

June 15, 2023

VIA ELECTRONIC FILING

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

Attention: Gary Widerburg

Commission Administrator

RE: Docket No. 23-035-29 – Annual Cost of Service Study - 2022

The Public Service Commission of Utah's letter dated May 29, 2014 in Docket No. 14-999-01, requires Rocky Mountain Power ("the Company") to file an annual cost of service study within 45 days of filing the year-end semi-annual financial results of operations report. Rocky Mountain Power hereby submits for filing its Annual Cost of Service Study for calendar year 2022 along with associated workpapers.

The Company respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

By E-mail (preferred): datarequest@pacificorp.com

<u>utahdockets@pacificorp.com</u> <u>jana.saba@pacificorp.com</u>

By regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah, Suite 2000

Portland, OR 97232

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

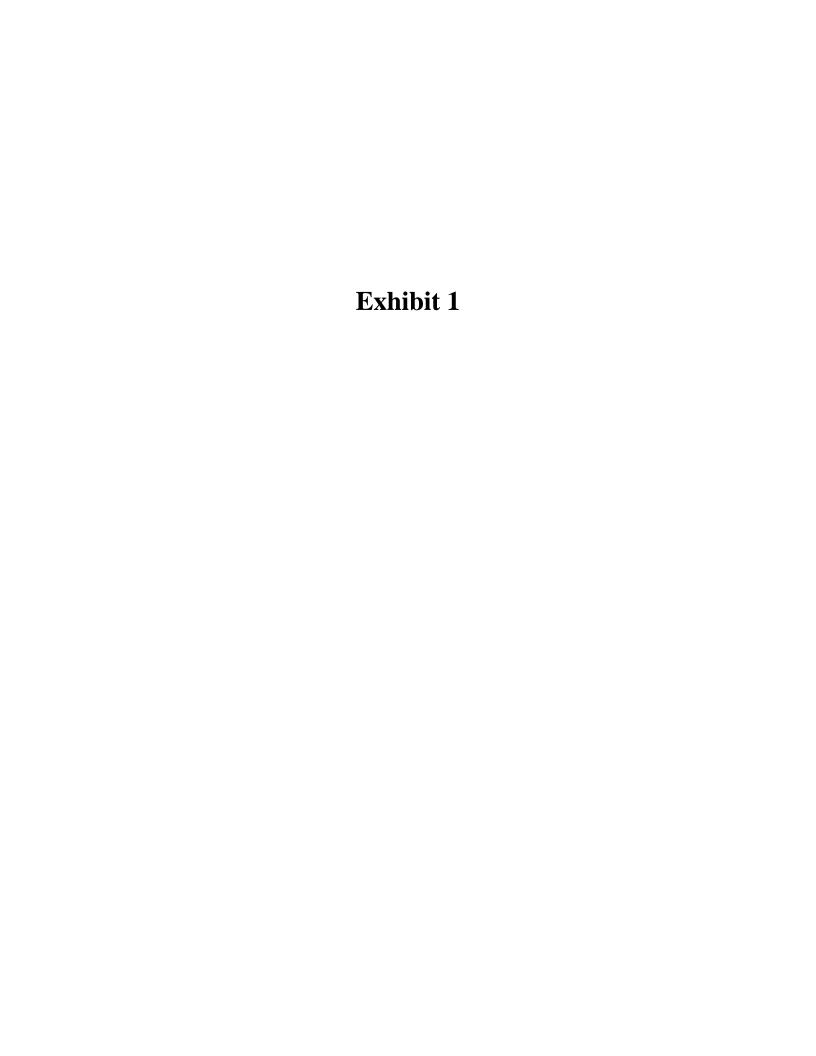
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Sincerely,

Joelle Steward

Senior Vice President, Regulation and Customer/Community Solutions

Enclosures



Rocky Mountain Power Cost Of Service By Rate Schedule State of Utah 12 Months Ended Dec 2022 2020 Protocol (Non Wgt) 5.91% = Earned Return on Rate Base

