

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of Large-Load Service Contract Between PacifiCorp and a Large-Load Customer)
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Docket No. 26-035-05

DIRECT TESTIMONY OF

CAMERON IRMAS

FOR THE

OFFICE OF CONSUMER SERVICES

March 03, 2026

Redacted

1 **Q. WHAT IS YOUR NAME, BUSINESS ADDRESS AND OCCUPATION?**

2 A. My name is Cameron Irmias. My business address is 160 East 300 South
3 Salt Lake City, Utah 84111. I am a Utility Analyst for the Utah Office of
4 Consumer Services (“OCS”).

5 **Q. PLEASE DESCRIBE YOUR QUALIFICATIONS FOR PROVIDING**
6 **TESTIMONY IN THIS PROCEEDING.**

7 A. I have a Bachelor of Science in Economics from the University of California,
8 Berkeley, and a Master of Science in Mechanical Engineering from Oregon
9 State University. I have a background in energy systems modeling, and
10 prior to joining OCS, I worked as a Research Engineer at the National
11 Renewable Energy Laboratory. I joined OCS in 2025, attended the
12 Wisconsin Public Utility Institute’s week-long Energy Utility training
13 program, and have since contributed to OCS filings in multiple dockets,
14 including the Large Load Rulemaking proceedings (Docket No. 25-R318-
15 01). I also filed direct testimony in the Sodium Commercial Demonstration
16 Plant Power Purchase Agreement Docket No. 25-035-55.

17 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

18 A. I will address Rocky Mountain Power’s (“RMP”) application in this
19 proceeding for the Public Service Commission of Utah (“PSC”) to approve
20 the large-load service contract (“LLSC”) between Rocky Mountain Power
21 and a large load Customer. I will discuss the factors considered in our
22 analysis and provide the OCS’s recommendations on whether RMP’s
23 request should be approved.

24 **Q. WHAT INFORMATION DID YOU USE IN YOUR REVIEW OF RMP'S**
25 **APPLICATION?**

26 A. I reviewed RMP's filed materials, including the Application; Direct
27 Testimonies of Craig Eller, Thomas Burns, and Ramon Mitchell; the
28 associated Eller Workpaper and Burns Workpapers 1-4; and the contract
29 exhibits RMP__CME(1-3). I also participated in meetings with RMP and the
30 DPU which addressed technical questions.

31 **Request for Approval of a Large-Load Service Contract**

32 **Q. RMP IS REQUESTING APPROVAL OF A LARGE-LOAD SERVICE**
33 **CONTRACT UNDER UTAH CODE § 54-26-301. WHAT CRITERIA DOES**
34 **THE STATUTE REQUIRE FOR PSC APPROVAL OF A LARGE LOAD**
35 **CONTRACT?**

36 A. Subsection 3 provides the criteria for large load contracts between a
37 customer and a qualified electric utility. To summarize, the contract must
38 ensure that large load incremental costs are allocated to the large load
39 customer, comply with all system requirements, ensure that the large load
40 customer possesses the financial security to fulfill its payment obligations,
41 specify interconnection details and terms of service, provide curtailment
42 provisions, identify incremental generation resources used to provide
43 service, and address allocations and payment of operation and
44 maintenance costs for large load facilities.

45 **Q. WHAT CRITERIA DO THE ADMINISTRATIVE RULES REQUIRE FOR**
46 **AN APPLICATION FOR APPROVAL OF A LARGE LOAD CONTRACT?**

47 The administrative rules, specifically under R746-318-210, provide
48 additional detail on requirements for large load contracts. To summarize,
49 this includes evidence demonstrating that the application meets the
50 requirements of Title 54, Chapter 26, discussed above; a copy of the
51 contract; a description of system impacts; information on large load
52 incremental costs; and a methodology for maintaining separate accounting
53 records to ensure that costs are directly assigned to the large load
54 customer.

55 **Q. DOES THE APPLICATION FILED IN THIS DOCKET MEET THE**
56 **INCREMENTAL COST ALLOCATION REQUIREMENTS DESCRIBED IN**
57 **THE STATUTE AND ADMINISTRATIVE RULES?**

58 A. Yes. The Direct Testimony of Craig M. Eller describes the separation of
59 Customer costs into three categories: a fixed-cost Reservation Charge,
60 variable-cost Energy Charge, and Surcharges. The testimony describes
61 the methodologies of each, with further details provided in the direct
62 testimonies of Mitchell and Burns.

