REDACTED
Rocky Mountain Power
Docket No. 26-035-05
Witness: Thomas R. Burns

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

REDACTED
Direct Testimony of Thomas R. Burns

February 2026

I. INTRODUCTION OF WITNESS AND QUALIFICATIONS

Q. Please state your name, business address, and present position with PacifiCorp d/b/a Rocky Mountain Power ("Rocky Mountain Power" or the "Company").

A. My name is Thomas R. Burns. My business address is 825 NE Multnomah Street, Suite 600, Portland, Oregon 97232. I am currently employed as Vice President of Resource Planning and Acquisitions for PacifiCorp.

Q. Please describe your education and business experience.

A. I graduated from Illinois State University with a Bachelor of Science degree in Economics. I joined PacifiCorp in 2007 and assumed the responsibilities of my current position in September 2022. Over the course of my employment with PacifiCorp, I have held several operational, analytical, and leadership positions. My previous role was Director of Energy Supply Management, Operations, and Reliability, where I was instrumental in the design and implementation of the Western Energy Imbalance Market, a real-time energy market that automatically dispatches low-cost energy resources to generate cost savings for participating utilities and their customers.

Q. Briefly describe the responsibilities of your current position.

A. I am responsible for PacifiCorp's resource planning and procurement functions, including the Integrated Resource Plan ("IRP"), structured commercial business and valuation activities, and long-term load forecasts. Most relevant to this proceeding, I oversee the planning, analysis, and outreach processes used to develop PacifiCorp's IRP and the economic analysis that guides PacifiCorp's resource acquisitions.

Q. Have you provided testimony in previous regulatory proceedings?

A. Yes. I have provided testimony in previous regulatory proceedings before the Public

Service Commission of Utah ("Commission"), the California Public Utilities Commission, the Idaho Public Utilities Commission, the Oregon Public Utility Commission, the Washington Utilities and Transportation Commission, and the Wyoming Public Service Commission.

II. PURPOSE OF TESTIMONY

Q. What is the purpose of your testimony in this proceeding?

A. I provide economic analysis supporting Rocky Mountain Power's decision to enter into a new Large Load Service Contract ("Proposed LLSC") between Rocky Mountain Power and [redacted] ("Customer"). My testimony provides evidence that the Proposed LLSC meets the relevant statutory and administrative requirements for large load contracts as described in Utah Code sections 54-26-101 through 54-26-901 (the "Large Load Act") and Utah Administrative Rules R746-318, Large Scale Electric Requirements, effective January 1, 2026 (the "Large Load Rules"), and how approval of the Proposed LLSC is reasonable and in the public interest.

Q. Please provide an overview of your testimony.

A. The economic analysis that is the basis of my testimony demonstrates that the large load customer will bear all large load incremental costs attributable to receiving the requested electric service, and existing ratepayers will not bear costs that are justly and reasonably attributable to the Company's provision of that service. To achieve this result, the Company has structured the Proposed LLSC in a manner that ensures the large load customer pays for the market energy costs attributable to its receipt of the requested service while also collecting charges from the Customer that are adequate to

recover the Company's costs of providing that service, as described in Company witness Mr. Craig M. Eller's direct testimony. To confirm that the structure of the Proposed LLSC accomplishes this result, I undertook an analysis of the Company's resource portfolio, factoring in the proposed load service, the additional market purchases, and the "Proposed Resources" described in Mr. Eller's testimony to ensure that the Company's system remains reliable during the term of the Proposed LLSC. This analysis was accomplished using the PLEXOS optimization tool, the comprehensive simulation tool used by the Company to develop and evaluate resource portfolios in the IRP process. The new load of the Customer and the Proposed Resources were added to the 2025 IRP preferred portfolio to ensure the net addition was sufficient to maintain reliable operations. The result of my analysis determined that serving the Customer load with the Proposed Resources yields a resource portfolio that is as reliable as the 2025 IRP preferred portfolio, and that there will be no cost shifting to existing retail customers.