	Α	В	С	D	E	F	G	Н	1	J	K	L	М
				Return on	Rate of	Total	Production	Transmission	Distribution	Retail	Misc	Increase	Percentage
Line	Schedule	Description	Annual	Rate	Return	Cost of	Cost of	Cost of	Cost of	Cost of	Cost of	(Decrease)	Change from
No.	No.		Revenue	Base	Index	Service	Service	Service	Service	Service	Service	to = ROR	Current Revenues
1	1	Residential	837,022,677	5.50%	0.93	856,627,374	488,311,653	100,336,131	226,128,527	38,651,601	3,199,462	19,604,698	2.34%
2	6	General Service - Large	553,216,874	7.28%	1.23	517,133,763	371,271,352	71,417,248	73,002,896	(358,780)	1,801,048	(36,083,111)	-6.52%
3	8	General Service - Over 1 MW	141,291,694	6.52%	1.10	137,320,277	104,082,596	19,188,147	13,938,442	(335,587)	446,679	(3,971,417)	-2.81%
4	7,11,12	Street & Area Lighting	6,952,346	7.66%	1.30	6,550,289	2,426,400	329,866	3,593,104	178,901	22,019	(402,057)	-5.78%
5	9	General Service - High Voltage	258,873,919	3.86%	0.65	283,676,881	240,497,879	43,309,015	(438,238)	(525,118)	833,344	24,802,962	9.58%
6	10	Irrigation	17,903,244	4.88%	0.83	18,944,609	12,525,439	2,272,065	4,152,230	(73,574)	68,449	1,041,364	5.82%
7	15	Traffic Signals	820,549	8.87%	1.50	727,188	416,234	53,206	175,485	79,785	2,478	(93,361)	-11.38%
8	15	Outdoor Lighting	777,785	4.68%	0.79	812,235	649,955	70,039	68,295	21,711	2,236	34,451	4.43%
9	23	General Service - Small	146,985,850	7.17%	1.21	138,015,827	89,788,651	16,112,588	30,027,317	1,569,976	517,295	(8,970,023)	-6.10%
10	SpC	Customer 1	35,883,834	4.27%	0.72	38,559,130	32,612,916	5,803,108	76,846	(45,544)	111,804	2,675,296	7.46%
11	SpC	Customer 2	12,954,588	3.47%	0.59	14,315,786	12,281,081	1,970,646	40,716	(14,824)	38,165	1,361,197	10.51%
12		Total Utah Jurisdiction	2,012,683,360	5.91%	1.00	2,012,683,360	1,354,864,154	260,862,059	350,765,620	39,148,548	7,042,978	0	0.00%

Footnotes:

Column C: Annual revenues based on January 2022 thru December 2022 forecasted data.

Column D: Calculated Return on Ratebase per January 2022 thru December 2022 Embedded Cost of Service Study

Column E: Rate of Return Index. Rate of return by rate schedule, divided by Utah Jurisdiction's normalized rate of return.

Column F: Calculated Full Cost of Service at Jurisdictional Rate of Return per the January 2022 thru December 2022 Embedded COS Study

Column G: Calculated Generation Cost of Service at Jurisdictional Rate of Return per the January 2022 thru December 2022 Embedded COS Study.

Column H: Calculated Transmission Cost of Service at Jurisdictional Rate of Return per the January 2022 thru December 2022 Embedded COS Study.