63 The Reservation charge "...compensates [for] the capital costs of
64 the Customer load facilities allowance (i.e. metering costs), bridging
65 market purchases, incremental generation resources, and the Company's
66 return on its investment at a rate that will prevent any subsidization from

67 existing customers.”¹ The accompanying workpaper specifies a cost of
68 [REDACTED]
69 [REDACTED].² This [REDACTED]
70 [REDACTED] ensures that fixed costs are covered,
71 regardless of whether the anticipated load manifests. Furthermore, these
72 costs will be removed from revenue requirements to prevent subsidization.

73 The Energy Charge [REDACTED]
74 [REDACTED]
75 [REDACTED]
76 [REDACTED]
77 [REDACTED]
78 [REDACTED] This allows [REDACTED]
79 [REDACTED]
80 [REDACTED] ratepayer benefits, which the Company
81 estimates will reach [REDACTED] during the contract term.³ The Energy
82 Charge and RMP’s net power costs (“NPC”) will then be used to
83 determine a credit which will be removed from revenue requirements and
84 applied to the Energy Balancing Account (“EBA”).⁴

¹ 26-035-05 Direct Testimony of Craig M. Eller, L68-71.

² 26-035-05 Eller Workpaper - HIGHLY CONFIDENTIAL REG ACCESS ONLY.xlsx"

³ 26-035-05 CONFIDENTIAL Direct Testimony of Craig M. Eller, L92-94.

⁴ 26-035-05 Direct Testimony of Ramon J. Mitchell, L80-88.

85 The Surcharge describes standard tariff surcharges and riders
86 applicable to retail load service that will also be charged to the Customer.

87 [REDACTED]

88 [REDACTED]

89 [REDACTED]

90 [REDACTED] RMP expects
91 revenues of [REDACTED] from these surcharges over the contract term.⁵

92 **Q. DOES THE LLSC ENSURE CUSTOMER FINANCIAL SECURITY AS**
93 **REQUIRED BY THE STATUTE?**

94 A. Yes. [REDACTED]

95 [REDACTED] The Direct Testimony of Eller states:

96 [REDACTED]
97 [REDACTED]
98 [REDACTED]
99 [REDACTED]

100 [REDACTED]
101 [REDACTED]

102 [REDACTED] a mechanism remains to protect RMP if the
103 Customer is unable to pay their bills.

104 **Q. DOES THE FILING PROVIDE THE REQUIRED SYSTEM CONNECTION**
105 **DETAILS?**

106 A. Yes. RMP will provide service to meet [REDACTED] of load in [REDACTED],
107 Utah. The load will be served from the [REDACTED] substation, and the term of

⁵ 26-035-05 CONFIDENTIAL Direct Testimony of Craig M. Eller, L244-253.

⁶ 26-035-05 HIGHLY CONFIDENTIAL Direct Testimony of Craig M. Eller, L350-353.

108 the contract is [REDACTED].⁷ More detailed interconnection details are
109 provided in the System Impact Study Report.

110 **Q. DOES THE LLSC ADEQUATELY ADDRESS THE CURTAILMENT**
111 **REQUIREMENT?**

112 A. Yes. [REDACTED]
113 [REDACTED]
114 [REDACTED]
115 [REDACTED].⁸ This provision is critical in protecting ratepayers, as [REDACTED]
116 [REDACTED], and
117 as excess energy demand will lead to a propagation of incremental costs
118 and introduce reliability risks.

119 **Q. DOES RMP PROVIDE THE REQUIRED DESCRIPTION OF**
120 **INCREMENTAL GENERATION RESOURCES NEEDED TO SERVE THE**
121 **CUSTOMER?**

122 A. Yes. RMP has demonstrated that no new generation resources are
123 needed to meet the new load; however, its application includes a
124 Proposed Resources plan consisting of [REDACTED]
125 [REDACTED].⁹ These are
126 intended to address additional capacity needs resulting from the increased

⁷ *Id.* at L57-61.

⁸ 26-035-05 HIGHLY CONFIDENTIAL REG ACCESS ONLY Exhibit RMP__(CME-1)
HCONF, Page 14.

⁹ 26-035-05 HIGHLY CONFIDENTIAL Direct Testimony of Craig M. Eller, L156-158.

