

Docket No. 20-035-04

OCS Exhibit No. 3.5S

Compilation of Discovery (Data Request) Responses Referenced in the
Surrebuttal Testimony of Donna Ramas (OCS 3S) on Behalf of
The Office of Consumer Services

October 29, 2020

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OCS Data Request 23.4

In the original and the supplemental response to OCS Data Request 11.4, the Company provided attachments that contained the test year revenue requirement components for the Utah AMI Project. Since the amounts included in the case associated with the Utah AMI Project were updated in the Company's rebuttal filing, please provide a revised version of Attachment OCS 11.4 1st Supplemental that is based on the amounts contained in the Company's rebuttal filing.

Response to OCS Data Request 23.4

Please refer to Attachment OCS 23.4 for a revised version of Attachment OCS 11.4 1st Supplemental based on the Utah advanced metering infrastructure (AMI) project amount included in the Company's rebuttal filing.

**Revenue Requirement UT AMI Project
Attachment OCS 23.4**

	Total Company	Factor	Factor %	Utah Allocated
Capital Costs *	12,449,578	UT	100%	12,449,578
Depreciation Reserve *	(67,903)	UT	100%	(67,903)
Accumulated DIT Balance *	(199,140)	UT	100%	(199,140)
Net Rate Base	<u>12,182,534</u>			<u>12,182,534</u>
Pre-Tax Rate of Return	<u>9.194%</u>			<u>9.194%</u>
Pre-Tax Return on Rate Base	<u>1,120,070</u>			<u>1,120,070</u>
Depreciation Expense	271,809	UT	100%	271,809
Total Revenue Requirement	<u>1,391,878</u>			<u>1,391,878</u>

*The amounts are the 13 month average included in the test period.

OCS Data Request 24.1

Pension Plan Contributions. Please refer to the Rebuttal Testimony of Nikki L. Koblaha at lines 177 through 178, which states: “While there is flexibility in the level of contributions that can be made to the plans, contributions are subject to certain income tax deductibility limitations.”

For each year, 2011 through 2020 year to date, please provide:

- (a) the minimum required funding amount,
- (b) the maximum allowed funding under the ERISA and IRS provisions, and
- (c) the amount of cash contribution to the pension plan made by the Company.

Response to OCS Data Request 24.1

Please refer to Attachment OCS 24.1 for requested data for PacifiCorp’s Pension plan based on actuarial valuation reports.

Attachment OCS 24.1

	1/1/2011	1/1/2012	1/1/2013	1/1/2014	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020
Minimum Required Funding Contribution ¹	47,191,188	25,345,727	38,314,250	-	-	-	10,697,941	-	9,089,829	9,340,367
Actual Cash Contributions ²	44,940,000	59,200,000	5,500,000	-	-	-	50,000,000	-	-	-
Maximum Deductible Contribution	660,888,390	729,985,647	787,350,648	836,498,206	734,357,546	721,809,538	748,538,187	599,723,741	623,186,951	569,879,267

¹ The minimum required contribution is specified by ERISA and determined under IRC 430(A) and is equal to the sum of the target cost for the plan year and the shortfall amortization charge for the plan year less any credit for excess assets (a funding surplus) for the plan year. In those periods without minimum required funding contributions, the plan's excess assets were used as a credit to offset target costs for the plan year.

² PacifiCorp made cash contributions in select years to meet minimum required funding contributions.

OCS Data Request 24.3

AMI Meters. Refer to the Rebuttal Testimony of Curtis B. Mansfield, at lines 92 through 94, which states, in part, "...the first three benefits stated above are scheduled to be available to residential customers with new AMI meters by the end of 2021 when the Gen5 field network is completed in their neighborhoods."

- (a) At what date is it anticipated that the Gen5 field network will be completed (i.e., month and year) and rolled out to all of the neighborhoods in which the new residential AMI meters are being installed?
- (b) If the Gen5 field network is being completed in phases, please provide the current anticipated schedule for the completion phases of the Gen5 field network.
- (c) Since some of the benefits are anticipated to begin during the test year, such as better customer service and ability to remotely read bills (i.e., benefits 1 and 3 identified on lines 69 – 77 of the testimony), please explain why none of the anticipated cost savings from the AMI project would begin to be realized during the test year.

Response to OCS Data Request 24.3

- (a) The Gen5 field network is scheduled to be completed in April 2022.
- (b) While a final, detailed deployment schedule has not been completed, installation of Gen5 field network components is scheduled to begin in February 2021 and completed in April 2022.
- (c) Costs and benefits are calculated on an annual basis. To be conservative in the financial analysis, benefits are not usually stated until the year in which they would be predominantly attained.

