



State of Utah
Department of Commerce
Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Abdinasir Abdulle, Utility Technical Consultant

Michael Doxey, Utility Analyst

Date: July 14, 2021

Re: **Docket No. 21-035-37**, Rocky Mountain Power's 2020 Annual Cost of Service Study.

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Commission acknowledge Rocky Mountain Power's (RMP or Company) 2020 Annual Cost of Service Study filed with the Commission on June 15, 2021

Issue

On June 15, 2021, RMP filed with the Commission its Class Cost of Service Study (2020 COSS) based on annual Results of Operations for 2020. Also on June 15, 2021, the Commission issued an Action Request to the Division asking the Division to review the Company's filing for compliance and to make recommendations. The Commission asked the Division to report its findings and recommendations by July 15, 2021. This memorandum represents the Division's response to the Commission's Action Request.

Background, Discussion, and Conclusion

The Commission's letter dated May 29, 2014 in Docket No. 14-999-01, required RMP to file the annual cost of service study within 45 days of filing the year-end semi-annual financial results of operations. In compliance with the Commission's letter, RMP filed its 2020 COSS on June 15, 2021. The Division reviewed the Company's 2020 COSS model and compared it with the Company's 2019 COSS, which was filed with the Commission as part of the Company's general rate case filing in Docket No. 20-035-04.

The Division determined that the 2020 COSS is, in form, materially the same as the 2019 COSS, updated for the end of year 2020 results of operations. For the Company's 2019 COSS, the method used to calculate substation peaks was changed to use capacity rather than number of substations. That change continues into the Company's 2020 COSS model. The 2020 COSS was filed within 45 days of filing the 2020 year-end semiannual financial results of operations which was filed with the Commission on April 30, 2021. The Division found no issues in its review that warrants Commission action. Therefore, the Division recommends that the Commission acknowledge RMP's 2020 COSS.

Cc: Jana Saba, RMP
Michele Beck, OCS