

June 5, 2025

***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. 25-035-01 – Rocky Mountain Power’s Application for Approval of the 2025 Energy Balancing Account – Interim Rate Request**  
Rocky Mountain Power’s Reply Comments

On May 1, 2025, PacifiCorp, doing business as Rocky Mountain Power (“the Company”), submitted its annual report for the Energy Balancing Account (“EBA”) to the Public Service Commission of Utah (“Commission”). On May 27, 2025, the Division of Public Utilities (“Division”) provided a preliminary review of the Company’s application, with a recommendation to approve the request for interim rates with certain conditions. The Company submits these reply comments to address the Division’s comments and requests for additional information. Confidential information has been uploaded to the Commission’s SFTP site and is provided in accordance with Commission Rule R746-1-602 and 603.

**Rocky Mountain Power’s Reply Comments**

*Average Price of Purchased Power*

The Division calculated the average price of purchased power as \$73.62 per megawatt-hour (“MWh”), noting a difference between the Company’s calculation of \$69.00 per MWh. The Division stated it was unclear how the Company calculated a total purchased power amount of \$1,421,024,233 and instead used \$1,516,268,744 found in Tab (2.5) of Company witness Jack Painter’s Excel workbook entitled “CONFIDENTIAL RMP Painter Workpapers 5-1- 2025.xlsx.”<sup>1</sup>

The Company clarifies that total the purchased power figure of \$1,421,024,233 used by Mr. Painter to calculate the average price of purchased power is located in the referenced workpaper on Tab 2.3 Adj Actual NPC in Excel cell F137.

*2023 Production Tax Credit Adjustment*

The Company included an adjustment to update 2023 production tax credits (“PTCs”) to account for actual PTCs from calendar year 2023 that has been updated to align with the final amount reported in the 2023 Federal Income Tax Return. The adjustment provides additional credit to Utah customers associated with PTCs related to calendar year 2023. The Division requested the

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<sup>1</sup> Division of Public Utilities Preliminary Review – Interim Rate Recommendation, p. 8-10 (May 27, 2025.)

Company provide additional support for this adjustment. In response, the Company includes Confidential Attachment A that supports the calculation.<sup>2</sup>

*Interest During Collection Period*

The Company's application requested a change to the EBA mechanism to include carrying charges that will accrue during the collection period, July 1, 2025 through June 30, 2026, in the request. The Division stated it is not necessarily opposed to inclusion of this change so long as the Company can demonstrate that the change will not cause any interest to compound or additional interest to unnecessarily accrue. The Division requests the Company provide additional detail, including a comparative analysis in rebuttal testimony in this proceeding so the Division can fully evaluate the effects of the Company's proposal.

The Company appreciates the Division's potential willingness to support this change. As stated in the Company's Application and Mr. Painter's direct testimony, carrying charges have always accrued during the collection period. Since the Company has not typically factored these carrying charges into the requested recovery nor the rates designed to collect that amount, the carrying charges during the collection period have rolled over into the next EBA, where they continue to compound until they are included in the request for a subsequent EBA cycle. Therefore, the Company's proposal to include the carrying charges during the collection period in the requested recovery will reduce the overall amount of carrying charges accrued to the EBA because the rate will be designed to collect the full balance. Instead of waiting for rebuttal testimony, the Company includes Attachment B with these reply comments, which provides the comparison requested by the Division to demonstrate the impact. As shown in the comparative analysis, the current method results in approximately \$12 million of collection period interest remaining at the end of the collection period, which is rolled into the next EBA cycle. Due to the timing of the EBA filings, the collection period interest continues to compound over two full EBA cycles. The Company's proposed change will reduce overall carrying charges that accrue in the EBA and overall reflect more accurate rates.

The Company recognizes that the carrying charge rate under Electric Service Schedule No. 300 is updated annually on April 1 of each year. However, the current rate of 5.40% will be effective for nine out of the twelve months in the rate effective period and any changes to the carrying charge rate will likely have a minimal impact and will be accounted for in the balancing account. The Company also notes that this proposed treatment is consistent with how carrying charges are treated in the Company's annual Renewable Energy Credit Balancing Account ("RBA") proceedings.

