

May 2, 2025

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. 25-035-17** – Division of Public Utilities’ Audit of PacifiCorp’s 2024 Fuel Inventory Policies and Practices
Rocky Mountain Power’s Comments

PacifiCorp d.b.a. Rocky Mountain Power (“the Company”) submits its comments in response to the Audit of PacifiCorp’s 2024 Fuel Inventory Policies and Practices filed on March 31, 2025 by the Division of Public Utilities (“Division”).

Background

In Docket No. 09-035-23, the Public Service Commission of Utah (“Commission”) issued a directive to the Division to “conduct an annual audit of the Company’s fuel inventory management policies, procedures, and actual practices and provide a summary of its audit and associated findings to the Commission by no later than March 31 of each year for the previous year’s activity.”¹ On March 31, 2025 the Division filed a memorandum summarizing its audit and recommending approval for the Company’s 2024 fuel inventory policies and practices.²

Response to Division’s Comments

The Division’s memorandum contained two recommendations. First, the Division states in its March 31, 2025 memorandum that by the time of the next audit in 2026 it will have been five years since a third party updated PacifiCorp’s coal inventory study published in March 2021.³ The Division therefore recommends that a third party review and update the coal inventory targets during 2025 and provide the update as part of the next audit.⁴ The Company agrees with the Division’s recommendation and has already begun to work with a consultant to update the prior coal inventory study.

¹ *In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations*, Docket No. 09-035-23, Report and Order on Revenue Requirement, Cost of Service and Spread of Rate at 106 (Feb. 18, 2010).

² *Division of Public Utilities’ Audit of PacifiCorp’s 2024 Fuel Inventory Policies and Practices*, Docket No. 25-035-17, Redacted Comments from the Division of Public Utilities (Mar. 21, 2025).

³ *Id.*, at 5.

⁴ *Id.*

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Second, the Division also recommends that the Company update the “cost-benefit analysis” discussed in data response “DPU 1.6 HIGHLY CONF” from March 18, 2024.⁵ The Division stated, “it is worth exploring updated costs and benefits of this option.” To fully understand the Division's recommendation, the Company wishes to clarify the analyses performed by the Company and the study described as a “cost-benefit analysis” by the Division.⁶

In February 2024, the Company performed the PacifiCorp Fueling Analysis for the Hunter and Huntington Plants (2024 Utah Fueling Analysis). The 2024 Utah Fueling Analysis was performed due to challenges the Company faced in securing an adequate and reliable coal supply for the Hunter and Huntington plants (Utah Plants). The 2024 Utah Fueling Analysis considered six fueling options to identify the least-cost, least-risk fuel supply for the Utah Plants through 2032, the anticipated retirement dates of the Utah Plants at that time. The scenario selected [REDACTED]

An alternative option that was not selected in the 2024 Utah Fueling Analysis was the option of [REDACTED]

[REDACTED]. The Company believes the Divisions’ recommendation to update the “cost-benefit analysis” is requesting that the Company update the engineering study that was used as an input in one alternative fuel supply option evaluated in the 2024 Utah Fueling Analysis.

In February 2024, PacifiCorp acted on the findings of the 2024 Utah Fueling Analysis and [REDACTED]

[REDACTED] Therefore, the Company respectfully requests that the Division’s recommendation not be adopted.

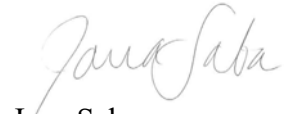
⁵ *Id.*

⁶ *Id.*

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Informal inquiries on this matter may be directed to Max Backlund at (801) 220-3121.

Sincerely,

A handwritten signature in cursive script that reads "Jana Saba".

Jana Saba
Director, Regulation and Regulatory Operations

Enclosures

CC: Service List

Ajay Kumar
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Telephone No. (503) 813-5161
Facsimile No. (801) 220-3299
E-mail: ajay.kumar@pacificorp.com

Attorneys for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

DIVISION OF PUBLIC UTILITIES' AUDIT OF)	
PACIFICORP'S 2024 FUEL INVENTORY)	Docket No. 25-035-17
POLICIES AND PRACTICES)	

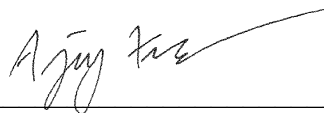
Rocky Mountain Power's Motion Requesting Leave to File Comments

Pursuant to Utah Administrative Code Rule 746-1-401, Rocky Mountain Power (the "Company") files this Motion Requesting Leave to File Comments on the Division of Public Utilities' ("DPU") Audit Report that was filed on March 31, 2025. Rocky Mountain Power would like to address and provide further detail to the Public Service Commission regarding the recommendations that have been contained DPU's Audit Report. Rocky Mountain Power has provided the comments as an attachment to this Motion.

DATED this 2nd day of May, 2025.

Respectfully submitted,

ROCKY MOUNTAIN POWER



Ajay Kumar
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Telephone No. (503) 813-5161
Facsimile No. (801) 220-3299
E-mail: ajay.kumar@pacificorp.com

CERTIFICATE OF SERVICE

Docket No. 25-035-17

I hereby certify that on May 2, 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

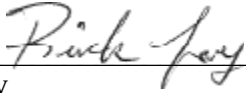
dpudatarequest@utah.gov

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
Max Backlund max.backlund@pacificorp.com
Ajay Kumar ajay.kumar@pacificorp.com



Rick Loy
Coordinator, Regulatory Operations