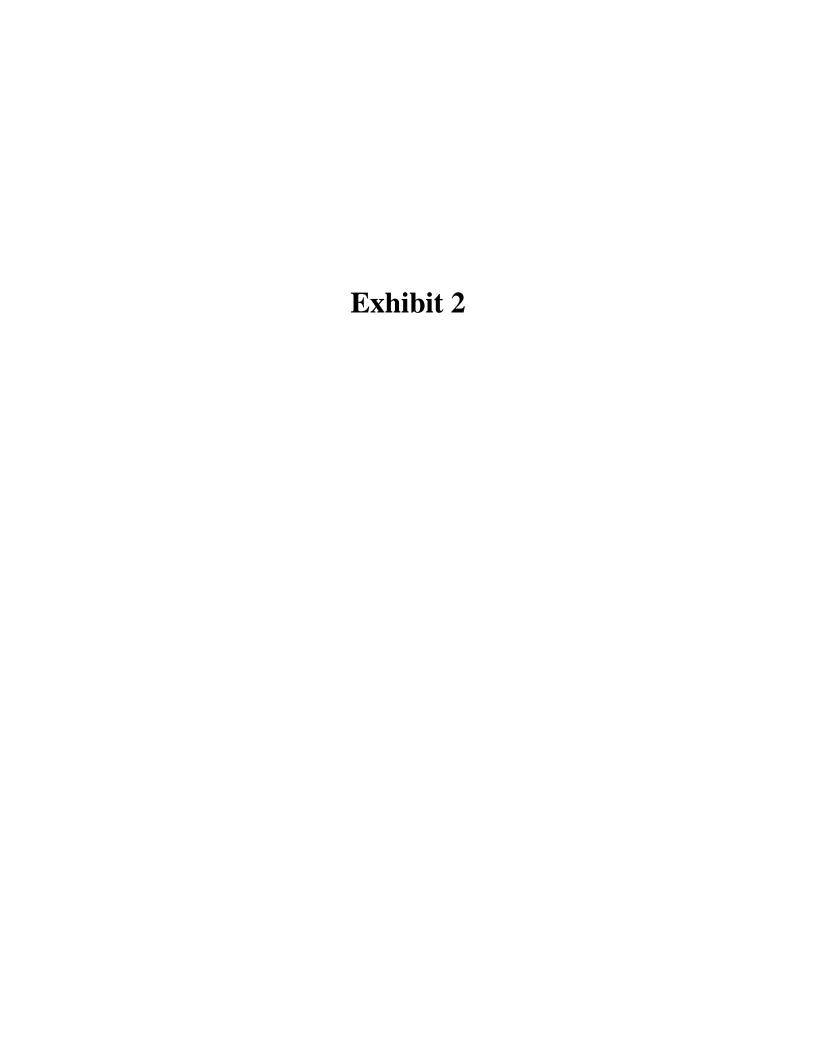
Column I: Calculated Distribution Cost of Service at Jurisdictional Rate of Return per the January 2022 thru December 2022 Embedded COS Study.

Column J: Calculated Retail Cost of Service at Jurisdictional Rate of Return per the January 2022 thru December 2022 Embedded COS Study.

Column K : Calculated Miscellaneous Cost of Service at Jurisdictional Rate of Return per the January 2022 thru December 2022 Embedded COS Study.

Column L: Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service Dollars.

Column M: Increase or Decrease Required to Move From Annual Revenue to Full Cost of Service Percent.



Class Summary

Rocky Mountain Power Cost Of Service By Rate Schedule - All Functions State of Utah 2020 Protocol (Non Wgt) 12 Months Ended Dec 2022