OCS Data Request 24.6

Transmission Power Delivery Uncollectible Expense. Refer to the Rebuttal Testimony of Steven R. McDougal at lines 242 through 245. Please identify the single customer that resulted in the test year power delivery uncollectible expense of \$922,000 and explain, to the best of the Company's knowledge, the factors that caused the \$922,000 to become uncollectible by the Company.

Confidential Response to OCS Data Request 24.6

The Company has reserved \$922,000 in outstanding accounts receivable from [REDACTED] ("Customer"). The Company reserved this amount following the probable assessment of recovery based on a factual and legal analysis. Factors assessed included, Customer's project suspension, likelihood of future missed project milestones due to the suspension, and customer communications challenging Customer's obligations for remitting payment to invoices. The Company is still pursuing options to resolve the issues under the agreement, but given these risk factors the Company determined it was appropriate to recognize a reserve.

Confidential information is provided subject to R746-1-601-605 of the Utah Public Service Commission Rules.

OCS Data Request 24.7

Transmission Power Delivery Uncollectible Expense. Refer to the Rebuttal Testimony of Steven R. McDougal at lines 250 through 253 which also includes Table 2.

- (a) Please explain, in detail, what factors caused the amount of Transmission Power Delivery uncollectible expense to be \$664,066 during 2016.
- (b) Please provide each amount included in the \$664,066 uncollectible balance for 2016 that exceeded \$300,000. For each of these amounts exceeding \$300,000, please:
 - i. identify the customer;
 - ii. provide the amount deemed uncollectible for the customer that was included in the \$664,006; and
 - iii. explain to the best of the Company's knowledge the factors that caused the amount to become uncollectible.

Confidential Response to OCS Data Request 24.7

- (a) The uncollectable expense is largely related to one customer. In 2016 PacifiCorp had a transmission customer that executed point-to-point agreement on file with FERC. The customer, either shortly prior to service commencing or shortly thereafter declared bankruptcy. PacifiCorp took action to terminate the agreement; however, the agreement was active for six months and the customer never took service. PacifiCorp charged the customer approximately \$652,000 in revenue, which was then recorded to bad debt totaling \$661,232.52 in recognition of not being able to collect on this agreement as well as writing off remaining study costs due from the customers.
- (b) The uncollectable expense described in response to subpart (a) above is the only one that exceeded \$300,000 in 2016.
 - i. The customer referenced in subpart (a) is [REDACTED]
 - ii. Please refer to subpart (a), above.
 - iii. Please refer to subpart (a), above.

Confidential information is provided subject to R746-1-601–605 of the Utah Public Service Commission Rules.

OCS Data Request 25.1

Production Tax Credits. Exhibit RMP__ (SRM-2R) at pages 120 – 123 of 158 (Pages 10.18 through 10.18.3) shows that the Company reduced the Production Tax Credits in the test year by \$11,388,369 due to the delayed in-service date for Pryor Mountain and TB Flats. It does not appear that these Production Tax Credits were added back for purposes of calculating the Phase 2 increase. The “Pryor Mountain and TB Flats – Phase 2” adjustment shown in Exhibit RMP__ (SRM-2R) at pages 138 – 140 of 158 (Pages 10.22 through 10.22.2) does not include the \$11,388,369 of Production Tax Credits that were removed in Rebuttal Adjustment 10.18. Please explain, in detail, why the Company did not include the Production Tax Credits associated with the incremental Pryor Mountain and TB Flats wind projects as part of the determination of the Phase 2 rate increase. Additionally, please provide a revised version of Rebuttal Adjustment 10.22 that includes the associated Production Tax Credits. If the amount of Production Tax Credits identified in the revised adjustment being provided in response to this data requests differs from the \$11,388,369 removed in Rebuttal Adjustment 10.18, please explain in detail why the amounts differ.

Response to OCS Data Request 25.1

The Company revised the production tax credits (PTC) in its rebuttal filing to reflect the portion of PTCs expected to occur in calendar year 2021, including the pro-rated portion of Pryor Mountain and TB Flats wind projects. Consistent with the Company’s proposed treatment of PTCs and their inclusion in the energy balancing account (EBA) mechanism, the Company did not annualize PTCs as part of Rebuttal Adjustment 10.22 since the amount included the 2021 amount. The remaining annualized benefits of the PTCs that are not included in the rebuttal position will be refunded to customers through the EBA if the Company’s proposed treatment of PTCs is accepted.

