

**-BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH-**

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IN THE MATTER OF THE APPLICATION OF ROCKY  
MOUNTAIN POWER TO INCREASE THE  
DEFERRED EBA RATE THROUGH THE ENERGY  
BALANCING ACCOUNT MECHANISM

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**DOCKET No. 22-035-01**  
**Exhibit No. DPU 1.0 R**  
**Rebuttal Testimony**  
**Gary Smith**

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FOR THE DIVISION OF PUBLIC UTILITIES  
DEPARTMENT OF COMMERCE  
STATE OF UTAH

Rebuttal Testimony of

Gary Smith

November 18, 2022

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1 **INTRODUCTION**

2 **Q. PLEASE STATE YOUR NAME, EMPLOYER, AND BUSINESS ADDRESS.**

3 A. My name is Gary Smith. I am employed by the Division of Public Utilities (Division),  
4 State of Utah. My business address is 160 East 300 South Salt Lake City, UT  
5 84114.

6 **Q. ARE YOU THE GARY SMITH THAT PREFILED DIRECT TESTIMONY FOR THE**  
7 **DIVISION IN THIS PROCEEDING?**

8 A. Yes.

9 **Q. ON WHOSE BEHALF ARE YOU TESTIFYING?**

10 A. The Division.

11 **SUMMARY**

12 **Q. PLEASE SUMMARIZE THE PURPOSE OF YOUR REBUTTAL TESTIMONY.**

13 A. The purpose of my rebuttal testimony is to adopt the position of the Utah Association  
14 of Energy Users (UAE) related to the new Energy Balancing Account (EBA) cost  
15 items proposed by Rocky Mountain Power (RMP) as presented in Kevin Higgins'  
16 Direct Testimony filed in this docket.

17 **RECOMMENDATION**

18 **Q. WHAT HAS UAE RECOMMENDED IN KEVIN HIGGINS' DIRECT TESTIMONY**  
19 **REGARDING THE INCLUSION OF WRAP AND EIM BOSR FEES PROPOSED BY**  
20 **RMP?**

21 A. Mr. Higgins recommends the proposed new WRAP and EIM BOSR fees (New Fees)  
22 be rejected and not included in the EBA recovery as proposed by RMP as these fees  
23 are outside the scope of the costs authorized by Schedule 94, in result reducing  
24 RMP's EBA requested cost recovery by \$102,464 (excluding interest).<sup>1</sup>

25 **Q. DOES THE DIVISION AGREE WITH AND SUPPORT THE RECOMMENDATION**  
26 **OF KEVIN HIGGINS?**

27 A. Yes. The New Fees are not currently approved and were not included in base  
28 energy balancing account costs as ordered in RMP's most recent general rate case  
29 or any other case. These New Fees are not Net Power Costs, Production Tax  
30 Credits, or Wheeling Revenues and are not "Commission accepted or ordered  
31 adjustments, or adjustments called out in a stipulation or settlement agreement, as  
32 ordered in the most recent general rate case, major plant additions case, or other  
33 case where Base EBAC are approved,"<sup>2</sup> and therefore should be rejected from EBA  
34 cost recovery. Allowing the proposed recovery of the New Fees within this docket,  
35 without prior Commission approval granted in a separate docket established for the  
36 full and proper consideration of these New Fees, would be an erosion of the  
37 boundaries of the EBA cost recovery mechanism and established process.

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<sup>1</sup> Docket No. 22-035-01, Confidential Direct Testimony of Kevin C. Higgins, lines 74 through 105.

<sup>2</sup> P.S.C.U No. 51, Electric Service Schedule No. 94.2, Filed January 13, 2021, Effective January 1, 2021.

38 **Q. IS THIS THE ONLY CHANGE TO YOUR PREFILED DIRECT TESTIMONY?**

39 A. Yes. The Division is filing separate rebuttal testimony addressing issues raised with  
40 the Direct Testimony and exhibits of Philip DiDomenico and Dan F. Koehler.

41 **Q. DOES THIS CONCLUDE YOUR REBUTTAL TESTIMONY?**

42 A. Yes.