the PSC approve the 2025 Report.

3. RMP Reply Comments.

RMP explains that generation is less, in part, than originally projected because of how projections were initially modeled. The capacity factor ("CF") projections initially developed reflect the output expected from the resources over an extended time period and under conditions in which the Wind Projects are operating independently from other system resources. Operation of the Wind Projects within a broader system of generation resources imposes different operating restrictions where broad system costs are optimized, especially in a grid that has evolved significantly since the pre-construction forecasts were performed in 2018. This system optimization results in curtailments that largely cause the variance seen in 2025 CFs relative to original forecasts. RMP clarifies that it cannot reasonably provide transmission revenue by individual project as suggested by DPU. Revenues are derived from the integrated transmission system, which makes attributing revenues to specific facilities or projects difficult. RMP believes this current method of reporting is compliant with the PSC's reporting requirements and the practical limitations of the data available.

4. Analysis, Findings of Fact, and Conclusions of Law.

The PSC finds adequate opportunity existed for parties to request and obtain additional information and/or clarification regarding the 2025 Report in this

proceeding and appreciates the collaboration between RMP and DPU in clarifying issues. The PSC concurs that more granular transmission revenue requirement data would be helpful but also recognizes the practical limitations described by RMP. Therefore, the PSC declines to mandate or recommend changes to the Tab (iv) transmission revenue requirement reporting at this time.

Based on the PSC's review of the 2025 Report, DPU's Comments, and RMP's Reply Comments, the PSC finds and concludes the 2025 Report complies with the reporting requirements established in our Gateway Reporting Orders.

5. Order.

The PSC acknowledges RMP's 2025 Report complies with the Gateway Reporting Orders.

DATED at Salt Lake City, Utah, September 29, 2026.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#347189

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on September 29, 2026, a true and correct copy of the foregoing was delivered upon the following as indicated below:

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