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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Doug Wheelwright, Utility Technical Consultant Supervisor
Casey J. Coleman, Utility Technical Consultant

Date: April 9, 2026

Re: **Docket No. 25-035-30**, Rocky Mountain Power's Quarterly Compliance Filing — 2025.Q4 Avoided Cost Input Changes

Recommendation (No Action with Recommendation)

The Division of Public Utilities (Division) concludes that Rocky Mountain Power's (RMP or Company) 2025.Q4 Avoided Cost Quarterly Filing complies with the Public Service Commission's (Commission) Orders in Docket Nos. 03-035-14 and 14-035-140.

The Division recommends the Commission take no action on RMP's 2025.Q4 filing pending the outcome of RMP's 2025.Q1 proceedings.¹

Issue

On March 24, 2026, RMP filed its 2025.Q4 Quarterly Compliance Filing (Q4). The report identifies changes that have occurred in the avoided cost calculation since RMP's 2025.Q3 Quarterly Compliance Filing (Q3). On March 24, 2026, the Commission asked the Division to review RMP's filing for compliance and make recommendations by April 13, 2026.

Discussion and Background

Based on Commission orders in Docket 03-035-14, RMP must keep a record of changes and data inputs made to the Proxy and Partial Displacement Differential Revenue

¹ *Comments from the Division of Public Utilities*, Docket No. 25-035-30.Q1, October 3, 2025, at 1, <https://pscdocs.utah.gov/electric/25docs/2503530/342082DPUCmnts10-3-2025.pdf>.



Requirement (PDDRR) models used to calculate avoided costs and notify the Commission of these updates. Furthermore, the Commission order in Docket 14-035-140 requires RMP to classify new updates as either "Routine" or "Non-Routine".

In recent quarters, RMP's non-routine updates (specifically adopting the "Final 2025 IRP" and a "No Displacement" scenario for solar and wind) led to significant, highly contested changes in avoided cost pricing. In response, the Commission published an order on January 12, 2026, directing RMP to take no further action on implementing these newer, non-routine changes pending the conclusion of the 2025 IRP Docket. The Commission ordered RMP to maintain standard indicative pricing based on the initial Utah 2025 IRP to mitigate risks to ratepayers during the ongoing investigation.

Summary of Key Changes and Compliance Analysis

RMP's 2025.Q4 filing demonstrates compliance with the Commission's recent directives:

- **Routine Updates:** RMP updated its Official Forward Price Curve (OFPC) to December 31, 2025, market prices (2512 OFPC). This is a standard basic model input change to keep the pricing accurate and is correctly classified as a routine update.
- **Compliance with the January 12, 2026, Order (Non-Routine Updates):** RMP fully complied with the Commission's directive to halt the contested non-routine methodologies. For 2025.Q4, RMP's official indicative pricing continues to be based on the standard Utah 2025 IRP without any non-routine updates.
- **Informational Scenarios:** While maintaining the mandated standard pricing for actual requests, RMP provided the non-routine "Final 2025 IRP" and "No Displacement" calculations purely for informational completeness. RMP noted that these contested assumptions will likely be rendered moot by the 2025 IRP Update, which was filed March 31, 2026.

The Division maintains its position that RMP has complied with the approved avoided cost modeling and methodology found in the Commission's Orders in Docket Nos. 03-035-14 and 14-035-140. As ordered by the Commission on January 12, 2026, the Division supports

the Commission leaving the avoided cost pricing at the last approved levels while the parties gain a better understanding of the 2025 IRP inputs used to inform the PLEXOS model and directing RMP to refile its avoided cost quarterly updates once the process is complete. The Division reserves its right to change its position as the proceedings as this docket progresses.

Conclusion

RMP has met the requirements outlined by the Commission. The Company correctly documented its routine December 2025 OFPC updates and successfully applied the Commission's January 12, 2026, directive by retaining the Utah 2025 IRP modeling for actual indicative pricing, thereby pausing the contested non-routine updates. The avoided cost prices are properly calculated according to the Commission's currently approved interim methods.

cc: Jana Saba, RMP
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