

June 14, 2021

VIA ELECTRONIC FILING

Utah Public Service Commission
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

RE: **Docket No. 21-035-01**
Update to the Application to Increase the Deferred Rate through the Energy Balancing
Account Mechanism

On March 15, 2020, in accordance with Utah Public Service Commission (“Commission”) Rule 746-1-203, PacifiCorp, d.b.a. Rocky Mountain Power, filed its Application to increase the deferred EBA rate through the Energy Balancing Account mechanism.

Since this filing, Rocky Mountain Power noticed an error in its jurisdictional load allocation. To correct the Application submitted in March, Rocky Mountain Power submits a Motion for Leave to File Supplemental Testimony. Included as Exhibit A to the Motion for Leave is testimony from witness Jack Painter fully describing the error along with an update to the EBA deferral shown in Exhibit RMP___(JP-1S). Also included are confidential workpapers and revised EBA Filing Requirements 2 and 3.

Rocky Mountain Power respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

By E-mail (preferred): datarequest@pacificorp.com
utahdockets@pacificorp.com
jana.saba@pacificorp.com
emily.wegener@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Utah Public Service Commission

June 14, 2021

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Informal inquiries may be directed to Jana Saba at (801) 220-2823.

Sincerely,

A handwritten signature in blue ink that reads "Joelle Steward". The signature is written in a cursive style with a large initial "J" and "S".

Joelle Steward
Vice President, Regulation

cc: Service List – Docket No. 21-035-01

CERTIFICATE OF SERVICE

Docket No. 21-035-01

I hereby certify that on June 14, 2021, a true and correct copy of the foregoing was served by electronic mail to the following:

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Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF)
ROCKY MOUNTAIN POWER TO DECREASE)
THE DEFERRED EBA RATE THROUGH THE) Docket No. 21-035-01
ENERGY BALANCING ACCOUNT)
MECHANISM)

MOTION FOR LEAVE TO FILE SUPPLEMENTAL TESTIMONY

Pursuant to Utah Admin. Code R746-1-109, Rocky Mountain Power, a division of PacifiCorp (“Company”), hereby submits this motion (“Motion”) for leave to file supplemental testimony and exhibits not contemplated in the Commission’s Scheduling Order and Notice of Hearing issued March 31, 2021 (“Scheduling Order”).

On March 15, 2021, the Company filed the above-captioned application (“Application”) to the Public Service Commission of Utah (“Commission”) pursuant to energy balancing account mechanism (“EBA”) tariff Schedule 94, requesting approval to recover approximately \$1.7 million in deferred EBA Costs (“EBAC”). Since filing the Application, the Company has discovered an error in its jurisdictional load calculation and seeks leave to file supplemental testimony and exhibits attached hereto as Exhibit A to explain and correct the mistake.

1. Under Utah Admin. Code R746-1-401, parties are only permitted to file pre-hearing testimony “as required or permitted in the Commission’s scheduling order, or as otherwise directed by the Commission.” Additionally, Utah Admin. Code R746-1-109 allows the Commission to deviate from any rule if the party making the motion to deviate demonstrates that the hardship of complying with the rule outweighs its benefits.

2. The Scheduling Order does not contemplate additional written testimony until after the Division of Public Utilities (“Division”) issues its audit report on November 5, 2021.

3. As described more fully in the proposed supplemental testimony attached hereto as Exhibit A, the Company discovered an error in its jurisdictional load calculation that resulted from a partial failure on the metering of an interstate transmission line between Utah and Idaho occurring between July 2019 and March 2020. This error resulted in an understatement of Utah load and an overstatement of Idaho load during this time period. Idaho’s order on the Company’s most recent Energy Cost Adjustment Mechanism filing adjusts the Company’s Idaho revenue to account for this error. The proposed supplemental testimony explains the similar adjustment to the EBA.

4. The Company has notified the Division and the Office of Consumer Services about the error and its intent to file supplemental testimony.