III. ECONOMIC ANALYSIS AND SYSTEM MODELING

Q. What additional resources were identified as necessary to reliably provide service under the Proposed LLSC?

A. Using its industry best practices and knowledge of the PacifiCorp system for resource planning and use of industry-accepted capacity accreditation programs, the Company determined that the Proposed Resources provide sufficient capacity to provide service to the Customer while maintaining overall system reliability. This capacity was later confirmed to yield a reliable portfolio in PLEXOS model runs, as I describe later in my testimony.

Q. Why were the Proposed Resources viewed as likely to be sufficient to reliably serve the new Customer load?

A. The PacifiCorp East (PACE) Control Area has an abundance of generation resources that are often dispatched lower than they could otherwise generate due to the abundance of zero fuel cost energy, including variable energy resources such as wind, solar and economic market transfers and fluctuations in customer energy usage. However, during certain periods of the year, particularly in summer months, it can be challenging to have sufficient capacity [redacted] to shift available energy into peak customer usage periods.

Q. Please summarize the modeling tools and methodology the Company used in its system analysis of the Proposed LLSC.

A. The analysis is based on simulations conducted using the PLEXOS modeling tool, which was used to evaluate system conditions for the term of the Proposed LLSC. The analysis was based upon the preferred portfolio identified in the Company's 2025 IRP released on March 31, 2025, with production tax credits and investment tax credits included consistent with then-current law prior to the passage of the One Big Beautiful Bill Act (H.R. 1) in July 2025. PLEXOS is the same production cost model the Company uses to produce its IRP and to evaluate bids received in response to requests for proposals or that may be offered bilaterally by a developer.

The Company used the 2025 IRP preferred portfolio and load forecast as the base case and added the Proposed Resources. The Proposed Resources optimally dispatch in the model based on the model's forecasted locational marginal prices ("LMPs"). The demand forecast for Customer was grossed up for system losses and

added to the gross system demand. The model was allowed to run and optimize the system using economic market purchases, the economic dispatch of the Proposed Resources, and the economic dispatch of generation in the preferred portfolio in response to the increased load.

Q. How did the model address Customer costs in the economic analysis?

A. The modeling included the fact that Customer will pay, through the Reservation Charge described in Mr. Eller's direct testimony, all costs associated with the Proposed Resources, as well as other costs related to providing service. System generation resources will have increased dispatch costs as they are more frequently dispatched, and at higher marginal costs, to meet the increased need for energy with the additional Customer load. These increased dispatch costs will be reimbursed by Customer through the Energy Charge [redacted]. The direct testimony of Company witness Mr. Ramon J. Mitchell provides details about how the accounting related to Customer demand will be resolved [redacted], which will ensure that Customer pays all of the marginal costs of providing its requested load service.

Q. Does the addition of the large load increase costs for the existing system?

A. No. Although the PLEXOS modeling demonstrates that aggregate gross system costs do increase to serve the increased demand from Customer, the payment from Customer for their increase in energy at [redacted] results in a net benefit to existing customers from the optimal dispatch of system generation resources and the addition of the Proposed Resources.

Q. What is the estimated system benefit of the Company serving Customer in accordance with the Proposed LLSC with the addition of the Proposed Resources?

A. The total benefit for the system is [redacted] in nominal dollars under normal weather conditions during the term of the agreement. This is calculated as the difference between the cost paid by Customer at [redacted] less the increase in system costs associated with the 2025 IRP preferred portfolio resources. Table 1 below shows the calculation of the net benefit to existing customers identified by the PLEXOS model.

Table 1: System and Contract Costs and Resource Benefits

[redacted]

Q. How does the increased demand from the new Customer load impact current generation resources?

A. Generating resources included in the 2025 IRP preferred portfolio are estimated to increase output by over [redacted] to support the Proposed LLSC. As shown in Table 2, this includes an increase of [redacted] of gas-fired generation, [redacted] of coal-fired generation, and a [redacted] reduction of curtailment of renewable wind and solar resources. Additionally, the modeling indicates a [redacted] increase in market purchases and, therefore, that other resources not owned or contracted by the Company will also see higher utilization, as would be expected. It is important to note that available economic market transfers

