

In response to the question from Vote Solar, the OCS provides the following. There are no new workpapers; all inputs are contained in the existing record.

First, the following explains the calculation error that Mr. Hayet identified and corrected on the witness stand:

1. The OCS's position includes an adder to account for secondary transformer losses, which was included in its position since rebuttal testimony.
2. When preparing witness summaries, the OCS recognized it had calculated the secondary transformer losses using the Company's GRID avoided energy cost value, but instead should have used the Company's EIM avoided energy cost value.
3. The calculation used was: the expansion factor with secondary line losses minus the expansion factor without and then multiply by the avoided energy cost.
4. The initial calculation was $(1.0862 - 1.0666) * 1.445 = .028$ cents per kWh. This calculation used 1.445 as the avoided energy cost, which is Rocky Mountain Power's original GRID avoided energy cost.
5. The correct calculation is $(1.0862 - 1.0666) * 2.209 = .043$ cents per kWh. This calculation uses 2.209 as the avoided energy cost, which is Rocky Mountain Power's EIM based avoided energy cost.
6. The difference in the adders is an increase of .015 cents per kWh (.043 - .028). Therefore, appropriately accounting for secondary transformer losses, the OCS's avoided energy cost with losses increased from 2.237 to 2.252.

Second, between filing surrebuttal testimony and the hearing, the OCS calculated a value that reflects its previously stated qualitative position with respect to avoided generation capacity credit. OCS had taken the position that the value should be 25% - 50% of what had been calculated by other parties in this case. OCS calculated this value as follows:

1. OCS determined to support a value that is 50% of the average of the avoided generation capacity rates that Vote Solar and Vivint proposed.
2. Vote Solar proposed an avoided generation capacity rate of 3.43 cents per kWh and Vivint proposed an avoided generation capacity rate of 2.22 cents per kWh.
3. The average is 2.825 cents per kWh and 50% of the average is 1.413 cents per kWh.

In summary, the OCS derived its ECR as: $1.413 + 2.252 = 3.665$ cents per kWh, or 3.7 cents when rounded.