5. The supplemental testimony is beneficial to all parties’ understanding of the Company’s correction to its original filing. The benefit of the explanation outweighs any hardship caused by filing testimony not contemplated by the Scheduling Order. Considering that the

Division's audit is not due until November 5, 2021, nearly five months from now, there is little if any hardship posed from allowing the testimony.

Accordingly, the Company respectfully requests that the Commission grant the Motion.

DATED this 14th day of June 2021.

Respectfully submitted,

ROCKY MOUNTAIN POWER



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Exhibit A

Rocky Mountain Power
Docket No. 21-035-01
Witness: Jack Painter

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Supplemental Testimony of Jack Painter

June 2021

1 **Q. Please state your name, business address and present position with PacifiCorp,**
2 **dba Rocky Mountain Power (“the Company”).**

3 A. My name is Jack Painter and my business address is 825 NE Multnomah Street, Suite
4 600, Portland, Oregon 97232. My title is Net Power Cost Specialist.

5 **Q. Are you the same Jack Painter who submitted direct testimony on behalf of the**
6 **Company in this proceeding?**

7 A. Yes.

8 **Q. What is the purpose of your supplemental testimony?**

9 A. My supplemental testimony discusses the Company’s update to the Company’s
10 Application to correct jurisdictional loads. This update affects the allocation of net
11 power costs (“NPC”) to the EBA.

12 **Q. Why did the jurisdictional loads change?**

13 A. On April 28, 2021, the Company was contacted by staff with the Idaho Public Utilities
14 Commission (“IPUC”) to research a discrepancy between loads and sales. As part of
15 analyzing the load data, the Company identified a partial meter failure on an interstate
16 transmission line between Utah and Idaho at the Treasureton substation in Idaho that
17 occurred between July 2019 and March 2020. Initially, the failure occurred
18 intermittently and continued to increase until ultimately the meter was only registering
19 approximately two-thirds of the actual energy. The line flow on this line is typically
20 from Idaho to Utah, so this partial failure understated the power leaving Idaho to Utah
21 which resulted in understating Utah loads. Data was used from the Wheelon substation
22 to correct the erroneous data at the Treasureton substation.

23 **Q. Please describe how the Company calculates and allocates the jurisdictional load.**

24 A. At the most basic level, the amount of actual load allocated to a jurisdiction is calculated
25 by netting energy flow into and out of each jurisdiction while accounting for the amount
26 of energy generated within its borders, as described in the following equation. Actual
27 Load at input = Input at borders + Generation within borders – Output at borders. Any
28 load that is physically in the jurisdiction but outside PacifiCorp’s service territory is
29 subtracted out so that only PacifiCorp customer load is included. Once the Company
30 calculates each jurisdiction’s actual load, it is then able to calculate the percentage of
31 load attributable to each jurisdiction.

32 **Q. What steps does the Company take to ensure that jurisdictional loads are**
33 **calculated accurately?**

34 A. Several layers of analysis are conducted to ensure that the jurisdictional loads are
35 accurate. Data inputs to the jurisdictional loads are validated with alternate data
36 sources. For example, PacifiCorp has an end of hour check out with Balancing Area
37 Authorities at the opposite end of tie lines. These end of hour, checked out values are
38 compared against inputs into the jurisdictional loads. PacifiCorp utilizes Itron’s MV90
39 software to interrogate meters used in calculating the jurisdictional loads. The MV90
40 software has automated validation checks on the meter clock, register reads to profile
41 data tolerances, and volts dropping to zero. Each component of the load calculation is
42 graphed to look for consistency of load shape. Once calculated, the load data is
43 compared against PacifiCorp’s Energy Accounting System for reasonability and
44 consistency with historical load shapes.

