



1407 W. North Temple, Suite 330
Salt Lake City, UT 84116

December 5, 2025

VIA ELECTRONIC FILING

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

Attention: Gary Widerburg
Commission Administrator

Re: Docket No. 25-035-01
Rocky Mountain Power's Application for Approval of the 2025 Energy Balancing Account
Settlement Stipulation with the Division of Public Utilities

On May 13, 2025, the Public Service Commission of Utah issued a Scheduling Order and Notice of Hearings in the above referenced matter ("Scheduling Order"). In accordance with the Scheduling Order the Division of Public Utilities ("Division") filed its audit report and direct testimony on November 5, 2025. The Scheduling Order set December 5, 2025 as the deadline for all parties to submit testimony.

Pursuant to Utah Code Ann. § 54-7-1 and the Rules of the Public Service Commission of Utah ("Commission"), Rocky Mountain Power ("Company") hereby submits for filing a Settlement Stipulation ("Stipulation") entered into between the Company and the Division, which resolves all issues raised in the Division's audit report. The Stipulation was distributed to the Office of Consumer Services, the Utah Association of Energy Users, and Nucor Steel-Utah on December 4, 2025. As discussed in the Stipulation, Rocky Mountain Power and the Division have filed this Stipulation prior to testimony being filed by other intervening parties, however, both are committed to working with other intervening parties once they have filed testimony.

The Company submits this Stipulation in lieu of testimony in response to the Division's audit report that would have been filed on December 5, 2025. The Company reserves the right to file testimony in response to testimony filed by other parties on the rebuttal and surrebuttal testimony deadlines based on any additional issues raised.

Informal inquiries may be directed to Max Backlund at max.backlund@pacificorp.com.

Sincerely,

Jana Saba
Director, Regulation and Regulatory Operations

cc: Service List Docket No. 25-035-01

CERTIFICATE OF SERVICE

Docket No. 25-035-01

I hereby certify that on December 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
ocs@utah.gov

Division of Public Utilities

Chris Parker chrisparker@utah.gov
dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov
Robert Moore rmoore@agutah.gov
Patrick Grecu pgrecu@agutah.gov

Utah Association of Energy Users (C)

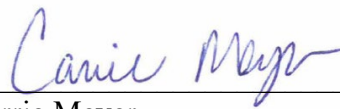
Phillip J. Russell prussell@jdrsllaw.com
Kevin Higgins khiggins@energystrat.com
Neal Townsend ntownsend@energystrat.com
Justin Bieber jbieber@energystrat.com
Keirsten Ignjatovic keirsten@energystrat.com

Nucor Steel-Utah

Peter J. Mattheis pjm@smxblaw.com
Eric J. Lacey ejl@smxblaw.com
Jeremy R. Cook jcook@ck.law

Rocky Mountain Power

Data Request Response Center datarequest@pacificorp.com
Jana Saba jana.saba@pacificorp.com
utahdockets@pacificorp.com
Max Backlund max.backlund@pacificorp.com
Katherine Smith katherine.smith@pacificorp.com
Ajay Kumar ajay.kumar@pacificorp.com



Carrie Meyer
Manager, Discovery & Regulatory Operations

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER ROCKY MOUNTAIN
POWER'S APPLICATION FOR
APPROVAL OF THE 2025
ENERGY BALANCING
ACCOUNT

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) **Docket No. 25-035-01**
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SETTLEMENT STIPULATION

This Settlement Stipulation ("Stipulation") is entered into by and among PacifiCorp d.b.a. Rocky Mountain Power ("Company" or "Rocky Mountain Power") and the Utah Division of Public Utilities ("DPU") (collectively referred to herein as the "Parties" and individually as a "Party"). Rocky Mountain Power and the DPU have filed this Stipulation prior to testimony being filed by other intervening parties, however, both are committed to working with other intervening parties on further settlement discussions once they have filed testimony.

BACKGROUND

1. On May 1, 2025, the Company filed with the Public Service Commission of Utah ("Commission") an application pursuant to energy balancing account mechanism ("EBA") tariff Schedule 94 to request approval to recover approximately \$471.6 million in deferred EBA Costs ("EBAC"). The \$471.6 million deferral includes the following components: (1) approximately \$474.9 million of EBA-related costs; (2) a credit of approximately \$24.9 million for sales made to a special contract customer; (3) a \$9.2 million adjustment for Utah situs resources; (4) a credit of \$24.2 million to reflect the 2024 EBA Order; (5) a \$0.2 million adjustment to reflect the remaining uncollected balance from the 2023 EBA; (6) a credit of approximately \$0.1 million for Electric

Vehicle Infrastructure Program (“EVIP”) Schedule 60 revenue; (7) a credit of approximately \$0.4 million to update the 2023 Production Tax Credits; and (8) a charge of approximately \$36.8 million in interest. The Company has included revised Tariff Schedule 94 to recover from customers approximately \$471.6 million over 12 months beginning July 1, 2025, on an interim basis through June 30, 2026. This results in an overall increase of approximately \$40.0 million to retail customers of Tariff Schedule 94.

2. On November 5, 2025, the DPU filed the direct testimony of Gary Smith and associated exhibits, and the direct testimony of Philip DiDomenico and Dan Koehler and associated exhibits, including a confidential audit report, prepared by its consultant Daymark Energy Advisors, Inc. The DPU recommended a reduction of \$9,018,316 to EBAC for hedge transactions that violate the Company’s corporate governance policy and principles.

