
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

Docket No. 26-035-05

DIRECT TESTIMONY

OF

JUSTIN BIEBER

On Behalf of the

Utah Association of Energy Users

March 3, 2026

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DIRECT TESTIMONY OF JUSTIN BIEBER

I. INTRODUCTION

Q. Please state your name and business address.

A. My name is Justin Bieber. My business address is 111 E Broadway, Suite 1200, Salt Lake City, Utah, 84111.

Q. By whom are you employed and in what capacity?

A. I am a Principal for Energy Strategies, LLC. Energy Strategies is a private consulting firm specializing in economic and policy analysis applicable to energy production, transportation, and consumption.

Q. On whose behalf are you testifying in this proceeding?

A. My testimony is being sponsored by the Utah Association of Energy Users (“UAE”).

Q. Please describe your professional experience and qualifications.

A. My academic background is in business and engineering. I earned a Bachelor of Science in Mechanical Engineering from Duke University in 2006 and a Master of Business Administration from the University of Southern California in 2012. I am also a registered Professional Civil Engineer in the state of California. I joined Energy Strategies in 2017, where I provide regulatory and technical support on a variety of energy issues, including regulatory services, transmission and renewable development, and financial and economic analyses. While at Energy Strategies, I have filed and supported the development of testimony before various state utility regulatory commissions.

26 Prior to joining Energy Strategies, I held three positions at Pacific Gas and
27 Electric Company (“PG&E”) as Manager of Transmission Project Development,
28 ISO Relations and Federal Energy Regulatory Commission (“FERC”) Policy
29 Principal, and Supervisor of Electric Generator Interconnections. During my career
30 at PG&E, I supported multiple facets of utility operations, and led efforts in policy,
31 regulatory, and strategic initiatives, including supporting the development of
32 testimony before and submitting comments to the FERC, California Independent
33 System Operator, and the California Public Utilities Commission.

34 **Q. Have you testified previously before this Commission?**

35 A. Yes. I testified in the following proceedings before this Commission:

- 36 • Dominion Energy Utah’s (“DEU”) request for approval to construct an LNG
37 Facility, Docket No. 19-057-13;
- 38 • Rocky Mountain Power’s (“RMP”) 2020 general rate case, Docket No. 20-035-
39 04;
- 40 • RMP’s application for alternative cost recovery for major plant additions,
41 Docket No. 21-035-42;
- 42 • RMP’s application for a certificate of public convenience and necessity for the
43 Gateway South Transmission Project, Docket No. 21-035-54;
- 44 • RMP’s 2024 general rate case, Docket No. 24-035-04;
- 45 • Enbridge Gas Utah’s 2025 general rate case, Docket No. 25-057-06; and
- 46 • RMP’s application for approval of the 2026 Inter-jurisdictional cost allocation
47 protocol, Docket No. 25-035-47.

48 **Q. Have you filed testimony previously before any other state utility regulatory**
49 **commissions?**

50 A. Yes. I have testified in more than 80 regulatory proceedings on the subjects of
51 utility rates and regulatory policy before state utility regulators in Colorado,
52 Indiana, Kansas, Kentucky, Michigan, Montana, Nevada, New Mexico, North
53 Carolina, Ohio, Oklahoma, Oregon, Pennsylvania, Texas, Virginia, Washington,
54 West Virginia, and Wisconsin.

55

56

II. OVERVIEW & CONCLUSIONS

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

58 A. In my testimony I address Rocky Mountain Power's ("RMP's") request for
59 approval of its proposed accounting treatment associated with the proposed Large
60 Load Service Contract ("LLSC").

61 **Q. What are your primary conclusions and recommendations?**

62 A. To be clear, I am not taking a position on RMP's request for approval of the LLSC
63 with a large load customer. However, in its Application RMP also seeks
64 Commission approval of its proposed accounting treatment associated with the
65 LLSC,¹ which has cost allocation and ratemaking implications for RMP's existing
66 retail customers.

67 RMP asserts that its proposed accounting treatment will protect existing
68 customers from subsidizing the new large load, ensure transparency, and comply

¹ Direct Testimony of Craig M. Eller, p. 2.

69 with applicable laws and Commission rules.² However, the documentation
70 supporting RMP's Application is heavily redacted. UAE has been coordinating
71 with RMP to obtain access to targeted and specific details that have been designated
72 as Highly Confidential that are necessary to evaluate RMP's claim that its proposed
73 accounting treatment will protect existing customers from subsidizing the new large
74 load. As of the date that I have drafted this testimony, UAE has not been granted
75 access to certain key details necessary to validate this claim.