45 **Q. Why didn't the Company previously detect the jurisdictional load error?**

46 A. Typically, a failure of an instrument transformer will be a complete failure with volts
47 registering at zero. MV90's automated validation identifies the data as failing the
48 validation check and the failed validation is investigated. In the case of the Treasureton
49 meter, the three volts channels in the meter were still registering voltage. One of the
50 three phases had partially failed, registering lower voltage. Because the validation
51 check passed, erroneous data was not suspected.

52 **Q. Has the Company changed any of its processes in response to the problem
53 uncovered with the jurisdictional loads calculation?**

54 A. Yes. The Company has added a control to ensure the three volts readings are in line
55 with each other. The report looks at the values for all three volts channels. If any of the
56 three volts readings is lower than the other two, meter engineers are contacted for
57 analysis of the meter's accuracy.

58 **Q. What action did the Company and IPUC take as a result of this error?**

59 A. IPUC staff recommended that the IPUC reduce the Company's recovery under the
60 Idaho Energy Cost Adjustment Mechanism application in 2021 by the amount of the
61 jurisdictional load error. The Company accepted the adjustment, and its application was
62 approved.¹

63 **Q. How do the jurisdictional loads impact the EBA deferral calculation?**

64 A. When updating the loads to the EBA workpapers in tab (5.1) Actual Factors, the System
65 Energy (SE) and System Generation (SG) allocation factors are recalculated. Because
66 Utah loads were understated, both the SE and SG allocation factors increase which

¹ *In the Matter of Rocky Mountain Power's Application Requesting Approval of \$16.1 Million Net Power Cost Deferral (ECAM)*, Case No. PAC-E-21-09, Order No. 35055 at 3 (May 28, 2021).

67 result in higher allocated NPC to the EBA.

68 **Q. What is the impact to the 2021 EBA?**

69 A. As shown in my Exhibit RMP__(JP-1S), the updated SE and SG allocation factors
70 resulted in a \$4.9 million change to the EBA deferral, comprised of \$4.3 million in
71 additional NPC and \$577 thousand in interest. With this update, the Company's
72 requested collection in Electric Service Schedule No. 94 ("Schedule 94") is
73 \$6.6 million, which is a decrease of \$31.2 million or 1.5 percent.

74 **Q. Did the Company update the proposed rate spread and rates for Schedule 94 as
75 presented by Mr. Robert M. Meredith in this supplemental filing?**

76 A. No. The Company will update and present the final rates once the approved recovery
77 amount is known.

78 **Q. Did the Company update the filing requirements as part of this supplemental
79 filing?**

80 A. The Company reviewed the filing requirements to determine if any were impacted by
81 the updated allocation factors. Due to the fact that most of the filing requirements
82 related to total Company NPC, which were not impacted, only two filing requirements
83 were affected. EBA Filing Requirements 2 and 3 have been updated and provided with
84 this supplemental filing.

85 **Q. Is it appropriate to update the EBA deferral calculation due to the change in Utah
86 loads?**

87 A. Yes. The purpose of the EBA is to either recover or refund the difference between actual
88 and base NPC on a Utah allocated basis. After the Company discovered the discrepancy
89 in Utah allocated loads, it updated the EBA deferral calculation to reflect the changes.

90 Because the Utah loads were understated, ultimately NPC allocated to Utah were also
91 and therefore it is appropriate to update the EBA.

92 **Q. Why should the Company be permitted to recover for a jurisdictional allocation**
93 **error that took place, in part, outside of the deferral period?**

94 A. The Commission has previously accepted the Company’s view that the statute
95 authorizing the EBA “does not preclude updates when new information becomes
96 available.”² The Company did not know of the partial meter failure when it submitted
97 its EBA application in 2020 or 2021. It is providing this update soon after discovery of
98 the issue. Idaho has already reduced the Company’s recovery due to the overallocation
99 of load to Idaho for the entire period that the partial meter failure condition existed. If
100 Utah does not approve the change, the Company will not be allowed to recover its
101 prudently incurred costs.

