

March 15, 2024

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. 24-035-12 – In the Matter of Rocky Mountain Power’s Application to Revise Tariff Schedule 98, Renewable Energy Credits Balancing Account

Consistent with Utah Public Service Commission Rule 746-1-203, Rocky Mountain Power (“Company”) submits its Application to Revise Tariff Schedule 98, Renewable Energy Credits Balancing Account. The Application is accompanied by the following testimony, exhibits and workpapers.

- Direct testimony of Marcelina R. Hundis
 - Confidential Hundis Exhibits:
 - Confidential Exhibit RMP__(MRH-1)
 - Confidential Exhibit RMP__(MRH-2)
 - Confidential Exhibit RMP__(MRH-3)
 - Confidential Exhibit RMP__(MRH-4)
 - Confidential Hundis workpaper in Excel file format
- Direct testimony of Aaron J. Rose
 - Rose Exhibits:
 - Exhibit RMP__(AJR-1)
 - Exhibit RMP__(AJR-2)
 - Rose workpaper in Excel file format
- Direct testimony of Robert M. Meredith
 - Meredith Exhibits:
 - Exhibit RMP__(RMM-1)
 - Exhibit RMP__(RMM-2)
 - Exhibit RMP__(RMM-3)
 - Meredith workpaper in Excel file format

Confidential information is provided subject to R746-1-602 and 603 of the Public Service Commission of Utah Rules. Pursuant to Commission Rule R746-405-2D, PacifiCorp states that the proposed tariff sheets contained in Exhibit RMP__(RMM-3) do not violate state law or Commission rule.


Utah Public Service Commission

March 15, 2024

Page 2

Informal inquiries may be directed to Jana Saba, Regulatory Affairs Manager, at 801-220-2823.

Sincerely,

A handwritten signature in blue ink that reads "Joelle Steward". The signature is fluid and cursive, with the first name "Joelle" and the last name "Steward" clearly legible.

Joelle Steward

Senior Vice President, Regulation and Customer & Community Solutions

cc: Service List – Docket No. 24-035-12

CERTIFICATE OF SERVICE

Docket No. 24-035-12

I hereby certify that on March 15, 2024, 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
ocs@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov
Robert Moore rmoore@agutah.gov
Patrick Greco pgreco@agutah.gov

Rocky Mountain Power

Data Request Response datarequest@pacificorp.com
Center
Jana Saba jana.saba@pacificorp.com
utahdockets@pacificorp.com
Katherine Smith Katherine.smith@pacificorp.com



Carrie Meyer
Adviser, Regulatory Operations

Katherine Smith
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
(435) 776-6980
katherine.smith@pacificorp.com

Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Rocky Mountain Power’s Application for Authority to Revise Tariff Schedule 98, Renewable Energy Credits Balancing Account	DOCKET NO. 24-035-12 APPLICATION
--	-------------------------------------

PacifiCorp d/b/a Rocky Mountain Power (“Rocky Mountain Power” or the “Company”) respectfully requests the Public Service Commission of Utah (“Commission”) approve the Company’s Application to Revise Tariff Schedule 98 (“Application”), the Renewable Energy Credits (“REC”) Balancing Account (“RBA”). This Application is supported by the following:

1. Rocky Mountain Power is a division of PacifiCorp, an Oregon corporation, that provides electric service to retail customers in Utah, Wyoming, and Idaho, and to Oregon, California, and Washington through its Pacific Power division. Rocky Mountain Power is a regulated public utility in Utah and is subject to the Commission’s jurisdiction for retail electric rates and service conditions. The Company provides retail electric service to over 1,000,000 customers and has approximately 1,800 employees in Utah. Rocky Mountain Power’s principal place of business in Utah is 1407 West North Temple, Suite 310, Salt Lake City, Utah 84116.

2. Communications regarding this filing should be addressed to:

Jana Saba
Utah Regulatory Affairs Manager
Rocky Mountain Power
1407 West North Temple, Suite 330
Salt Lake City, Utah 84116
E-mail: jana.saba@pacificorp.com

Katherine Smith
Rocky Mountain Power Attorney
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
E-mail: katherine.smith@pacificorp.com

In addition, Rocky Mountain Power requests that all formal correspondence, requests for additional information, and data requests regarding this Application be sent in Microsoft Word or plain text format to the address below. Informal questions may be directed to Jana Saba at (801) 220-2823.

By email (preferred): datarequest@pacificorp.com
jana.saba@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

3. The Commission first approved Tariff Schedule 98 in 2011.¹ This Tariff tracks the difference between REC revenues included in base rates, and actual REC revenues collected from the Company's sale of RECs. The difference between REC revenues in rates, and from RECs sold by the Company, are tracked and deferred each month from January 1 to December 31 of each calendar year ("Deferral Period"). The Company files an annual application in March to true-up the difference, including applicable carrying charges,

¹ *In re RMP 2011 Rate Case*, Docket. No. 10-035-124, Report and Order (Sept. 13, 2011).

between base rates and actual REC sales in each Deferral Period. Rates are adjusted each year to account for any over- or under-collections during the Deferral Period.