	A	В	С	D	E	F	G	н	1	J	к	L	М	N
	<u>DESCRIPTION</u>	. <u>-</u>	Utah Jurisdiction Normalized	Residential Sch 1	General Large Dist. Sch 6	General +1 MW Sch 8	Street & Area Lighting Sch. 7,11,12	General Trans Sch 9	Irrigation Sch 10	Traffic Signals Sch 15	Outdoor Lighting Sch 15	General Small Dist. Sch 23	Industrial Cust 1	Industrial Cust 2
13 14	Operating Revenues		2,424,587,550	999,980,304	664,551,153	170,364,877	7,898,177	320,515,807	21,843,515	990,795	936,846	177,612,698	44,053,322	15,840,056
15 16 17 18 19 20	Operating Expenses Operation & Maintenance Expenses Opercation Expense Amortization Expense Taxes Other Than Income Income Taxes - Federal		1,473,188,627 440,129,808 10,394,255 80,082,466 (60,827,497)	582,151,624 192,260,833 8,391,950 36,928,442 (19,405,146)	386,490,576 114,099,220 717,221 20,510,119 (10,864,427)	106,509,691 28,813,866 102,490 5,041,056 (4,613,169)	4,354,581 1,955,374 46,936 181,458 44,333	233,678,917 56,616,441 (22,718) 9,471,375 (19,826,339)	13,605,016 4,167,646 70,431 774,834 (596,181)	569,234 154,528 20,583 26,791 2,036	691,721 143,777 6,157 23,006 (35,653)	101,390,016 31,727,230 1,067,169 5,391,799 (2,059,737)	31,696,132 7,595,134 (4,388) 1,290,917 (2,523,163)	12,051,119 2,595,758 (1,576) 442,670 (950,052)
21 22 23	Income Taxes - State Income Taxes Deferred Investment Tax Credit Adj		4,815,706 21,944,443 (905,667)	2,700,497 2,568,248 (410,604)	2,617,854 7,313,320 (233,318)	314,519 2,361,444 (58,208)	34,136 (40,091) (1,973)	(1,429,428) 7,279,607 (109,034)	24,568 96,513 (8,901)	5,726 2,101 (273)	(1,605) 11,254 (252)	785,351 1,037,604 (63,446)	(160,655) 978,999 (14,638)	(75,255) 335,445 (5,019)
24 25	Misc Revenues & Expense		(102,069)	166,964	(116,432)	(31,458)	(666)	(73,406)	(3,279)	(146)	(179)	(28,240)	(11,359)	(3,869)
26 27 28	Total Operating Expenses Operating Revenue For Return	-	1,968,720,072 455,867,477	805,352,808 194,627,497	520,534,134 144,017,019	138,440,231 31,924,646	6,574,088 1,324,090	285,585,416 34,930,391	18,130,647 3,712,868	780,579 210,215	838,225 98,621	139,247,745 38,364,953	38,846,979 5,206,343	1,450,836
29 30 31 32	Rate Base : Electric Plant In Service		14.105.517.282	6.420.070.418	3,588,111,700	891.928.135	43.874.984	1.676.703.214	135.985.216	5.191.818	4,547,629	1.037.307.392	224,965,942	76.830.835
33 34 35	Plant Held For Future Use Electric Plant Acquisition Adj Pensions		6,435,791 10,770,205	3,348,894 4,110,377	1,913,955 2,941,932	411,499 787,432	2,011 13,958 0	121,525 1,773,059	90,602 92,448 0	1,512 3,050	523 3,748	523,404 725,196	16,309 237,960	5,556 81,045
36 37 38	Prepayments Fuel Stock Materials & Supplies		29,269,005 71,342,064 133,573,950	13,028,693 23,482,959 59,435,452	7,548,727 19,659,938 34,462,591	1,892,400 5,876,493 8,637,765	85,224 189,563 386,446	3,631,743 13,966,398 16,590,512	280,636 732,742 1,278,592	10,068 24,776 45,846	9,450 48,548 42,918	2,128,024 4,630,551 9,708,215	487,403 1,920,184 2,226,100	166,637 809,912 759,514
39 40 41 42	Misc Deferred Debits Cash Working Capital Weatherization Loans Miscellaneous Rate Base		149,928,982 27,585,584 0	57,195,297 11,990,476 0	40,444,169 7,152,813 0	11,079,629 1,863,561 0	330,171 129,396 0	24,577,498 3,498,790 0	1,413,972 260,022 0	48,221 11,303 0	67,959 10,880 0	10,195,108 2,013,621 0	3,330,969 476,249 0	1,245,989 178,473 0
43 44 45	Total Rate Base Additions		14,534,422,863	6,592,662,566	3,702,235,824	922,476,915	45,011,753	1,740,862,740	140,134,230	5,336,594	4,731,655	1,067,231,510	233,661,116	80,077,961
