ROCKY MOUNTAIN POWER
A DIVISION OF PACIFICORP

1407 W. North Temple
Salt Lake City, UT 84116

October 21, 2022

VIA ELECTRONIC FILING

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

Attention: Gary Widerburg
Commission Administrator

Re: Docket No. 22-035-01
Rocky Mountain Power's Application for Approval of the 2022 Energy Balancing Account
Rocky Mountain Power's Response Testimony

In accordance with the Scheduling Order and Notice of Hearings issued by the Utah Public Service Commission ("Commission") on April 6, 2022, PacifiCorp, d.b.a. Rocky Mountain Power, hereby submits for electronic filing its testimony in response to the Division of Public Utilities' September 21, 2022 audit report in the above referenced matter.

Attached herein are the response testimonies of Messrs. Jack Painter, Brad Richards, and Craig M. Eller on behalf of the Company. The filing also includes one confidential workpaper. Confidential information is provided subject to Public Service Commission of Utah Rule 746-1-602 and 746-1-603.

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

Sincerely,

Joelle Steward
Senior Vice President, Regulation

cc: Service List Docket No. 22-035-01

CERTIFICATE OF SERVICE

Docket No. 22-035-01

I hereby certify that on October 21, 2022, a true and correct copy of the foregoing was served by electronic mail to the following:

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Rocky Mountain Power
Docket No. 22-035-01
Witness: Jack Painter

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Response Testimony of Jack Painter

October 2022

Q. Please state your name, business address and present position with PacifiCorp, dba Rocky Mountain Power ("the Company").

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

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

A. Yes.

PURPOSE OF TESTIMONY

Q. What is the purpose of your response testimony?

A. My testimony responds to certain issues raised by the Utah Division of Public Utilities ("DPU") in its energy balancing account ("EBA") Audit Report and by Daymark Energy Advisors ("Daymark"), on behalf of the DPU. Specifically, I discuss two corrections to the EBA and the impact to the Company's requested recovery. I also present a minor correction to the replacement power cost calculation presented by Daymark for the proposed adjustments related to generation plant outages. Finally, I respond to a request by the DPU for supporting documentation related to production tax credits ("PTCs") in future EBA filings.

Q. Are any other Company witnesses filing testimony in response to issues raised by the DPU and Daymark?

A. Yes. Company witnesses Messrs. Brad Richards and Craig M. Eller provide testimony in response to the proposed adjustments associated with certain generating plant outages. Mr. Richards explains that the Company was prudent in its operations and management of its thermal generation plants. Mr. Eller's testimony provides additional

information regarding the TB Flats wind plant outage, which is associated with the Aeolus Substation outage event and explains how the Company's actions were prudent.

CORRECTION ADJUSTMENTS TO THE REQUESTED EBA RECOVERY

Q. What corrections did the Company make to the EBA requested recovery?

A. The Company made two corrections to the EBA including a correction to the 2022 accrued interest and a correction that was recommended by the DPU to remove the impact of net negative wind generation from the PTC calculation.

Q. Please describe the DPU's proposed adjustment for the 2022 accrued interest correction.

A. After filing its initial application in this EBA proceeding, the Company noticed an error in the interest rate used in the calculation for accrued interest from January 1, 2022, through March 31, 2022. At the April 26, 2022, hearing on interim rates, the Company informed the Public Service Commission of Utah ("Commission") and parties of the error and its intention to correct the interest rate in response testimony, which is also mentioned in the Commission's April 29, 2022, Order Approving Interim Rates. The Company has now updated its requested recovery to reflect the correction.

Q. Please describe the DPU's proposed adjustment to PTCs associated with negative generation for TB Flats wind plant in January 2021?