4. The Company is proposing to refund approximately \$3.3 million from the 2023 Deferral Period. This is approximately \$2.2 million more than the deferral balance currently being refunded to customers through the RBA rate. The Company proposes to refund this \$3.3 million over 12 months beginning June 1, 2024, resulting in a \$2.2 million rate decrease, or 0.1 percent. This refund represents the difference between the current refund level of \$1.1 million from the 2023 RBA, and the new proposed refund of \$3.3 million.²

5. This Application includes the testimony and exhibits of Ms. Marcelina R. Hundis, Environmental Commodity Trader; Mr. Aaron J. Rose, Assistant Revenue Requirement Manager; and Mr. Robert M. Meredith, Director, Pricing and Tariff Policy. Ms. Hundis discusses historical REC sales that inform the Schedule 98 rate. Mr. Rose discusses the allocation of total-Company sales to Utah and calculates the deferral to true-up calendar year 2023 REC sales. Mr. Meredith discusses the Company's proposed REC revenue spread and RBA rates in this case.

6. Ms. Hundis' testimony discusses the Company's total 2023 REC revenues. **Confidential Exhibit RMP___(MRH-1)** contains a summary table of actual REC revenues by month and by resource for calendar year 2023, excluding certain revenue for RECs sold to Kennecott Utah Copper ("Kennecott"), Leaning Juniper Wind Wake Loss and the Pryor Mountain wind project. **Confidential Exhibit RMP___(MRH-2)** summarizes actual REC sales by entity, tag price, resource, and vintage for calendar year 2023. **Confidential Exhibit RMP___(MRH-3)** details the final November and December 2022 actual REC revenues by

² *In re RMP's 2023 RBA*, Docket No. 23-035-15, Order Setting Final Rates (Aug. 31, 2023).

resource. **Confidential Exhibit RMP ___(MRH-4)** details the RECs transferred to Kennecott under with the Non-Generation and REC Supply Agreement between the Company and Kennecott (“Kennecott Agreement”).³

7. Mr. Rose’s testimony provides the detail for the \$3.3 million balance in the Deferral Period. **Exhibit RMP ___(AJR-1)** summarizes, on a Utah-allocated basis, the 2023 Deferral Period. This includes: the approximate \$1.6 million adjusted beginning balance rolled over from the previous 2022 Deferral Period; approximately \$6.4 million in revenue from the sale of RECs; a \$643 thousand incentive of 10 percent of total REC revenue;⁴ \$937 thousand in total revenue associated with the Kennecott agreement, Leaning Juniper Wind Wake loss, and sale of Pryor Mountain RECs; compared to \$3.6 million in base rate revenue received from Customers (\$298 thousand per month),⁵ and \$1.4 million in credits resulting from the 2023 RBA. This results in an overall \$3.3 million Deferral Period amount that should be refunded to customers, including approximately \$227 thousand in carrying charges at the applicable carrying charge rate. **Exhibit RMP ___(AJR-2)** provides the detail of the monthly deferral calculation and the allocation of REC revenue to Utah.

8. Mr. Meredith’s testimony discusses the Company’s proposed rate spread and proposes to allocate the Deferral Period refund across customer classes based on a cost of service factor 10 allocation. The Company’s proposed rate spread is found in **Exhibit RMP ___(RMM-1)**, billing determinants and calculations of proposed rates in this case are found in **Exhibit RMP ___(RMM-2)**, and the proposed rates for Schedule 98 are found in

³ *In re RMP’s Non-Generation and REC Supply Agreement with Kennecott*, Docket No. 19-035-20, Report and Order (Aug. 7, 2019).

⁴ *In re RMP’s 2012 Rate Case*, Docket No. 11-035-200, Report and Order (Sept. 19, 2012) (approving 10 percent incentive); *In re RMP’s 2020 Rate Case*, Docket No. 20-035-04, Report and Order (Dec. 30, 2020) (reauthorizing 10 percent incentive).

⁵ *In re RMP’s 2020 Rate Case*, Docket No. 20-035-04, Report and Order (Dec. 30, 2020) (establishing base rates for the sale of RECs).

Exhibit RMP___(RMM-3). Current Schedule 98 rates will terminate on May 31, 2024, and the new Tariff Schedule 98 rates will become effective on June 1, 2024. The Company’s proposed refunds per customer class are reflected in the table below.

Table 1 – Refunds per Customer Class Schedules

Residential	
Schedules 1, 2, 3	\$1,155,962
General Service	
Schedule 23	\$203,781
Schedule 6	\$797,605
Schedule 8	\$258,126
Schedule 9	\$596,491
Irrigation	
Schedule 10	\$27,099
Public Street and Area Lighting	
Schedules 7, 11, 12	\$3,465
Schedule 15	\$2,085

Conclusion

Rocky Mountain Power respectfully requests the Commission approve the Company's Application, and refund approximately \$3.3 million to customers on an interim basis effective June 1, 2024.

DATED this 15th day of March, 2024.

/s/ Katherine Smith

Katherine Smith
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Rocky Mountain Power
katherine.smith@pacificorp.com

Attorney for Rocky Mountain Power