

November 29, 2022

***VIA ELECTRONIC FILING***

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

Attention: Gary Widerburg  
Commission Secretary

RE: **Docket No. 22-035-06 – PacifiCorp’s Semi-annual Hedging Report**  
Rocky Mountain Power’s Reply Comments

In accordance with the Amended Notice of Filing and Comment Period issued by the Public Service Commission of Utah (“Commission”) on September 14, 2022, PacifiCorp d. b. a. Rocky Mountain Power (“the Company”) submits its reply comments in response to the comments filed on November 14, 2022 by the Division of Public Utilities (“Division”).

**Background**

As part of a general rate case in Docket No. 10-035-124, a collaborative process was initiated to discuss the Company’s hedging policies and develop reporting requirements for an ongoing semi-annual hedging report to the Commission. The Company has since filed the semi-annual hedging reports for six months periods ending June and December of each year as required. The Division is tasked with reviewing PacifiCorp’s semi-annual hedging reports for compliance and providing recommendations to the Commission. On February 15, 2022, the Company filed its hedging report for the period ending December 31, 2021 that reflected changes to the hedging practices.

After the February 15, 2022 semi-annual hedging report was filed, the Division filed a Request for Extension and Technical Conference due the changes in the report. The requested Technical Conference was held on March 29, 2022 and was attend by representatives of the Commission, the Division, the Office of Consumer Services (“Office”) and Utah Association of Energy Users. On April 29, 2022, the Division filed comments recommending the Commission “order a second round of collaborative discussions to allow parties the opportunity to better understand the new hedging program and establish adequate reporting.”<sup>1</sup> In response to this recommendation, the Commission set a scheduling conference for June 7, 2022, which resulted in the June 22, 2022 Scheduling Order. The Scheduling Order memorialized the intentions of the Company, Division and other interested parties to meet mid-July of 2022 to discuss the hedging report for the June 2022 period. As planned, the Company hosted an informal meeting with the Division and Office on July 13, 2022. On August 15, 2022, the Company filed its next semi-annual hedging report for the June 2022 period. In addition to the formal process, the Company notes that it has hosted no fewer than four additional meetings with the Division to discuss the hedging report and

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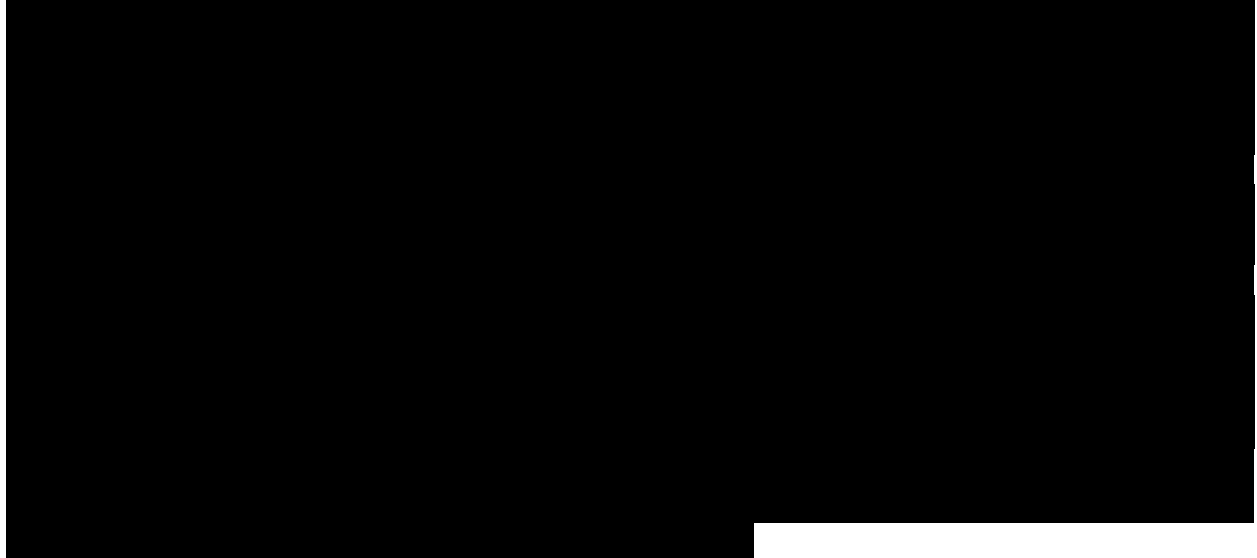
<sup>1</sup> Division of Public Utilities Comments November 14, 2022 p. 11.

responded to seventy data requests. On November 14, 2022 the Division filed comments requesting an additional round of collaborative discussions.

### **Response to Division's Comments**

In comments, the Division notes that the Commission has not been asked to approve or acknowledge the semi-annual hedging report but states that due to the changes to the Company's hedging procedures, it recommends additional discussions to allow parties the opportunity to better understand the report. The Company recognizes the importance of the Division's review and is committed to continue discussions on the hedging practices to facilitate the Division's understanding and comfort with the new policies and reporting practices. The Division's comments also contained two statements which the Company's wishes to respond in these reply comments.

First, the Division's comments raise a concern over the Company's hedges on the east and west sides of the system. Specifically, the Division copied and pasted the Company's response to data request DPU 5.6 on page 9 and states the response lacks specificity on the level of hedges on the east side of the system. The Company notes in its response that the



Second, the Division also notes a concern related to the Company's response to data request DPU 5.7 between the east and west sides of the Company's system and recommends the Company amend its natural gas hedging guidelines to a more granular level.



### **Conclusion**

The Company will continue to work with the Division and other interested parties to facilitate understanding and sharing of information that will help the Division conduct a thorough and meaningful review of the Company's semi-annual hedging reports.

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

Sincerely,

A handwritten signature in black ink that reads "Joelle Steward". The signature is written in a cursive style with a large, looped initial "J".

Joelle Steward  
Senior Vice President, Regulation and Customer & Community Solutions

Enclosures

CC: Service List

**CERTIFICATE OF SERVICE**

Docket No. 22-035-06

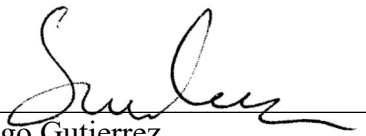
I hereby certify that on November 29, 2022, a true and correct copy of the foregoing was served by electronic mail to the following:

**Utah Office of Consumer Services**

Michele Beck [mbeck@utah.gov](mailto:mbeck@utah.gov)  
[ocs@utah.gov](mailto:ocs@utah.gov)

**Division of Public Utilities**

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Santiago Gutierrez  
Coordinator, Regulatory Operations