A. A wind plant can show negative megawatt-hour generation due to station use or service. When power is flowing the opposite direction, the meter records power used by the site instead of generated by the plant. A net negative generation of 51 megawatt-hours was recorded for TB Flats in January of 2021 and was included in the calculation of PTCs included in the Company's EBA request. The DPU noted that the negative generation

occurred prior to the resource service commencement date and recommended the impact be removed from the EBA. This adjustment reduces the Company's request in this case by $785, including interest. The Company agrees with the DPU and has updated its requested EBA recovery accordingly.

Q. What is the Company's requested EBA recovery including the impacts of the two corrections?

A. The updated requested EBA recovery is $90.4 million as shown in Table 1 below.

Table 1: Updated EBA Requested Recovery

Requested EBA Recovery (March 15, 2022)	**$**	**90,617,662**
Correction for Interest Calculation	$	(189,552)
Correction for TB Flats Negative Generation	$	(785)
Updated Requested EBA Recovery (October 21, 2022)	**$**	**90,427,325**

REPLACEMENT POWER COSTS

Q. Please describe Daymark's proposed adjustment for generation plant outages.

A. Daymark recommends reducing net power costs ("NPC") from the EBA by $1,571,628, on a Utah allocated basis associated with thermal and wind plant outages on the basis that the Company acted imprudently. Daymark's adjustment consists of $1,313,706 for the replacement power costs, $229,419 for the amount of lost PTCs due to wind plant outages and $28,503 in interest.

Q. Does the Company agree these proposed adjustments to the EBA recovery due to the generation plant outages are warranted?

A. No. Company witnesses Messrs. Richards and Eller respond to the merits of Daymark's proposed adjustments and provide support for the Company's position that plant operations were prudent.

Q. Did you review Daymark's calculation for the replacement power costs and lost PTCs associated with the generation plant outages?

A. Yes.

Q. Notwithstanding the Company's objection to the proposed adjustments, does the Company agree with Daymark's calculation of the replacement power costs and lost PTCs?

A. The Company agrees with Daymark's calculations relating to the thermal outages, but found one correction related to the wind outages. Specifically, the capacity factors for TB Flats used the total hours in the year divided by 12 instead of using the actual hours in the corresponding month. This affected Daymark's calculation for both the replacement power costs and the lost PTCs. Once this correction is made, the Company agrees with the remaining aspects of Daymark's calculations.

Q. What is the impact to the replacement power costs adjustments proposed by the DPU after correcting the capacity factors for TB Flats?

A. Table 2 below shows the impact to the DPU's proposed adjustments. Detailed calculations for these corrections are provided in confidential workpapers provided with this response testimony.

Table 2 - Recalculated DPU Adjustments for Replacement Power Costs				
	DPU Audit		RMP Re-calculated	
	Total	Utah Alloc	Total	Utah Alloc
TB Flats 1 10/9/2021	136,397	61,110	133,741	59,920
TB Flats 2 10/9/2021	138,034	61,843	134,346	60,639
TB Flats 1 10/14/2021	272,610	122,138	267,480	119,839
TB Flats 2 10/14/2021	275,882	123,603	270,690	121,277
Total	**$ 822,923**	**$ 368,694**	**$ 806,257**	**$ 361,675**
Interest		6,117		6,001
Total DPU Proposed Adjustment		**374,811**		**367,676**

Q. What is the impact to the PTC adjustment proposed by the DPU after correcting the capacity factors?

A. Table 3 below shows the impact to the DPU's proposed adjustments.

Table 3 - Recalculated DPU Adjustments for PTCs				
	DPU Audit		RMP Re-calculated	
	Total	Utah Alloc	Total	Utah Alloc
TB Flats PTCs	514,659	229,419	504,858	225,050
Interest		3,806		3,734
Total DPU Proposed Adjustment		**233,225**		**228,784**

SUPPORTING INFORMATION FOR PTCS

Q. Did the DPU make any other recommendations in its Direct Testimony?

A. Yes. Mr. Smith requests that the Company provide additional detail at the time it files its initial EBA application that provides additional PTC information. Specifically, Mr. Smith references the Company's responses to discovery requests DPU 2.4-1 and 7.1, which the DPU included as an exhibit to its direct testimony as DPU Exhibit 1.7A Dir and DPU Exhibit 1.7B Dir.