127 load. The Direct Testimony of Ramon J. Mitchell describes benefits
128 affecting all customers, including: dispatchable capacity during system
129 peak hours, potential resource adequacy benefits, and increased resource
130 sufficiency (as defined by the CAISO Resource Sufficiency Test).¹⁰

131 **Q. DOES RMP ADDRESS THE REQUIREMENT FOR ALLOCATION OF**
132 **OPERATIONS AND MAINTENANCE COSTS FOR LARGE LOAD**
133 **FACILITIES?**

134 A. Yes. The Direct Testimony of Mitchell specifies that “Customer is
135 responsible for paying its proportionate share of any shared facilities that
136 were funded by other customers...The Company tracks these payments
137 separately, and they are not included in rates for other customers.”¹¹ The
138 total agreed-upon sum for these shared costs amounts to [REDACTED].¹²

139 **Q. DOES THE FILING ADEQUATELY DEMONSTRATE THE**
140 **CUSTOMER’S IMPACT ON RMP’S SYSTEM, AS REQUIRED BY THE**
141 **ADMINISTRATIVE RULES?**

142 A. Yes. RMP has provided a System Impact Study Report, which describes
143 the facilities and improvements needed to serve the load.¹³
144 Interconnection costs will be paid for by the facility developer on behalf of

¹⁰ 26-035-05 Direct Testimony of Ramon J. Mitchell, L166-187.

¹¹ *Id.* at L241-247.

¹² 26-035-05 HIGHLY CONFIDENTIAL Direct Testimony of Craig M. Eller,
L335-338.

¹³ 26-035-05 Direct Testimony of Craig M. Eller, L319; see 26-035-05 HIGHLY
CONFIDENTIAL REG ACCESS ONLY Exhibit RMP__(CME-2) HCONF.

145 the Customer, and amount to [REDACTED].¹⁴ The Direct Testimony of
146 Thomas R. Burns addresses the impact of Customer Load on existing
147 generation resources: Table 2 depicts the projected increase and
148 decrease in generation by resource type, including market purchases. The
149 results demonstrate increases in coal and gas generation, increased
150 market purchases, and reductions in wind and solar curtailment. As
151 previously mentioned, while no new generation is needed, the Customer
152 load introduces capacity constraints—particularly in summer months—that
153 have led to the procurement of the Proposed Resources.

154 **Q. DOES RMP ADDRESS THE ALLOCATION OF TRANSMISSION COSTS**
155 **DESCRIBED IN ADMINISTRATIVE CODE R746-318-301?**

156 A. Yes. Administrative Code R746-318-301 defines requirements for
157 applications where the large load customer incurs transmission costs and
158 requires that these costs be directly assigned to the large load customer.
159 RMP reports that no third-party wheeling or incremental transmission
160 upgrades are needed to serve the Customer.¹⁵ Thus, it appears that a
161 methodology for transmission cost allocation is not needed in this case.
162 However, the OCS emphasizes that this section is critical in ensuring
163 ratepayer protections, particularly in cases where large load customers
164 make use of projects previously identified as part of RMP's long-term

¹⁴ 26-035-05 HIGHLY CONFIDENTIAL Direct Testimony of Craig M. Eller, L325-330.

¹⁵ 26-035-05 Direct Testimony of Ramon J. Mitchell, L105-112.

165 transmission plan. Thus, I believe that it is important to continue to review
166 allocation of transmission costs in LLSCs on a case-by-case basis and
167 note that this case should not be used as a template for future cases.

168 **Q. DOES THE FILING ADDRESS THE ACCOUNTING METHODOLOGY**
169 **REQUIREMENTS DESCRIBED IN THE ADMINISTRATIVE RULES?**

170 A. Yes. As I previously mentioned, fixed costs covered in the Reservation
171 Charge will not be added to revenue requirements in future rate cases.
172 Variable costs related to the Energy Charge will also be removed from
173 revenue requirements and applied as credits to the EBA. RMP has
174 proposed leveraging its existing software systems to track energy charges
175 separately for the Customer, ensuring reviewable and auditable records.

176 Details such as [REDACTED]
177 [REDACTED] will provide evidence to verify whether the system
178 benefits claimed in the application are realized.¹⁶ [REDACTED]

179 [REDACTED]
180 [REDACTED]

181 To this end, data integrity is critical in verifying not only the potential
182 benefits to ratepayers through the LLSC, but also the protections in place
183 to prevent cross-subsidization.