To better illustrate the Company’s treatment of PTCs for just the Pryor Mountain and TB Flats wind resources, please refer to Attachment OCS 25.1-2. If an annualized amount of PTCs were to be included in lieu of the Company’s proposed treatment, “Phase I” revenue requirement would need to be increased to remove all PTCs associated with the delayed resources. Accordingly, “Phase II” revenue requirement would be decreased to include the full offset for PTCs.

Please refer to Attachment OCS 25.1-1 Confidential which provides a revised Rebuttal Adjustment 10.22 and a new adjustment to include the incremental PTC’s associated with the delay.

Note: the use of the terms “Phase I” or “Phase II” when referencing the Pryor Mountain and TB Flats wind projects is intended to be a reference to “Phase I” anticipated to be online in 2020, and “Phase II” anticipated to be online in 2021.

		01/21-12/21	1/1/2021	2/1/2021	3/1/2021	4/1/2021	5/1/2021	6/1/2021	7/1/2021	8/1/2021	9/1/2021	10/1/2021	11/1/2021	12/1/2021	1/1/2022	2/1/2022	3/1/2022	4/1/2022	5/1/2022	6/1/2022
Direct	Pryor Mountain MWh	814,100	91,359	75,478	77,026	58,868	58,648	53,229	47,679	42,132	55,173	65,021	87,098	102,390						
Rebuttal	Pryor Mountain MWh	693,891	60,906	50,318	51,351	39,245	39,349	53,229	47,679	42,132	55,173	65,021	87,098	102,390						
Variance	Pryor Mountain MWh	(120,209)	(30,453)	(25,159)	(25,675)	(19,623)	(19,298)	-	-	-	-	-	-	-						
Direct	TB Flats I MWh	847,124	115,506	78,665	81,244	65,286	58,178	48,892	37,775	37,849	43,726	78,215	89,456	112,330						
Rebuttal	TB Flats I MWh	847,124	115,506	78,665	81,244	65,286	58,178	48,892	37,775	37,849	43,726	78,215	89,456	112,330						
Variance	TB Flats I MWh	-	-	-	-	-	-	-	-	-	-	-	-	-						
Direct	TB Flats II MWh	847,124	115,506	78,665	81,244	65,286	58,178	48,892	37,775	37,849	43,726	78,215	89,456	112,330						
Rebuttal	TB Flats II MWh	511,798	27,722	18,880	19,499	15,669	13,963	11,923	38,228	38,303	44,251	79,154	90,530	113,678						
Variance	TB Flats II MWh	(335,326)	(87,785)	(59,785)	(61,746)	(49,618)	(44,215)	(36,970)	453	454	525	939	1,073	1,348						
Direct	Total MWh	2,508,347	322,372	232,807	239,515	189,441	175,003	151,014	123,228	117,830	142,626	221,452	266,010	327,050						
Rebuttal	Total MWh	2,052,812	204,134	147,863	152,094	120,200	111,489	114,044	123,681	118,284	143,151	222,390	267,084	328,398						
Variance	Total MWh	(455,535)	(118,238)	(84,945)	(87,421)	(69,240)	(63,513)	(36,970)	453	454	525	939	1,073	1,348						
2.5 Cents		0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025	0.025
Change in PTCs (\$ - Thousands) from Direct		(11,388)	(2,956)	(2,124)	(2,186)	(1,731)	(1,588)	(924)	11	11	13	23	27	34						
Portion of Pryor Mountain In-Service			66.67%																	
Portion of TB Flats II In-Service			24.00%																	
Phase I MWh		1,593,167	204,134	147,863	152,094	120,200	111,239	96,113	78,626	75,021	91,003	140,334	168,991	207,549						
Phase II MWh		915,181							44,602	42,809	51,623	81,117	97,019	119,501	118,238	84,945	87,421	69,240	63,764	54,901
Phase I PTCs (\$ - Thousands)		39,829	5,103	3,697	3,802	3,005	2,781	2,403	1,966	1,876	2,275	3,508	4,225	5,189	-	-	-	-	-	-
Phase II PTCs (\$ - Thousands)		22,880	-	-	-	-	-	-	1,115	1,070	1,291	2,028	2,425	2,988	2,956	2,124	2,186	1,731	1,594	1,373
Remove Phase I PTCs		10,917																		
Add Phase II PTCs		(22,880)																		
Total ESTIMATED Adjustment		(11,963)																		