

EBA Filing Requirement 3

Annual energy balancing account (EBA) filing requirement, in accordance with the “Report and Order on EBA Filing Requirements and Pilot Program Evaluation Plan”, Docket 09-035-15, dated June 15, 2012.

EBA Monthly Accrual Calculations

- (a) Stipulated Scalar and Allocated Wheeling Revenue Accrual Method. Using, and linked to, the applicable data in EBA Filing Requirement 1 and EBA Filing Requirement 2, provide the monthly accruals for the deferral period per the equations contained in Schedule 94.
- (b) Allocated Net Power Cost (NPC) and Wheeling Revenue Accrual Method (for reporting purposes only, unless ordered otherwise). Using, and linked to, the applicable data in EBA Filing Requirement 1 and EBA Filing Requirement 2, provide the monthly accruals for the deferral period per the following equation:

$$Deferral_{Utah,month} = 0.70 \times \left(\frac{NPC_{Utah,month}^{actual}}{MWh_{Utah,month}^{actual}} - \frac{NPC_{Utah,month}^{base}}{MWh_{Utah,month}^{base}} \right) \times MWh_{Utah,month}^{actual}$$

Where:

NPC is net of wheeling revenue and megawatt-hours (MWh) are Utah retail sales; and

an annual interest rate of 6 percent (0.5 percent per month) is applied to the average balance carried in the account each month as follows:

$$Balance_{current_month} = \left[Ending_Balance_{previous_month} + Deferral_{current_month} \right] + \left[\left(Ending_Balance_{previous_month} + \left(Deferral_{current_month} \times 0.5 \right) \right) \times 0.005 \right]$$

Response to EBA Filing Requirement 3

- (a) In the settlement agreement in Docket 13-035-184, Base Net Power Costs (NPC) were set using the Public Service Commission of Utah (UPSC) Ordered Method; therefore, the Stipulated Scalar Method is not used in the 2021 energy balancing account (EBA).

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- (b) Please refer to the direct testimony of Company witness, Jack Painter; specifically Exhibit RMP__ (JP-1). The calculation of the monthly amount debited or credited into the EBA deferral account for the 2021 EBA is based on the formula noted above with the exception of removing the 70 percent sharing band factor.