

June 10, 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 Secretary

RE: **Docket No. 24-035-T05– Rocky Mountain Power’s Proposed Tariff Changes to Electric Service Regulation No. 12, Line Extensions**
Rocky Mountain Power’s Reply Comments

On May 16, 2024, PacifiCorp d.b.a. Rocky Mountain Power (“the Company”) submitted proposed tariff revisions to Electric Service Regulation No. 12, Line Extensions (“Regulation 12”). On May 17, 2024, the Public Service Commission of Utah (“Commission”) issued a Notice of Filing and Comment Period (“Notice”). The Division of Public Utilities (“DPU”) and Office of Consumer Services (“OCS”) filed comments on June 3, 2024. The Company hereby submits its reply comments in accordance with the Notice.

In comments, the DPU recommends the Commission approve the Company’s proposed changes to Regulation 12 as a prudent policy that will reduce risk of default, preserve the Company’s capital and align the policies for all line extension customers. The OCS also supports approval of the changes to mitigate the potential risk and create a policy that is more consistent for all customers. The OCS also requests the Company provide a brief explanation for how it currently manages and finances over \$5 billion of ongoing line extension projects in Utah.

The Company clarifies that the project information provided to the OCS in its response to OCS data request 1.2 was the gross project costs for customers of 1,000 kilovolt-amperes (“kVA”). The Company is not financing the entirety of the \$5 billion to support ongoing line extension projects. The Company estimates its cash outlay for these projects is approximately \$370 million, including the revenue allowance and the company’s share of network upgrade costs. Although the Company’s estimated cash outlay is not the entire \$5 billion project cost, the risk imposed by these projects is still substantial as noted by the DPU and OCS.

The Company manages these projects through individual Master Electric Service Agreements (“MESAs”) that have true-up clauses to collect additional customer funds based on actual project costs. The load queue, MESAs and project costs are managed by Rocky Mountain Power’s investment delivery department. The company funds its share of the projects in the same manner as it funds all of its contributions in aid of construction (“CIAC”) with a mix of debt and equity based on its capital structure.

Utah Public Service Commission


June 10, 2024

Page 2

Conclusion

The Company appreciates the DPU and OCS support of its proposed changes to Regulation 12 and respectfully requests the Commission approved the proposed changes effective August 15, 2024.

Sincerely,

A handwritten signature in blue ink that reads "Joelle Steward". The signature is written in a cursive, flowing style.

Joelle Steward

Senior Vice President, Regulation

Enclosures

CC: Docket No. 24-035-T05

CERTIFICATE OF SERVICE

Docket No. 24-035-T05

I hereby certify that on June 10, 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

Bela Vastag

bvastag@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Chris Parker

chrisparker@utah.gov

Brenda Salter

bsalter@utah.gov

Assistant Attorney General

Patricia Schmid

pschmid@agutah.gov

Robert Moore

rmoore@agutah.gov

Patrick Grecu

pgrecu@agutah.gov

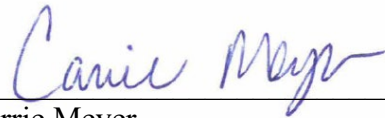
Rocky Mountain Power

Data Request Response Center datarequest@pacificorp.com

Jana Saba

jana.saba@pacificorp.com

utahdockets@pacificorp.com



Carrie Meyer
Adviser, Regulatory Operations