46 47 48 49 50 51 52 53	Rate Base Deductions: Accum Provision For Depreciation Accum Provision For Amortization Accum Deferred Income Taxes Unamortized ITC Customer Advance For Construction Customer Service Deposits Misc Rate Base Deductions		(4,464,564,937) (304,642,058) (1,179,972,963) (2,294,361) (70,110,554) (14,402,813) (787,306,341)	(2,007,639,606) (166,141,347) (550,155,383) (1,039,991) (27,661,075) (1,546,132) (297,297,949)	(1,142,504,948) (59,668,282) (297,895,973) (588,268) (7,925,739) (678,375) (215,180,458)	(284,930,836) (14,831,031) (73,005,575) (146,067) (19,210) (1,844,868) (58,126,184)	(22,366,698) (1,214,768) (2,685,172) (4,938) (337,992) (2,929) (1,108,458)	(537,930,800) (29,883,726) (132,122,003) (273,660) - (3,281,598) (131,488,421)	(42,791,658) (2,453,033) (11,655,068) (22,334) (54,200) (261,774) (6,865,467)	(1,594,573) (281,898) (437,392) (797) (424,809) - (227,060)	(1,419,393) (132,873) (375,504) (733) (402,669) - (294,726)	(326,563,012) (24,677,043) (87,856,408) (168,306) (33,284,860) (6,787,137) (52,869,771)	(72,167,268) (3,995,144) (17,728,951) (36,725) - (17,687,035)	(24,656,145) (1,362,913) (6,055,534) (12,541) - (6,160,812)
54 55 56	Total Rate Base Deductions	-	(6,823,294,027)	(3,051,481,482)	(1,724,442,043)	(432,903,771)	(27,720,956)	(834,980,208)	(64,103,535)	(2,966,528)	(2,625,898)	(532,206,538)	(111,615,123)	(38,247,945)
57 58 59	Total Rate Base Calculated Return On Rate Base	:=	7,711,128,836 5.91%	3,541,181,084 5.50%	1,977,793,782 7.28%	489,573,144 6.52%	17,290,797 7.66%	905,882,531	76,030,695 4.88%	2,370,066 8.87%	2,105,757 4.68%	535,024,972 7.17%	122,045,992	41,830,016 3.47%
60 61 62 63	Return On RB @ Jurisdictional Ave Total Operating Expenses Revenue Credits	5.91%	455,867,477 1,968,720,072 (411,904,190)	209,347,985 810,237,016 (162,957,627)	116,923,460 511,544,582 (111,334,279)	28,942,646 137,450,814 (29,073,183)	1,022,199 6,473,921 (945,832)	53,554,077 291,764,693 (61,641,888)	4,494,792 18,390,087 (3,940,270)	140,114 757,320 (170,246)	124,488 846,808 (159,061)	31,629,673 137,013,002 (30,626,848)	7,215,130 39,513,488 (8,169,488)	2,472,912 14,728,341 (2,885,468)
64 65 66 67	Total Revenue Requirements Class Revenue	Æ	2,012,683,360 2,012,683,360	856,627,374 837,022,677	517,133,763 553,216,874	137,320,277 141,291,694	6,550,289 6,952,346	283,676,881 258,873,919	18,944,609 17,903,244	727,188 820,549	812,235 777,785	138,015,827 146,985,850	38,559,130 35,883,834	14,315,786 12,954,588
68 69 70	Increase / (Decrease) Required to Earn Equal Rates of Return		-	19,604,698	(36,083,111)	(3,971,417)	(402,057)	24,802,962	1,041,364	(93,361)	34,451	(8,970,023)	2,675,296	1,361,197
71 72 73	Percent %		0.00%	2.34%	-6.52%	-2.81%	-5.78%	9.58%	5.82%	-11.38%	4.43%	-6.10%	7.46%	10.51%
74 75 76 77	Return On Rate Base @ Target ROR Total Operating Expenses Adjusted for Taxes Revenue Credits	5.91%	455,867,477 1,968,720,072 (411,904,190)	209,347,985 810,237,016 (162,957,627)	116,923,460 511,544,582 (111,334,279)	28,942,646 137,450,814 (29,073,183)	1,022,199 6,473,921 (945,832)	53,554,077 291,764,693 (61,641,888)	4,494,792 18,390,087 (3,940,270)	140,114 757,320 (170,246)	124,488 846,808 (159,061)	31,629,673 137,013,002 (30,626,848)	7,215,130 39,513,488 (8,169,488)	2,472,912 14,728,341 (2,885,468)
78 79 80	Total Target Revenue Requirements Class Revenue		2,012,683,360 2,012,683,360	856,627,374 837,022,677	517,133,763 553,216,874	137,320,277 141,291,694	6,550,289 6,952,346	283,676,881 258,873,919	18,944,609 17,903,244	727,188 820,549	812,235 777,785	138,015,827 146,985,850	38,559,130 35,883,834	14,315,786 12,954,588
81 82 83	Increase / (Decrease) Required to Earn Target Rate of Return		-	19,604,698	(36,083,111)	(3,971,417)	(402,057)	24,802,962	1,041,364	(93,361)	34,451	(8,970,023)	2,675,296	1,361,197
84	Percent %		0.00%	2.34%	-6.52%	-2.81%	-5.78%	9.58%	5.82%	-11.38%	4.43%	-6.10%	7.46%	10.51%

CERTIFICATE OF SERVICE

Docket No. 23-035-29

I hereby certify that on June 15, 2023, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Michele Beck <u>mbeck@utah.gov</u>

ocs@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid <u>pschmid@agutah.gov</u>
Robert Moore <u>rmoore@agutah.gov</u>

Rocky Mountain Power

Data Request Response

Center

Jana Saba jana.saba@pacificorp.com

utahdockets@pacificorp.com

datarequest@pacificorp.com

Santiago Gutierrez

Coordinator, Regulatory Operations