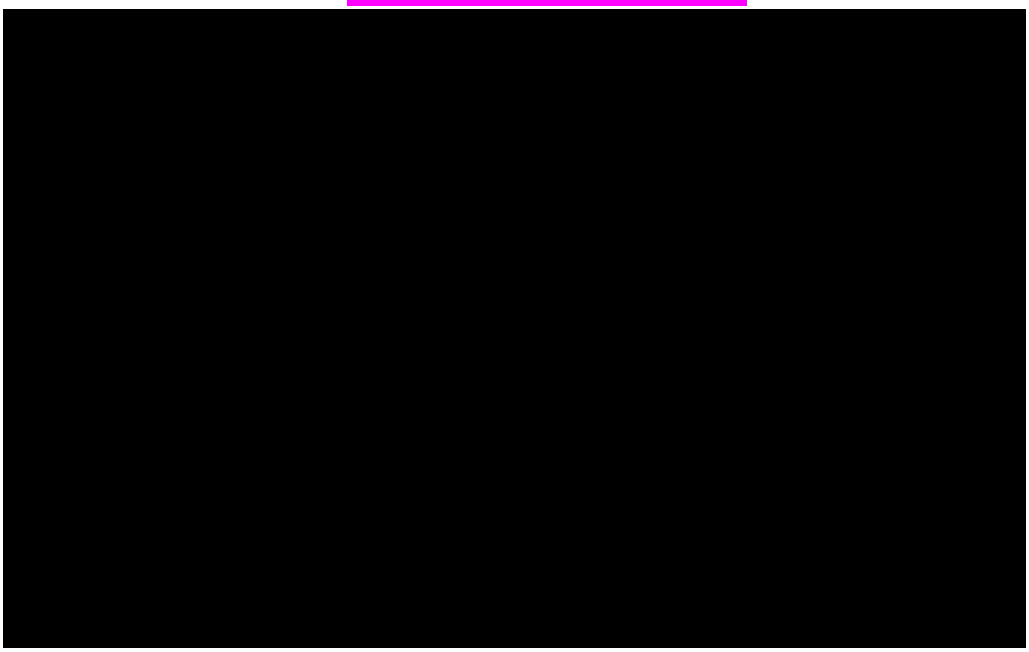
were reduced to zero during periods of peak forecast system demand. This was done to ensure that reliable load service to the customer was not dependent upon market purchases.

Q. Did the Company take any steps to further check the impact of Customer load on existing generation resources?

A. Yes, as an additional check, the Company re-dispatched both the 2025 IRP preferred portfolio and the portfolio including the new Customer load and the Proposed Resources in PLEXOS while not allowing the model to select market purchases in any hours. Table 3 shows the increase in system generation when market purchases were unavailable.

Table 2: Increase/(Decrease) in Generation (MWh) by Resource Type to Serve Load – Market Purchases Allowed

Table 3: Increase/(Decrease) in Generation (MWh) by Resource Type to Serve Load – No Market Purchases



Q. Does providing service under the Proposed LLSC negatively impact reliability?

A. No. The model results indicate that there was no material change in energy not served ("ENS") under normal conditions as compared to the 2025 preferred portfolio. A variant scenario was run that eliminated market purchases, and that resulted in a small increase of [redacted] of unserved energy over the life of the contract. This is equivalent to approximately three total hours of curtailment for the customer load over the life of the contract, which is not a material amount. The year 2013 was the most challenging stochastic year for the 2025 IRP preferred portfolio. When the stochastic year 2013 was applied to the entire life of the Proposed LLSC and was modeled with the Proposed Resources, an additional ENS of [redacted] over the life of the contract was identified. This is equivalent to approximately two hours of curtailment of the customer load over the life of the Proposed LLSC, which is not a material change from the 2025 IRP preferred portfolio.

Table 4: Energy Not Served ("ENS") in MWh

IV. CONCLUSION

Q. Please summarize the conclusions of your testimony.

A. The PLEXOS economic and reliability analysis shows that the decision to enter the Proposed LLSC is prudent and will not cause harm to its retail customers.

Q. What is your recommendation to the Commission?

A. I recommend that the Commission determine that the Company's decision to enter into the Proposed LLSC is prudent, in the best interest of Rocky Mountain Power's retail customers, and is compliant with the requirements laid out in the Large Load Act.

Q. Does this conclude your direct testimony?

A. Yes.