¹⁶ *Id.* at L63-71.

184 **Q. IN YOUR OPINION, DOES RMP ADEQUATELY ADDRESS RISKS FOR**
185 **BOTH RATEPAYERS AND THE COMPANY?**

186 A. Yes. I believe that this filing addresses risks to both ratepayers and the
187 company. On the cost side, RMP has captured its fixed costs and return
188 on investment in the Reservation Charge, which consists of the [REDACTED]
189 [REDACTED]. Removing this from revenue
190 requirements ensures that RMP still receives a return in exchange for its
191 risk, without cross-subsidization from other ratepayers. The Energy
192 Charge relies upon [REDACTED]
193 [REDACTED]. By capturing
194 these costs within the credit, and in turn removing them from revenue
195 requirements and applied to the EBA, ratepayers are protected from
196 paying for [REDACTED]. Finally,
197 these cost allocation methodologies are bolstered by [REDACTED]
198 [REDACTED], protecting the company and
199 ratepayers should the Customer be unable to pay.

200 On the capacity side, the Application demonstrates that RMP has
201 the necessary headroom to serve this Customer without the need for
202 additional procured generation. As previously mentioned, existing
203 dispatchable generation, namely coal and gas, will increase, renewable
204 curtailment will decrease, and market purchases will increase. As with the
205 incremental transmission costs discussed earlier, the fact that additional
206 generation is not needed in this case eliminates complexities that will likely

207 arise in future LLSC dockets. Finally, the Proposed Resources, [REDACTED]
208 [REDACTED], are used to support this
209 capacity, particularly during times of grid stress, and to meet resource
210 adequacy and resource sufficiency requirements established by CAISO.
211 Again, fixed and variable costs for these resources are excluded from net
212 power costs in rate cases and the EBA; thus, capacity-related cross-
213 subsidization risks are mitigated in this case.

214 **Q. DO YOU AGREE WITH RMP'S ASSESSMENT OF POTENTIAL**
215 **BENEFITS TO RATEPAYERS?**

216 A. In general, yes. The benefits described in this filing stem from system
217 economic dispatch, contributions to programs such as DSM via
218 Surcharges, applicable state taxes, and capacity-related benefits. System
219 economic dispatch benefits result when [REDACTED]
220 [REDACTED]. Many
221 factors make quantifying the total system benefit difficult. [REDACTED]
222 [REDACTED]
223 [REDACTED]
224 [REDACTED]
225 [REDACTED]. In
226 practice, we may see benefits above or below the estimates provided,
227 though if [REDACTED], ratepayer
228 benefits will shrink.

229 [REDACTED] The
230 benefits analysis depends on [REDACTED].
231 This is a practical choice, as [REDACTED]
232 [REDACTED]. However, because [REDACTED]
233 [REDACTED]
234 [REDACTED]
235 [REDACTED], it will certainly look different in practice. Again,
236 this may push the benefits in either direction relative to the estimate, but
237 these changes are likely small in magnitude. In my opinion, while [REDACTED]
238 [REDACTED], in
239 general [REDACTED]
240 [REDACTED]. Thus, I agree with
241 the potential for benefits resulting from the proposed [REDACTED]
242 [REDACTED].

243 Customer behavior also introduces the potential to shrink [REDACTED]
244 [REDACTED] benefits: [REDACTED]
245 [REDACTED] they may use less than the model forecasts. [REDACTED]
246 [REDACTED]
247 [REDACTED]
248 [REDACTED]
249 [REDACTED]
250 [REDACTED]

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Summary and Recommendations

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Q. WHAT IS THE OCS'S RECOMMENDATION FOR THE REQUEST THAT RMP HAS MADE IN THIS FILING?

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A. The OCS has reviewed RMP's Application and supporting information, and the LLSC appears to meet the requirements of Title 54, Chapter 26, "Large Load Service Requirements," as well as the associated Administrative Rules, R746-318. Therefore, the OCS recommends that the PSC approve this request.

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Q. DOES THAT CONCLUDE YOUR TESTIMONY?

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A. Yes.

¹⁷ 26-035-05 Eller Workpaper - HIGHLY CONFIDENTIAL REG ACCESS ONLY.xlsx",
Estimated Service Costs Sheet, Columns H-O.