76 Accordingly, I recommend that the Commission refrain from approving
77 RMP's proposed accounting treatment until intervening parties such as UAE have
78 been provided a meaningful opportunity to review the relevant details of the
79 proposed accounting treatment and respond on the record, whether in rebuttal
80 testimony or through another appropriate procedural mechanism.

81

82 III. PROPOSED LLSC ACCOUNTING TREATMENT

83 **Q. Please describe the general structure of the LLSC.**

84 A. RMP witness Mr. Craig Eller explains that the proposed LLSC provides the
85 conditions under which RMP would provide full-requirements retail service to a
86 single large load customer. The proposed LLSC includes (1) a Reservation Charge
87 designed to recover fixed-costs; (2) an Energy Charge to recover variable costs
88 based on energy usage; and (3) applicable surcharges and taxes.³

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² Direct Testimony of Ramon J. Mitchell, p. 2.

³ Direct Testimony of Craig M. Eller, p. 4.

90 **Q. Please describe the Reservation Charge.**

91 A. Mr. Eller explains that the Reservation Charge is designed to recover the capital
92 costs associated with the customer's load facilities allowance (i.e., metering costs),
93 bridging market capacity purchases, incremental generation resources, and the
94 Company's return on its investment at a level intended to prevent any subsidization
95 by existing customers.⁴

96 **Q. How does RMP propose to prevent subsidization from existing customers for
97 costs and revenues associated with the Reservation Charge?**

98 A. Mr. Eller explains that the Company is responsible for constructing the customer's
99 load facilities and identifying and procuring new resources necessary to support
100 system reliability, and that those costs will be borne by the Company and recovered
101 through the Reservation Charge. He states that revenue from the Reservation
102 Charge will be removed from the Company's revenue requirement and net power
103 costs ("NPC"). In addition, the associated costs of the load facilities, bridging
104 market capacity purchases, incremental generation resources, and the Company's
105 return will likewise be excluded from revenue requirements to ensure that existing
106 customers are not subsidizing the new load. Mr. Eller further states that no
107 incremental transmission costs are incurred as a result of the Proposed LLSC.⁵

108 **Q. Please describe the Energy Charge.**

109 A. The details of the Energy Charge have been redacted, and as of the time that I have
110 drafted this testimony, I have not had access to this information. However, Mr.

⁴ Id. p. 4.

⁵ Id.

111 Eller asserts that the design of the Energy Charge will provide opportunities for
112 existing resources to be economically dispatched to meet the new large customer's
113 load, providing margin benefits to other system customers as well as accounting for
114 losses and the payment for the use of transmission paths.⁶

115 **Q. How does RMP propose to prevent subsidization from existing customers for**
116 **costs and revenues associated with the Energy Charge?**

117 A. RMP witness Ramon Mitchell explains that in each of the Company's rate cases
118 going forward, the Company proposes to apply a credit equal to the total forecasted
119 large load customer's Energy Charge against the forecasted net power costs, which
120 is intended offset incremental costs associated with the customer's energy usage
121 and ensure that these costs are removed from the net power costs calculation used
122 to set rates for other customers. Similarly, in Utah Energy Balancing Account
123 ("EBA") filings, the Company proposes to apply a credit equal to the actual
124 invoiced Energy Charges against the actual net power costs, which is intended to
125 ensure that incremental costs related to meeting the customer's load are excluded
126 from the EBA recovery mechanism.⁷

127 **Q. What load interconnection, transmission, and shared facilities costs are**
128 **required to provide service under the LLSC?**

129 A. The details of the interconnection, transmission, and shared facilities requirements
130 have been redacted, and as of the time that I have drafted this testimony, I have not
131 had access to this information. However, Mr. Eller states that the large load

⁶ Id. pp. 4-5.

⁷ Direct Testimony of Ramon J. Mitchell, p. 4.

132 customer's interconnection improvements have been fully paid and that no
133 transmission upgrades were identified as necessary for the Company to provide
134 Network Integration Transmission Service ("NITS") to the new large load
135 customer. Additionally, Mr. Eller states that the large load customer has agreed to
136 pay its proportionate share of the cost for shared facilities funded by other
137 customers.