**Conclusion**

The Company appreciates the Division's efforts to review the EBA and support for the interim rate request in this case. Informal inquiries on this matter may be directed to Max Backlund at (801) 220-3121 or [max.backlund@pacificorp.com](mailto:max.backlund@pacificorp.com).

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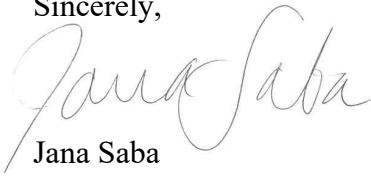
<sup>2</sup> See Tab (Exh.1) Comm Ord Method, Line 29.

Utah Public Service Commission

June 5, 2025

Page 3

Sincerely,

A handwritten signature in cursive script, reading "Jana Saba". The signature is written in a dark ink and is positioned above the printed name and title.

Jana Saba

Director, Regulation and Regulatory Operations

Enclosures

CC: Service List

## **CERTIFICATE OF SERVICE**

Docket No. 25-035-01

I hereby certify that on June 5, 2025, 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**

[dpudatarequest@utah.gov](mailto:dpudatarequest@utah.gov)

### **Assistant Attorney General**

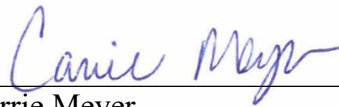
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### **Utah Association of Energy Users (C)**

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Carrie Meyer  
Manager, Discovery & Regulatory Operations

CONFIDENTIAL ATTACHMENT A  
IS PROVIDED IN EXCEL ONLY

## ATTACHMENT B

Current Method

Current Method														
		Painter Workpaper Reference												
		Amount												
EBA 2024 Deferral	\$	447,099,038	Tab '(Exh.1) Comm Ord Method' Line 28											
Interest Accrued January 1, 2025 through March 31, 2025	\$	5,995,373	Tab '(Exh.1) Comm Ord Method' Line 29											
Interest Accrued April 1, 2025 through June 30, 2025	\$	6,144,341	Tab '(Exh.1) Comm Ord Method' Line 30											
Interest Accrued through Rate Effective Period July 1, 2025 through June 30, 2026	\$	-	has not been factored into past requests											
EBA Recovery Requested	\$	459,238,752	Rates designed to collect this amount that does not consider interest during collection period											
Impact on current EBA Cycle														
Forecast kWh by Class and Rate Schedule		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Total
Annual Interest Rate		2,968,569,600	2,866,349,692	2,408,657,939	2,260,616,812	2,277,358,588	2,452,428,040	2,385,824,494	2,134,898,873	2,202,522,060	2,113,871,876	2,233,833,837	2,521,579,694	
Beginning EBA Adjustment Balance	\$	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	
Collection		459,238,752	\$413,906,266	\$370,001,925	\$333,207,965	\$298,612,200	\$263,593,439	\$225,621,765	\$188,542,675	\$155,303,251	\$120,834,513	\$87,626,140	\$52,352,900	
Interest		(\$47,292,653)	(\$45,664,175)	(\$38,372,630)	(\$36,014,169)	(\$36,280,884)	(\$39,069,937)	(\$38,008,868)	(\$34,011,340)	(\$35,088,654)	(\$33,676,357)	(\$35,587,486)	(\$40,171,601)	(\$459,238,752)
Ending Balance		\$1,960,166	\$1,759,834	\$1,578,670	\$1,418,404	\$1,262,123	\$1,098,263	\$929,778	\$771,917	\$619,915	\$467,984	\$314,246	\$145,202	
		\$419,006,266	\$370,001,925	\$333,207,965	\$298,612,200	\$263,593,439	\$225,621,765	\$188,542,675	\$155,303,251	\$120,834,513	\$87,626,140	\$52,352,900	\$12,326,501	
Impact of Interest from 2025 EBA on 2027 EBA filed May 1, 2027 (Due to collections for the 2025 EBA ending in June 2026 and the next EBA filing in May 2026, two EBA cycles are needed)														
Annual Interest Rate		Jul-27	Aug-27	Sep-27	Oct-27	Nov-27	Dec-27	Jan-28	Feb-28	Mar-28	Apr-28	May-28	Jun-28	Total
Beginning EBA Adjustment Balance	\$	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	
Collection		12,326,501	\$11,352,451	\$10,374,018	\$9,391,182	\$8,403,923	\$7,412,221	\$6,416,057	\$5,415,410	\$4,410,260	\$3,400,587	\$2,386,370	\$1,367,590	
Interest		(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$1,027,208)	(\$12,326,496)
Ending Balance		\$53,158	\$48,775	\$44,372	\$39,949	\$35,506	\$31,044	\$26,561	\$22,058	\$17,535	\$12,991	\$8,427	\$3,843	
		\$11,352,451	\$10,374,018	\$9,391,182	\$8,403,923	\$7,412,221	\$6,416,057	\$5,415,410	\$4,410,260	\$3,400,587	\$2,386,370	\$1,367,590	\$344,225	
Estimated Rate per KWH	\$	0.01593												
Result:														
Ending Balance	\$	12,326,501	rolled over into next years EBA											
Interest from July 1, 2026 through June 30, 2027	\$	682,355												
Interest from July 1, 2027 through June 30, 2028	\$	344,225	additional interest accrued from compounding											
Total Compounded Interest	\$	1,026,580												

