

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

BEFORE THE PUBLIC SERVICE COMMISSION  
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

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Rebuttal Testimony of Jack Painter

November 2022

1 **Q. Are you the same Jack Painter who previously filed direct and response testimony**  
2 **in this proceeding on behalf of PacifiCorp, d.b.a. Rocky Mountain Power**  
3 **(“the Company”)?**

4 A. Yes.

5 **PURPOSE OF TESTIMONY**

6 **Q. What is the purpose of your response testimony?**

7 A. My testimony responds to certain issues raised by the Office of Consumer Services  
8 (“OCS”) and the Utah Association of Energy Users (“UAE”). Specifically, I discuss the  
9 Energy Imbalance Market (“EIM”) Body of State Regulators (“BOSR”) and Western  
10 Power Pool (“WPP”) Western Resource Adequacy Program (“WRAP”) fees that UAE  
11 proposes to remove from the Energy Balancing Account (“EBA”). I also present a  
12 minor correction to the calculation provided by the OCS for a reduction in the EBA  
13 related to the Aeolus event.

14 **Q. Are any other Company witnesses filing testimony in response to issues raised by**  
15 **the OCS and UAE?**

16 A. Yes. Company witness Mr. Eller provides additional information regarding the Aeolus  
17 Substation outage event and explains how the Company’s actions were prudent.

**EIM BOSR AND WPP WRAP FEES**

18 **Q. What does the UAE propose in regard to the EIM BOSR fee and the WPP WRAP**  
19 **fee?**

20 A. The UAE recommends both the EIM BOSR and WPP WRAP fees be removed from  
21 the EBA recovery because they are not currently approved as costs in the EBA.

22 **Q. Does the Company agree with UAE that the EIM BOSR fee and WPP WRAP fee**  
23 **should be removed from the EBA?**

24 A. No. Both the EIM BOSR fee and the WPP WRAP fee are directly tied to NPC and  
25 provide benefits to customers through lower NPC in the EBA.

26 **Q. What is the EIM BOSR and why should fees associated with it be included in the**  
27 **EBA?**

28 A. The Western Interstate Energy Board describes the EIM BOSR as “an independent,  
29 self-governing organization charged with participating in and informing state  
30 regulatory officials about Western EIM developments and activities, recognizes a need  
31 for independent technical expertise and staff resources to support the organization in  
32 its efforts to effectively fulfill its obligations.”<sup>1</sup> The Utah Public Service Commission  
33 (“Commission”) is a participant in the EIM BOSR and the fee supports this  
34 participation, along with educating commissions, as stakeholders in the EIM, about  
35 California Independent System Operator (“CAISO”)-related matters. This fee is similar  
36 to EIM administrative costs that are already included in the EBA. The Company incurs  
37 these costs as a participant in the EIM, which is directly related to NPC and which  
38 produces significant net benefits to customers.

39 **Q. What is the WPP WRAP and why should fees associated with it be included in the**  
40 **EBA?**

41 A. The WPP WRAP is a regional reliability planning program addressing resource  
42 adequacy and reliability in the region through coordination, collaboration, operating  
43 efficiencies, and sharing pooled resources. Resource adequacy issues are becoming a

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<sup>1</sup> <https://www.westernenergyboard.org/western-energy-imbalance-market-body-of-state-regulators/state-regulated-market-participant-funding-agreement/>

44 much more significant issue in the West and the regional reliability planning function  
45 the WPP WRAP provides is critical to ensuring that customers continue to receive  
46 reliable, affordable energy supply.

47 **Q. How does the WPP WRAP benefit Utah customers in the EBA?**

48 A. Like the Western EIM and the BOSR, there is a direct correlation to system operations  
49 and net power costs in the WPP WRAP. This program will provide benefits to  
50 customers by setting up a structure that ensures the Western United States has the  
51 resources available to meet the needs of Rocky Mountain Power's customers. These  
52 costs are directly related to the Company's variable NPC and should therefore be  
53 included in the EBA.

54 **AEOLUS EVENT**

55 **Q. Please describe OCS's proposed adjustment for the Aeolus Event.**

56 A. OCS recommends reducing NPC by \$7,489,613 on a Utah allocated basis associated  
57 with the Aeolus event on the basis that the Company has not provided sufficient details  
58 to support that it acted prudently.

59 **Q. Does the Company agree this proposed adjustment to the EBA recovery due to the  
60 Aeolus event is appropriate?**

61 A. No. Company witness Mr. Craig Eller responds to the merits of OCS's proposed  
62 adjustment and provides support for the Company's position that operations were  
63 prudent.

64 **Q. Did you review OCS's calculation for the replacement power costs and lost PTCs  
65 associated with the Aeolus event?**

66 A. Yes.

67 **Q. Notwithstanding the Company’s objection to the proposed adjustments, does the**  
68 **Company agree with OCS’s calculation of the replacement power costs and lost**  
69 **PTCs?**

70 A. The Company generally agrees with OCS’s calculations relating to replacement power  
71 costs, but found one minor correction related to the replacement energy for wind  
72 outages. Specifically, the allocation factors used are the System Energy (“SE”), but  
73 instead should be System Generation (“SG”). Once this correction is made, the  
74 Company agrees with the remaining aspects of OCS’s calculations.

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

77 A. The impact to OCS’s replacement power cost calculation is a reduction of \$13,116 on  
78 a Utah-allocated basis.

79 **CONCLUSION**

80 **Q. What is your recommendation to the Commission?**

81 A. The Company requests the Commission approve the Company’s request to recover  
82 \$90,427,325, which has been updated from the Company’s initial filing and included  
83 in previously filed response testimony.

84 **Q. Does this conclude your rebuttal testimony?**

85 A. Yes.