102 **Q. Does this conclude your supplemental testimony?**

103 A. Yes.

² *In the Matter of the Application of Rocky Mountain Power for Approval of Its Proposed Energy Cost Adjustment Mechanism*, Docket No. 09-035-15, Order at 12-13 (February 16, 2017) (reversed in part on other grounds) (permitting prior period accounting entries pertaining to operating periods prior to the EBA deferral period).

Rocky Mountain Power
Exhibit RMP__ (JP-1S)
Docket No. 21-035-01
Witness: Jack Painter

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Supplemental Testimony of Jack Painter
Updated Commission Order Calculation Method (Dynamic Annual Allocation Factor)

June 2021

Utah Energy Balancing Account Mechanism
January 1, 2020 - December 31, 2020
Exhibit 1 - Commission Order Calculation Method (Dynamic Annual Allocation Factor)

Line No.	Reference	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Updated Loads	As Filed	Variance
Actual: Utah Allocated																
1	NPC	\$ 55,111,701	\$ 54,616,994	\$ 56,734,136	\$ 46,912,888	\$ 48,776,826	\$ 55,340,867	\$ 68,532,810	\$ 67,991,475	\$ 54,426,136	\$ 53,651,148	\$ 51,119,891	\$ 58,214,153	\$ 673,326,426	\$ 671,913,252	\$ 1,415,175
2	Wheeling Revenue	(4,990,068)	(3,812,880)	(3,866,302)	(2,989,666)	(3,953,618)	(5,395,177)	(5,595,628)	(5,893,985)	(5,462,610)	(4,487,210)	(3,860,678)	(1,100,871)	(49,326,226)	(49,817,289)	(110,968)
3	Total	\$ 51,021,635	\$ 50,804,114	\$ 52,867,833	\$ 44,213,102	\$ 45,843,208	\$ 50,034,980	\$ 64,027,183	\$ 62,097,490	\$ 48,963,526	\$ 49,163,938	\$ 47,259,213	\$ 57,113,282	\$ 623,400,200	\$ 622,095,962	\$ 1,304,238
4	Jurisdictional Sales	2,983,869	1,875,969	1,930,671	1,728,180	1,859,590	2,045,475	2,529,680	2,656,008	2,046,075	1,978,370	1,975,636	2,132,493	24,689,997	24,869,997	-
5	Actual Utah \$/MWh	\$ 24.46	\$ 27.06	\$ 27.38	\$ 25.58	\$ 24.25	\$ 24.46	\$ 25.31	\$ 23.41	\$ 23.92	\$ 24.86	\$ 23.92	\$ 26.78	\$ 26.07	\$ 25.01	\$ 0.05
Base: Utah Allocated																
6	NPC	\$ 52,951,274	\$ 49,040,602	\$ 52,632,441	\$ 48,247,358	\$ 48,229,412	\$ 51,863,412	\$ 60,534,576	\$ 60,895,340	\$ 49,740,054	\$ 49,325,488	\$ 48,751,889	\$ 53,488,153	\$ 628,000,000	\$ 628,000,000	\$ -
7	Wheeling Revenue	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(3,422,348)	(41,068,157)	(41,068,157)	-
8	Total	\$ 49,528,926	\$ 45,618,256	\$ 49,210,093	\$ 44,825,011	\$ 45,807,066	\$ 48,441,065	\$ 57,112,230	\$ 57,472,993	\$ 46,317,706	\$ 45,903,142	\$ 45,329,543	\$ 50,065,807	\$ 586,931,843	\$ 586,931,843	\$ -
9	Jurisdictional Sales	2,020,370	1,829,854	1,902,361	1,822,113	1,851,070	1,903,419	2,191,141	2,197,502	1,865,837	1,829,381	1,877,678	2,013,529	23,244,286	23,244,286	-
