

**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

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Rocky Mountain Power’s Application for	)	
Approval to Implement Community Clean	)	
Energy Program Authorized by the	)	Docket No. 25-035-06
Community Clean Energy Act	)	
	)	

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**REBUTTAL TESTIMONY OF**  
**ANTHONY SANDONATO**  
**FOR THE**  
**OFFICE OF CONSUMER SERVICES**

**November 13, 2025**

1   **Q.     Please state your name, title, and business address.**

2   A.     My name is Anthony Sandonato. I am an outside consultant with J. Kennedy and  
3           Associates, Inc. (“Kennedy and Associates”), whose address is 570 Colonial Park  
4           Drive, Suite 305, Roswell, Georgia, 30075.

5   **Q.     On whose behalf are you appearing?**

6   A.     I am appearing on behalf of the Utah Office of Consumer Services (“OCS”).

7   **Q.     Have you previously filed testimony in this docket?**

8   A.     Yes, I filed Direct Testimony on October 10, 2025.

9   **Q.     What is the purpose of this rebuttal testimony?**

10   A.     The purpose of my rebuttal testimony is not to respond to every position taken by all  
11           intervenors, but rather to focus on the single most critical, unresolved issue in this  
12           docket: the lack of a defined and transparent resource valuation process that can be  
13           approved by the Utah Public Service Commission (“Commission” or “PSC”) in this  
14           docket. OCS's core mission is to protect all residential and small commercial  
15           customers, both Program participants and non-participants, and ensure the Program  
16           does not result in any shift of costs or benefits to non-participating customers, as  
17           mandated by Utah Code § 54-17-904(4)(b). This statutory requirement cannot be  
18           verified or enforced until Rocky Mountain Power (“RMP”) lays out the complete  
19           resource valuation process, which includes a more defined and transparent  
20           valuation methodology.

Therefore, OCS reiterates its conditional support for the Program, so long as a transparent and reviewable process for resource valuation is established prior to program implementation, which was the purpose of Recommendation #9 of my direct testimony stating: “RMP and the Agency should finalize, request and receive PSC approval of the adjustments that will be made to Schedule 38 (Qualifying Facility Procedures) for pricing the costs associated with Schedule 100 (Proposed Program) prior to the beginning of the notification process.”<sup>1</sup> It was my intention in Recommendation 9 to clearly highlight that a process for establishing the resource valuation is needed prior to beginning the Program.

**Q. What is the fundamental issue OCS has identified with RMP's Application and highlighted in the stakeholder testimony?**

A. The testimony filed by other parties in this docket including the Agency, the Division of Public Utilities (“DPU”), Western Resource Advocates (“WRA”), and Sierra Club make it clear that RMP has not yet provided a complete or reviewable process for resource valuation.

**Q. What specific aspects of RMP’s proposal create this uncertainty?**

A. RMP’s imprecise methodology includes two problematic issues. The first is that there are four adjustments identified by Mr. MacNeil to the Schedule 38 methodology,

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<sup>1</sup>OCS Direct Testimony of Anthony Sandonato p. 7, lines 130-133, and p. 30, lines 628-631.

including interconnection costs, transmission costs, contract life, and the "lost value of RECs", for which no verifiable calculation methodology has been provided.

The second issue relates to the RMP's proposal to have an open-ended process in which it will "provide an adjusted valuation that incorporates REC value and any price-policy, risk, or other modifications it believes are appropriate."<sup>2</sup> OCS agrees with Sierra Club's concern that this proposal prevents the Commission and stakeholders in this docket from understanding how the final rates will be calculated.<sup>3</sup> There is a clear need for a robust review of the costs associated with all resources acquired for this Program in context of the overall system resource costs. This is why RMP must clearly outline the resource valuation process in this proceeding.

**Q. What specific concerns do you have with RMP's open-ended discretion in selecting which "price-policy scenario" to use for resource valuation?**

A. The choice of which "price-policy scenario" is a major input that will drive the valuation of the resource. RMP should elaborate on what price-policy scenarios will be used to value potential resources. This information is necessary for the PSC to approve the Program and for OCS to have confidence that the process is likely to uphold the statute's "no cost-shift" mandate but this information is not yet on record in this docket.

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<sup>2</sup> Direct Testimony of Daniel MacNeil p. 18, lines 392-393.

<sup>3</sup> Direct Testimony of Mark Fulmer, p. 22 lines 441-443.

58 **Q. RMP appears to be seeking flexibility, is OCS opposed to this approach for**  
59 **resource valuation?**

60 A. No. OCS recognizes RMP's desire to be afforded the flexibility to reflect constantly  
61 changing market conditions in its resource valuation approach. It also seems likely  
62 that RMP would not know what precise adjustments would be needed in the future  
63 until the time the bids are submitted to them for valuation. However, this "flexibility"  
64 must be balanced with regulatory certainty and transparency. Flexibility does not  
65 mean unilateral discretion.

66 The process for selecting inputs (like price-policy scenarios) and applying  
67 adjustments must be transparent and clearly explain the Commission-approved  
68 process that is reviewable by parties and applied in the valuation of all resources  
69 considered for the Program. The OCS is not demanding a rigid, unchangeable  
70 formula, but a transparent and predictable process for how the valuation will be  
71 calculated and approved.

72 **Q. What are your final recommendations in this proceeding?**

73 A. OCS recommends that the PSC not approve the Proposed Program until RMP  
74 provides a clear and complete resource valuation process for review and approval,  
75 which should be included as part of RMP's testimony prior to the end of this  
76 proceeding.

77 As a condition of approval, OCS continues to recommend the items discussed in my  
78 direct testimony. The OCS further recommends the PSC direct RMP to file a

comprehensive "Program Implementation and Valuation Plan" that outlines a clear Procedural Schedule detailing the process and timeline for the following:

a) Evaluation of the RFP bids, a process which might differ depending on whether the Agency or RMP is the entity conducting the RFP;

b) When and how RMP will perform the resource valuation calculations used to determine the portion of the costs that are incremental to system costs. These costs will be assigned to the Program to be collected as part of Schedule 100. While the process approved in this docket may not need to specify the resource valuation calculations such that they are reduced to a set of formulas, it should be described in full to provide transparency;

c) Filing of the winning PPA(s) and the final calculated resource valuation with the Commission;

d) Opportunities for interested stakeholders to review and provide comment on the final, proposed valuation in its entirety. In its filing, the Company should include the specific adjustments, supporting analysis, data, and information regarding the models used and how the results were determined, and evidentiary support for the price-policy scenarios that were utilized; and

e) A request for when the Commission's final approval of the PPA and the new Schedule 100 rates are needed and when the customer notification period begins.

98                    This is a reasonable, constructive approach that balances flexibility with the  
99                    regulatory certainty required to protect all customers.

100    **Q.     Does this conclude your rebuttal testimony?**

101    **A.     Yes, it does.**