Q. How does the Company respond to this request?

A. The Company will add a subpart to EBA filing requirement 6 that provides the Base PTCs and Actual PTCs by plant by month.

CONCLUSION

Q. What is your recommendation to the Commission?

A. The Company requests the Commission approve the Company's request to recover $90,427,325, which has been updated from the Company's initial filing for two corrections.

Q. Does this conclude your response testimony?

A. Yes.

REDACTED
Rocky Mountain Power
Docket No. 22-035-01
Witness: Brad Richards

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

REDACTED
Response Testimony of Brad Richards

October 2022

Q. Please state your name, business address, and present position with PacifiCorp d/b/a Rocky Mountain Power ("RMP" or the "Company").

A. My name is Brad Richards. My business address is 1407 West North Temple, Suite 210, Salt Lake City, Utah 84116. My title is Vice President of Thermal Generation.

QUALIFICATIONS

Q. Briefly describe your education and professional experience.

A. I have 22 years of power plant commissioning, operations, and maintenance experience. I was previously the Managing Director of Gas and Geothermal Generation from January 2018 to September 2021. For 17 years before that, I held a number of positions of increasing responsibility within PacifiCorp's generation organization and with Calpine Corporation in power plant commissioning and operations. In my current role, I am responsible for operating and maintaining PacifiCorp's coal, natural gas-fired, and geothermal generation fleet.

Q. Have you testified in previous regulatory proceedings?

A. Yes. I submitted testimony on behalf of the Company in the energy balancing account in Docket No. 21-035-01.

PURPOSE OF TESTIMONY

Q. What is the purpose of your testimony in this case?

A. My testimony responds to the direct testimonies of Mr. Philip DiDomenico and Mr. Dan F. Koehler of Daymark Energy Advisors, Inc. ("Daymark") who submitted testimony and exhibits on behalf of the Division of Public Utilities ("DPU" or "Division").

Q. To what issues raised by Daymark in its testimony do you respond?

A. My testimony addresses the recommendations contained in DPU Confidential Exhibit 2.3 Dir to disallow recovery of replacement power costs related to six separate outages that occurred at the Company's thermal generation plants in 2021.

Q. Please list the specific thermal generating units and 2021 outages being discussed.

A. The outages in question occurred at:

1. Blundell Unit 1, on September 15, 2021
2. Craig Unit 1, on July 25, 2021
3. Dave Johnston Unit 1, on November 27, 2021
4. Dave Johnston Unit 2, on April 12, 2021
5. Dave Johnston Unit 3, on May 17, 2021
6. Lake Side Block 1, on November 15, 2021

Q. Does the Company agree that these adjustments are warranted?

A. No. As described in further detail in my testimony, the Company has acted prudently and diligently with respect to its plant operations.

BLUNDELL UNIT 1 (September 15, 2021)

Q. Please describe the outage at Blundell Unit 1.

A. On September 13, 2021, Blundell Unit 1 was taken offline to facilitate substation maintenance. On September 15, 2021, while preparing the unit to return to service, the main steam control valve failed to adequately seal, preventing the unit from returning to service. Subsequent valve inspections identified a poor sealing surface inside the valve, which was determined to be irreparable. The valve was replaced with a spare valve from plant inventory and the unit was returned to service on September 22, 2021.

Q. What is Daymark's rationale for the proposed disallowance related to this outage?

A. Daymark alleges that the Company acted imprudently by not pursuing further legal action against the contractor, Reliable Turbine Services, for the failed valve.[1] Daymark's recommended adjustment for this outage is $176,564 on a total Company basis or $80,622 Utah-allocated.