10	Base Utah \$/MWh	\$ 24.91	\$ 25.09	\$ 25.87	\$ 24.47	\$ 25.15	\$ 25.46	\$ 26.07	\$ 26.64	\$ 24.82	\$ 25.09	\$ 24.66	\$ 24.86	\$ 25.25	\$ 25.25	\$ -
Deferral:																
11	\$/MWh Differential	\$ (0.03)	\$ 1.99	\$ 1.52	\$ 1.12	\$ (0.91)	\$ (1.00)	\$ (0.75)	\$ (3.23)	\$ (0.91)	\$ (0.23)	\$ (0.74)	\$ 1.92	\$ (0.18)	\$ (0.24)	\$ 0.05
12	EBA Deferrable	\$ (63,975)	\$ 3,728,646	\$ 2,926,217	\$ 1,930,842	\$ (1,774,595)	\$ (2,042,815)	\$ (1,906,553)	\$ (8,575,120)	\$ (1,858,433)	\$ (47,662)	\$ (1,466,289)	\$ 4,080,132	\$ (6,489,486)	\$ (6,713,705)	\$ 1,304,238
13	Special Contract Customer Adjustment	268,649	733,648	374,438	650,213	1,057,941	2,045,959	1,284,985	(111,561)	(599,405)	(310,828)	118,948	(192,777)	5,360,211	5,360,211	-
14	Symmetrical Deadband	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	350,000	-
15	Total Special Contract Adjustment	-	642,297	374,438	650,213	1,057,941	2,045,959	1,284,985	(111,561)	(599,405)	(310,828)	118,948	(192,777)	5,010,211	5,010,211	-
16	Utah Site Resource Adjustment	11,215	221,123	306,021	585,947	685,177	552,319	381,050	(97,520)	203,387	293,506	183,074	108,861	3,174,121	3,174,121	-
17	Total Incremental EBA Deferral	\$ (62,760)	\$ 4,892,066	\$ 3,606,676	\$ 3,187,102	\$ 3,063	\$ 555,462	\$ (232,516)	\$ (9,064,200)	\$ (2,244,551)	\$ (474,984)	\$ (1,154,327)	\$ 4,066,336	\$ 2,774,866	\$ 1,470,627	\$ 1,304,238
Energy Balancing Account:																
18	Monthly Interest Rate	0.36%	0.36%	0.36%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%	0.32%			
19	Beginning Balance	\$ 3,247,893	\$ 3,016,865	\$ 7,818,970	\$ 11,460,837	\$ 14,669,966	\$ 14,748,011	\$ 15,352,057	\$ 15,168,801	\$ 6,138,893	\$ 3,910,663	\$ 3,447,595	\$ 2,302,599	\$ 3,247,893	\$ -	\$ -
20	Incremental Deferral	(62,760)	4,892,066	3,606,676	3,187,102	303,663	555,462	(232,516)	(9,064,200)	(2,244,551)	(474,984)	(1,154,327)	4,066,336	2,774,866	1,470,627	1,304,238
21	Interest	11,732	20,040	35,041	42,178	47,482	46,583	49,282	34,392	16,221	11,877	9,281	13,866	34,074	182,131	157,942
22	Ending Balance	\$ 3,206,865	\$ 7,718,970	\$ 11,460,837	\$ 14,669,966	\$ 14,748,011	\$ 15,352,057	\$ 15,168,801	\$ 6,138,893	\$ 3,910,663	\$ 3,447,595	\$ 2,302,599	\$ 6,362,932	\$ 6,362,932	\$ 1,682,768	\$ 4,710,074
23	Interest Accrued January 1, 2021 through March 31, 2021													61,919	16,084	45,836
24	Interest Accrued April 1, 2021 through February 28, 2022													181,322	47,069	134,253
25	Requested EBA Recovery													\$ 6,006,072	\$ 1,715,940	\$ 4,890,132

Notes:
1 Interest rate is from Electric Service Schedule No. 300 due to Docket No. 09-035-15 Order issued November 14, 2019.