138 **Q. Please explain why you are unable to review and validate RMP's assertion that**
139 **the proposed accounting treatment will prevent existing retail customers from**
140 **subsidizing the new large load?**

141 A. I am unable to review and validate RMP's assertion because, as of the time of
142 drafting this testimony, I have not been granted access to review key components
143 of the proposed accounting treatment and supporting analyses which have been
144 designated as Highly Confidential. Although RMP describes its accounting
145 framework at a high level, additional details are necessary to independently perform
146 a substantive review.

147 For example, as I explain above, the Company proposes to apply a credit
148 equal to the total forecasted large load customer's Energy Charge revenues against
149 the forecasted NPC, which is intended to offset incremental costs associated with
150 the large load customer's energy usage. Thus the energy credits that are removed
151 from the NPC must be at least equal to or greater than then incremental costs
152 attributable to the large load customer. However, I cannot validate whether the
153 proposed energy credits would be equal to or greater than the incremental cost

154 without having access to sufficient detail to compare the credits to the incremental
155 cost.

156 Additionally, it is unclear how the proposed accounting treatment will
157 prevent existing retail customers from subsidizing the cost of shared facilities. For
158 example, even though RMP states that the Customer has agreed to pay its
159 proportionate share of the cost for shared facilities funded by other customers, the
160 redacted record does not allow me to assess whether those facilities also provide
161 benefits to existing customers or whether any portion of the associated costs will
162 ultimately be borne by retail ratepayers.

163 Similarly, RMP states that no transmission upgrades were required for the
164 Company to provide NITS on behalf of the large load customer. However, even
165 though no new transmission upgrades are required, the large load customer will
166 utilize capacity on the existing transmission system, capacity that would otherwise
167 be available for other purposes, and will increase the coincident peak loads used to
168 determine the cost of NITS. An increase in coincident peak load may increase the
169 portion of PacifiCorp Transmission's revenue requirement allocated to
170 PacifiCorp's merchant function, relative to other wholesale transmission
171 customers. Based on the redacted information that has been provided to me, it is
172 unknown to what extent the large load customer will utilize existing transmission
173 infrastructure or to what extent it will pay for embedded transmission costs
174 commensurate with its contribution to the Company's overall transmission revenue
175 requirement.

176 RMP also represents that interconnection improvements have been fully
177 paid, and that the Customer has agreed to pay its proportionate share of the cost for
178 shared facilities funded by other customers. However, the redacted record does not
179 provide enough information to evaluate the accounting treatment of those assets for
180 ratemaking purposes. It is unclear whether the Company will require contributions
181 in aid of construction (“CIAC”) or other direct payments such that the assets will
182 not be placed into rate base, or whether certain costs have already been, or will be,
183 included in rate base and offset through contractual revenues, or whether some
184 other mechanism will be used.

185 Without clarity on these issues or access to sufficiently detailed workpapers,
186 I cannot verify that the proposed accounting treatment will ensure that existing
187 customers are held harmless.

188 **Q. Do you have a recommendation for the Commission?**

189 A. As indicated above, I do not oppose the Company’s request to approve the LLSC.
190 However, in its Application RMP also seeks Commission approval of its proposed
191 accounting treatment associated with the LLSC,⁸ which has cost allocation and
192 ratemaking implications for RMP’s existing retail customers.

193 RMP asserts that its proposed accounting treatment will protect existing
194 customers from subsidizing the new large load, ensure transparency, and comply
195 with applicable laws and Commission rules.⁹ However, the documentation
196 supporting RMP’s Application is heavily redacted. UAE has been coordinating

⁸ Direct Testimony of Craig M. Eller, p. 2.

⁹ Direct Testimony of Ramon J. Mitchell, p. 2.

197 with RMP to obtain access to targeted and specific details that have been designated
198 as Highly Confidential that are necessary to evaluate RMP's claim that its proposed
199 accounting treatment will protect existing customers from subsidizing the new large
200 load. As of the date that I have drafted this testimony, UAE has not been granted
201 access to certain key details necessary to validate this claim.

202 Accordingly, I recommend that the Commission refrain from approving
203 RMP's proposed accounting treatment until intervening parties such as UAE have
204 been provided a meaningful opportunity to review the relevant details of the
205 proposed accounting treatment and respond on the record, whether in rebuttal
206 testimony or through another appropriate procedural mechanism.

207 **Q. Does this conclude your direct testimony?**

208 A. Yes, it does.