Q. Please explain the control valve rebuild that occurred in April of 2021 by Reliable Turbine Services.

A. In the spring of 2021, the Company contracted with Reliable Turbine Services through a competitive bid process to perform turbine and generator work as part of a planned overhaul beginning in April. The scope of work included the disassembly, inspection, cleaning, and reassembly of the control valve, stop valve, and their associated actuators. The scope of work was completed by Reliable Turbine Services, along with the repair of other items that were discovered during the inspection process. After completion of the overhaul near the end of May 2021, the control valve functioned as expected until the outage in September 2021.

Q. Please describe the inspection and repair of the Unit 1 Control Valve during the September 15, 2021 outage.

A. The Company hired a third-party valve services contractor, Bay Valve, to perform inspections and repair of the Unit 1 control valve. Bay Valve identified four issues during the examination which may have contributed to the leakage; [redacted]

[1] DAYMARK ENERGY ADVISORS, *Confidential Energy Balancing Audit For Rocky Mountain Power for Calendar year 2021* at 28 (Sept. 21, 2022).

[redacted] As such, a conclusive root cause could not be determined. Because of the valve body and guide cracks, the contractor recommended a valve replacement as opposed to attempting to repair the existing valve. The Company agreed and utilized a replacement valve from its onsite inventory, which Bay Valve subsequently installed.

Q. Why did the Company contract a third-party to repair the valve and not Reliable Turbine Services?

A. [redacted]

The Company elected to contract another service provider, Bay Valve, to inspect and later replace the Control Valve.

Q. How do you respond to the recommended disallowance for this outage?

A. I recommend that the Commission reject the adjustment proposed by Daymark. [redacted]

[redacted]

Craig Unit 1 (July 25, 2021)

Q. Please describe the background of the Craig Unit 1 outage on July 25, 2021.

A. Craig Unit 1 came offline due to a loss of feedwater heater pressure. Investigative efforts determined an expansion bellows on a steam extraction pipe had failed. The bellows had been originally installed during a planned outage in 2014. A replacement bellows was manufactured and installed and the unit returned to service.

Q. What is Daymark's rationale for the proposed disallowance related to this outage?

A. Daymark alleges that a lack of oversight on the part of the Company resulted in the installation of an incorrect component which was the primary cause of the failure and subsequent outage.[2] Daymark's recommended adjustment for this outage is $888,689 on a total Company basis or $407,458 Utah-allocated.

Q. Please explain the design of the failed bellows and how it came to be installed?

A. A bellows is a flexible section of piping that allows for a certain amount of movement

[2] *Id.* at 28.

to accommodate expansion and contraction of the pipe. The bellows which had been installed in 2014 was not an off-the-shelf component, rather the component had been custom manufactured by a vendor based on the physical dimensions of the component it was replacing at that time.

Q. What did the Root Cause Analysis ("RCA") determine about the outage?

A. The RCA suggested that there are two possible contributing factors for the failed bellows. The first is additional fatigue stress from increased thermal cycling, due to the need for the plant to ramp up and down to accommodate increased renewable generation. The second contributing factor was the design of the bellows installed in 2014.

Q. Why was the bellows reported as being "incorrect"?

A. While the failed bellows had the correct dimensions, thickness, and number of convolutions, the investigation determined that this specific bellows should have included a clamp that limits horizontal expansion.

Q. Was it apparent to the plant management and personnel who installed the bellows in 2014 that there was an issue with the bellows or the bellows design?

A. No, the bellows was the proper size and the inspection after installation did not indicate that there might be an issue in the future that could lead to premature wear.

Q. How do you respond to the recommended disallowance?

A. Even though the RCA suggests two possible causes for the rupture of the bellows, the DPU appears to ignore that the event could have been caused by increased load cycling to accommodate renewable energy resources. Additionally, the specific design of the bellows was determined as a potential factor with the advantage of assessing a

component that had been in service for 7 years. The Company was prudent in properly vetting the project scope of the overhaul plan in 2014, and when a component failed after 7 years, the plant conducted an appropriate root cause analysis and gathered evidence which facilitated the replacement of a component with an improved design to better accommodate the new demands of the plant. It is possible that the operation of the thermal plants to better integrate low-cost variable generation resulted in increased cycling of the plant and increased wear on this individual component. This component worked well for 7 years, but after its failure it was redesigned to be more robust. Rocky Mountain Power's actions were prudent and therefore a disallowance is not appropriate.