3. The Parties conducted settlement discussions during November 2025, which resulted in this Stipulation.

4. The Parties represent that this Stipulation is just and reasonable in result. The Parties recommend that the Commission approve the Stipulation and all of its terms and conditions. The Parties request that the Commission make findings of fact and reach conclusions of law based on the evidence presented in this proceeding and on this Stipulation and issue an appropriate order thereon.

SETTLEMENT TERMS

For purposes of this Stipulation, the Parties agree and recommend the Commission approve the following terms:

5. The Parties agree to an unspecified adjustment in the amount of \$4.51 million to the Company's initial request of \$471,615,308, resulting in a total EBA recovery of \$467,105,308.

6. Rocky Mountain Power agrees to make a filing with the Commission before March 1, 2026, reporting on progress PacifiCorp has made to improve its governance review and pre-approval process to ensure that appropriate documentation is created and archived and PacifiCorp employees obtain pre-approval of power physical transactions that require pre-approval.

7. This Stipulation resolves all issues in the 2025 EBA between the Parties.

GENERAL TERMS AND CONDITIONS

8. This term sheet represents a compromise among competing interests and a resolution of all contested issues in this proceeding. Any adjustment to Rocky Mountain Power's Initial Filing not incorporated into this term sheet directly or by reference would be resolved without an adjustment or recommendation for the purposes of this proceeding.

9. Utah Code Ann. §54-7-1 authorizes the Commission to approve a settlement so long as the settlement is just and reasonable in result. The Parties agree that this Stipulation is just and reasonable in result and in the public interest.

10. All negotiations related to this Stipulation are confidential, and no Party shall be bound by any position asserted in negotiations. Except as expressly provided in this Stipulation, neither the execution of this Stipulation nor any order adopting it shall be deemed to constitute an admission or acknowledgment by any Party of the validity or invalidity of any principle or practice of regulatory accounting or ratemaking; nor shall they be construed to constitute the basis of an estoppel or waiver by any Party; nor shall they be introduced or used as evidence for any other purpose in a future proceeding by any Party except in a proceeding to enforce this Stipulation.

11. The Parties agree that no part of this Stipulation will in any manner be argued or considered as precedential in any future case except with regard to issues expressly called out and resolved by this Stipulation. This Stipulation does not resolve and does not provide any inferences regarding, and the Parties are free to take any position with respect to any issues not specifically called out and settled herein.

12. The Parties request that the Commission hold a hearing on this Stipulation. Rocky Mountain Power and the DPU each will make one or more witnesses available to explain and offer further support for this Stipulation. The Parties shall support the Commission's approval of this Stipulation. As applied to the DPU, the explanation and support shall be consistent with its statutory authority and responsibility.

13. The Parties agree that if any person challenges the approval of this Stipulation or requests rehearing or reconsideration of any order of the Commission approving this Stipulation, each Party will use reasonable efforts to support the terms and conditions of this Stipulation. As applied to the DPU, the phrase "use reasonable efforts" means that it shall do so in a manner consistent with its statutory authority and responsibility. In the event any person seeks judicial review of a Commission order approving this Stipulation, no Party shall take a position in that judicial review proceeding in opposition to the Stipulation.


14. Except with regard to the obligations of the Parties under the four immediately preceding paragraphs of this Stipulation, this Stipulation shall not be final and binding on the Parties until it has been approved without material change or condition by the Commission.

15. This Stipulation is an integrated whole, and any Party may withdraw from it if it is not approved without material change or condition by the Commission or if the Commission's approval is rejected or materially conditioned by a reviewing court. If the

Commission rejects any part of this Stipulation or imposes any material change or condition on approval of this Stipulation or if the Commission's approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Stipulation, any Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Stipulation, and no party shall be bound or prejudiced by the terms and conditions of the Stipulation.

16. This Stipulation may be executed by individual Parties through two or more separate, conformed copies, the aggregate of which will be considered as an integrated instrument.


DATED this 5th day of December 2025.

UTAH DIVISION OF PUBLIC UTILITIES	ROCKY MOUNTAIN POWER
<hr/> <div data-bbox="203 1402 620 1581">Chris Parker Director Utah Division of Public Utilities 160 East 300 South, 4th Floor Salt Lake City, UT 84114</div>	<div data-bbox="813 1325 1166 1434"> Joelle Steward</div> <div data-bbox="813 1438 1252 1581">Senior Vice President, Regulation Rocky Mountain Power 1407 W. North Temple, Suite 330 Salt Lake City, UT 84116</div>

approval of this Stipulation or if the Commission's approval of this Stipulation is rejected or materially conditioned by a reviewing court, the Parties agree to meet and discuss the applicable Commission or court order within five business days of its issuance and to attempt in good faith to determine if they are willing to modify the Stipulation consistent with the order. No Party shall withdraw from the Stipulation prior to complying with the foregoing sentence. If any Party withdraws from the Stipulation, any Party retains the right to seek additional procedures before the Commission, including presentation of testimony and cross-examination of witnesses, with respect to issues resolved by the Stipulation, and no party shall be bound or prejudiced by the terms and conditions of the Stipulation.

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DATED this 5th day of December 2025.

UTAH DIVISION OF PUBLIC UTILITIES	ROCKY MOUNTAIN POWER
 Chris Parker Director Utah Division of Public Utilities 160 East 300 South, 4 th Floor Salt Lake City, UT 84114	 Joelle Steward Senior Vice President Regulation Rocky Mountain Power 1407 W. North Temple, Suite 330 Salt Lake City, UT 84116