Proposed New Method

Proposed New Method														
		Painter Workpaper Reference												
		Amount												
EBA 2024 Deferral	\$	447,099,038	Tab '(Exh.1) Comm Ord Method' Line 28											
Interest Accrued January 1, 2025 through March 31, 2025	\$	5,995,373	Tab '(Exh.1) Comm Ord Method' Line 29											
Interest Accrued April 1, 2025 through June 30, 2025	\$	6,144,341	Tab '(Exh.1) Comm Ord Method' Line 30											
Interest Accrued through Rate Effective Period July 1, 2025 through June 30, 2026	\$	12,376,556	Tab '(Exh.1) Comm Ord Method' Line 31											
EBA Recovery Requested	\$	471,615,308	Rates designed to collect this amount that considers interest during collection period											
Impact on current EBA Cycle														
Forecast kWh by Class and Rate Schedule		Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Total
Annual Interest Rate		2,968,569,600	2,866,349,692	2,408,657,939	2,260,616,812	2,277,358,588	2,452,428,040	2,385,824,494	2,134,898,873	2,202,522,060	2,113,871,876	2,233,833,837	2,521,579,694	
Beginning EBA Adjustment Balance	\$	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	
Collection		459,238,752	\$412,669,293	\$367,565,007	\$329,756,417	\$294,203,145	\$258,215,591	\$219,197,815	\$181,095,668	\$146,933,142	\$111,508,969	\$77,377,802	\$41,127,629	
Interest		(\$48,526,849)	(\$46,855,872)	(\$39,374,040)	(\$36,954,030)	(\$37,227,706)	(\$40,089,545)	(\$39,000,785)	(\$34,898,934)	(\$36,004,362)	(\$34,555,208)	(\$36,516,212)	(\$41,219,959)	(\$471,223,501)
Ending Balance		\$1,957,389	\$1,751,586	\$1,565,451	\$1,400,757	\$1,240,152	\$1,071,769	\$898,638	\$736,408	\$580,189	\$424,041	\$266,039	\$92,329	
		\$412,669,293	\$367,565,007	\$329,756,417	\$294,203,145	\$258,215,591	\$219,197,815	\$181,095,668	\$146,933,142	\$111,508,969	\$77,377,802	\$41,127,629	\$0	
Impact of 2025 EBA on next EBA Cycle (2026 EBA filed May 1, 2026)														
Annual Interest Rate		Jul-26	Aug-26	Sep-26	Oct-26	Nov-26	Dec-26	Jan-27	Feb-27	Mar-27	Apr-27	May-27	Jun-27	Total
Beginning EBA Adjustment Balance	\$	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	5.40%	
Collection		0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Interest		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Estimated Rate per KWH	\$	0.01635												
Result:														
Ending Balance	\$	0	rolled over into next years EBA											
Compounded Interest	\$	-	additional interest accrued from compounding											