Dave Johnston Unit 1 (November 27, 2021)

Q. Please describe the outage at Dave Johnston Unit 1.

A. On November 27, 2021, the unit tripped offline due to the loss of a 480V bus. Upon investigation, a fire was discovered in a 480V cable tray, which caused conductors to short circuit and trip the supply breaker. The fire was quickly extinguished, and efforts began to repair the damaged cables.

Q. What is Daymark's rationale for the proposed disallowance related to this outage?

A. The DPUs recommended adjustment suggests that this event was readily avoidable with a simple solution, specifically the addition of cable trays.[3] The DPU further suggested that the Company demonstrated a lack of awareness regarding the risks of coal dust.[4] Daymark's recommended adjustment for this outage is $644,524 on a total Company basis or $292,301 Utah-allocated.

[3] *Id.* at 28.
[4] *Id.* at 28.

Q. How do you respond to Daymark's claim that "[t]he simple solution of adding cable trays highlights the readily avoidable nature of this event"?[5]

A. The Daymark report mistakenly refers to a "simple solution" of adding cable trays to resolve this issue. However, the cable trays have been in place since construction of the unit, and the Company identified the addition of tray covers to mitigate dust buildup over the affected area. These tray covers were installed after this outage. The cable trays themselves, where the coal dust buildup occurred, are not solid bottom trays, but rather are made of a steel grate material, which allows for loose particles to fall through. Additionally, in many areas, including the location of the fault, there may be several layers of trays which present challenges in identifying coal dust build-up.

Q. How do you respond to the DPU's assertion that the Company demonstrated a lack of awareness of the ability of coal dust buildup to cause a fire?

A. This statement is incorrect. As the operator of coal plants over many decades, the Company certainly understands that coal dust is a risk inherent with coal fired power plants. The Company performs regular washdowns and routine cleaning of horizontal surfaces in locations that are accessible or known to collect excessive dust. However, because of the age of the cables, a direct washdown of the trays is not feasible.

Q. Was the cause of this outage a common occurrence?

A. No, this was not a common or foreseeable event.

Q. Is it feasible to eliminate all traces of coal and coal dust from within a coal fired power plant?

A. No, and there are many places where coal dust or particles may escape from the

[5] *Id.* at 29.

mechanically designated path, which is why the Company takes reasonable measures such as wash downs and house cleaning to mitigate renegade coal. The Company is prudent in conducting routine wash downs and housekeeping to mitigate the accumulation of coal dust throughout the plant. The ignition of coal dust in this area was not foreseeable or expected, and therefore this disallowance should be rejected by the Commission.

Dave Johnston Unit 2 (April 12, 2021)

Q. Please describe the background of the event at Dave Johnston Unit 2, and the subsequent outage.

A. Prior to the outage, Dave Johnston plant personnel had been addressing intermittent oil leakage from a turbine bearing on Unit 2. Initially, this was corrected by increasing suction of the turbine oil tank, but this method proved to also accelerate contamination of the lube oil and was discontinued. Other measures taken to fix the intermittent leakage included connecting seal air to the bearing with limited effectiveness and modifications to the bearing oil porting to improve drainage. Immediately prior to the April 12 outage, the plant began adjusting load on the unit to find the optimal generation level to minimize leakage before bringing the unit offline for repair. The unit was brought offline on April 12 and after allowing it to cool, the bearing was disassembled and inspected. Based on the inspection, the internal oil deflectors were thought to be contributing to the leakage and were replaced. Nearly a month later, the bearing again began to leak oil, which ultimately ignited. The unit was immediately taken offline, and the fire was quickly extinguished. An engineering firm with expertise in bearings was

consulted and the bearing was taken off site and modified.[6] Daymark's recommended adjustment for this outage is $78,936 on a total Company basis or $36,502 Utah-allocated.

Q. Can you explain your understanding of the basis for the disallowance and how you respond?

A. Daymark correctly cites that the bearing has a history of oil leakage. Daymark uses the term "proper corrective action" to imply that all efforts which did not fully resolve the issue are irrelevant despite the Company's prudent efforts to correct the problem. Troubleshooting of complex equipment often requires an iterative process of implementing and validating solutions to identify the appropriate solution or combination of solutions. The Company has known of the problem with the turbine bearing and has attempted various solutions to resolve it, including consulting third-party expertise. Additionally, the Company has proactively performed bearing modifications for Unit 1, which utilizes similar bearings. Therefore, the Company recommends that the Commission reject this disallowance.

Dave Johnston Unit 3 (May 17, 2021)

Q. Please describe the outage at Dave Johnston Unit 3.

A. On May 17, 2021, electrical leads from a boiler feed pump on Unit 3 caught on fire. The pump was taken offline, and the unit later tripped due to low drum level. As the plant was attempting to restart the unit, a feedwater heater began leaking. The unit then stayed offline, and the leaks were plugged before the unit was returned to service.

[6] *Id.* at 29.

Q. What is Daymark's rationale for the proposed disallowance related to this outage?

A. The basis of Daymark's recommendation is that the feedwater heater should have been replaced prior to this outage, due to its age.[7] Daymark's recommended adjustment for this outage is $155,413 on a total Company basis or $71,686 Utah-allocated.

Q. How do you respond to Daymark's allegation?

A. It's important to recognize the difference between expected service life and useful life. Expected service life is merely an estimate of component life based on generalized experience. Useful life is an assessment of a working component as it ages, and whether a component can be reliably repaired. Feedwater heater leaks can be plugged, and such repairs often result in continued reliable operation. In this case, the feedwater heater in question is still currently in service on Unit 3. The Company believes it acted prudently by not replacing components that have useful life remaining, particularly for generating units that are nearing retirement.

Lake Side 1 (November 15, 2021)

Q. Please describe the outage at Lake Side 1.

A. Prior to the November 15, 2021 outage, Lake Side 1 had been brought offline for a brief maintenance outage to perform maintenance on the fire protection system. Once offline, the Company conducted other maintenance items, one of which was the addition of a control circuit that required a programming upload to the control system. The upload to the control system resulted in a temporary signal loss, which caused a malfunction to a circulating water pump resulting in a damaged seal. At that point the

[7] *Id.* at 30.

outage classification transitioned from the maintenance outage into a forced outage as the unit remained offline to conduct the repair.

Q. What is Daymark's rationale for the proposed disallowance related to this outage?

A. Daymark states as the basis for the disallowance a lack of evidence for oversight and control to prevent such errors.[8] Daymark's recommended adjustment for this outage is $165,134 on a total Company basis or $75,022 Utah-allocated.

Q. What is your response?

A. The Company provides reasonable oversight of employees conducting activities. In this case, plant supervision was onsite and coordinating the maintenance activities. The installation of the new circuit was performed by an experienced technician; however, a mistake was made. Not every human error can be remedied or should be remedied by additional oversight or controls. Additionally, it is unrealistic to expect formal documentation to accompany every instance of manager communication and employee interaction. A mistake is not a sufficient basis to determine a lack of oversight by the Company. Daymark is holding the Company to an unrealistic standard and this adjustment should be rejected.

CONCLUSION AND RECOMMENDATION

Q. Can you please summarize your testimony?

A. The Company prudently manages its thermal generation fleet for the benefit of customers. The disallowances proposed by the DPU through Daymark contain misrepresentations of the outages in question or propose to hold the Company to an

[8] *Id.* at 31.

unrealistic perfection standard that cannot be met when operating a large and complex thermal generation fleet.

Q. What is your recommendation to the Commission?

A. I recommend that the Commission reject the recommended disallowances for the six thermal outages addressed above. My testimony demonstrates the Company was prudent in its actions.

Q. Does this conclude your response testimony?

A. Yes.

REDACTED
Rocky Mountain Power
Docket No. 22-035-01
Witness: Craig M. Eller

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

REDACTED
Response Testimony of Craig M. Eller

October 2022

INTRODUCTION OF WITNESS AND QUALIFICATIONS

Q. Please state your name, business address, and present position with PacifiCorp, d/b/a Rocky Mountain Power ("RMP" or the "Company").

A. My name is Craig M. Eller. My business address is 1407 West North Temple Street, Suite 310, Salt Lake City, Utah 84116. My present position is Vice President, Business Policy and Development for Rocky Mountain Power.

Q. How long have you been in your present position?

A. I have been in my present position since July 2020.

Q. Please describe your education and business experience.

A. I have a Bachelor of Science in Mechanical Engineering from the University of Nebraska. I have been employed with PacifiCorp since July 2020 as the Vice President of Business Policy and Development responsible for strategic planning, stakeholder engagement, regulatory support, and development and execution of major transmission projects. Prior to my current role, I worked at Northern Natural Gas Company, an affiliate of the Company, from 2007 through 2020 in various business development, commercial marketing and engineering roles.

Q. Have you testified in previous regulatory proceedings?

A. Yes. I have previously filed testimony on behalf of the Company in regulatory proceedings in Utah, Wyoming, and Idaho.

PURPOSE OF TESTIMONY

Q. What is the purpose of your testimony?

A. My testimony responds to certain issues raised by the Utah Division of Public Utilities ("DPU") in its energy balancing account ("EBA") Audit Report and by Daymark

Energy Advisors ("Daymark"), on behalf of the DPU. Specifically, I provide additional information regarding the TB Flats and Aeolus Substation outage and explain the actions taken by the Company to restore service.

Q. Are any exhibits included with your testimony?

A. No.

TB FLATS AND AEOLUS SUBSTATION OUTAGE

Q. [redacted] **Can you provide some additional background on what occurred at the Aeolus Substation?**

A. On September 29, 2021, a fire occurred in the A-phase transformer at the Aeolus substation, which destroyed the transformer and damaged other substation facilities near the transformer. [redacted]

[1] DAYMARK ENERGY ADVISORS, *Confidential Energy Balancing Audit For Rocky Mountain Power for Calendar year 2021* at 32 (Sept. 21, 2022).

Q. Were Rocky Mountain Power's actions with regards to this event prudent?

A. [redacted]

Q. Can you provide some additional information on what steps Rocky Mountain Power took to place the substation back in service?

A. [redacted]

Q. Can you provide some additional information on the duration of the outage?

A. The Aeolus substation was successfully re-energized on November 9, 2021. The Aeolus substation was not operational from September 29, 2021, the date of the incident, until November 9, 2021, the date of re-energization.

Q. [redacted]

A. [redacted]

Q. What steps has Rocky Mountain Power taken to provide additional information to stakeholders in the EBA?

A. Daymark recommended a disallowance of replacement power costs and associated missed PTCs for two TB Flats events, stating that the Company had not provided sufficient information to determine if its actions were prudent. [redacted] Rocky Mountain Power understands, however, the importance of stakeholders being able to conduct a prudence review and has been working with stakeholders to identify and provide

information on this event. On October 7, 2022, the Company held a meeting with DPU, OCS, and UAE to provide the information contained in this testimony and allow parties to informally ask questions about the event.

CONCLUSION AND RECOMMENDATION

Q. What is your recommendation for the Commission?

A. I recommend the Commission reject the calculated disallowances for this outage. [redacted]

[redacted]

[redacted]

Q. Does this conclude your response testimony?

A. Yes.