

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

**Application of PacifiCorp d/b/a Rocky
Mountain Power for Approval and Report
of the Sale of Washington Service Area
and an Accounting Order**

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Docket No. 26-035-20

DIRECT TESTIMONY OF

CAMERON IRMAS

FOR THE

OFFICE OF CONSUMER SERVICES

AUGUST 25, 2026

I. QUALIFICATIONS AND SUMMARY

Q. PLEASE STATE YOUR NAME, TITLE, AND BUSINESS ADDRESS.

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

Q. PLEASE SUMMARIZE YOUR QUALIFICATIONS AND EXPERIENCE.

A. I earned a Bachelor of Science in Economics from the University of California, Berkeley, and a Master of Science in Mechanical Engineering from Oregon State University. I have a background in energy systems modeling, and prior to joining OCS, I worked as a Research Engineer at the National Laboratory of the Rockies. I joined OCS in 2025, and received regulatory training through Wisconsin Public Utility Institute, New Mexico State University, and The National Association of Regulatory Utility Commissioners (NARUC). I have since contributed to OCS filings and submitted direct testimony in several Rocky Mountain Power (“RMP”) dockets.

Q. PLEASE DESCRIBE THE COMPANY’S REQUEST IN THIS DOCKET.

A. The Company requests PSC approval of the sale of its Washington service area under Utah Admin. Code R746-401-3(B), and pursuant to a Utah merger commitment (“Commitment U2”).¹ Furthermore, the Company requests that the PSC apply a public interest standard under Utah Code Ann. § 54-4-30, which states that utility asset purchases must be “in the public interest.”² The Company claims that the Service Area Transfer is in the public interest and will provide benefits to Utah customers.

¹ Docket No. 05-035-54, First Report and Order at 35.

² Utah Code § 54-4-30

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

24 A. I introduce the witnesses who will provide economic and accounting testimony on behalf
25 of the OCS in this case and provide the OCS's recommendations regarding RMP's request
26 for approval of the sale of its Washington ("WA") service area and certain generation,
27 transmission, and distribution assets to a subsidiary of Portland General Electric ("PGE"),
28 and for approval of an accounting order.

29 **Q. PLEASE IDENTIFY THE WITNESSES FOR THE OFFICE AND THEIR**
30 **GENERAL AREA OF TESTIMONY.**

31 A. The OCS introduces Leah Wellborn of J. Kennedy and Associates, Inc., who offers direct
32 testimony addressing the economic analysis provided by RMP in support of its request,
33 including Resource Adequacy ("RA"), Net Power Cost ("NPC"), and Renewable Energy
34 Certificate ("REC") valuation, identifying inconsistencies that affect considerations
35 whether the request meets the public interest standard.

36 The OCS also introduces Lane Kollen of J. Kennedy and Associates, Inc., who
37 offers direct testimony addressing the public interest standard and ratemaking implications
38 of the proposed transaction, including non-NPC components, allocation of the goodwill,
39 remeasurement of accumulated deferred income taxes ("ADIT") as an offset to the gain
40 allocated to Utah, and the three-year rate credit to Utah customers.

41 **Q. PLEASE PROVIDE A SUMMARY OF THE OCS'S CONCLUSIONS AND**
42 **RECOMMENDATIONS IN THIS CASE.**

43 A. The testimonies presented by Ms. Wellborn and Mr. Kollen demonstrate that RMP's
44 economic analysis provides an incomplete quantification of the transaction's long-term
45 costs and benefits, resulting in an overestimation of the benefits to Utah. The OCS notes

that the two-year snapshot presented in the company's analysis provides an incomplete and inconsistent analysis and does not appropriately capture non-NPC, NPC, and RA benefits (or harms) based on a consistent set of system resources. The OCS presents a revised economic analysis, including corrections to valuations for RA, RECs, and multi-state income tax rates, as well as adjustments regarding the possible effects on the Company's Weighted Average Cost of Capital ("WACC") and post-transaction capital structure. These adjustments result in a revised estimate of the system-wide and the Utah-allocated non-NPC revenue requirements.

The OCS's revised economic analysis demonstrates a net harm to Utah in the post-transition period. The OCS recommends the PSC impose conditions that provide additional protections to Utah customers to meet the public interest standard, which are summarized below and comprehensively addressed in the testimonies of Wellborn and Kollen:

- Cap the equity ratio resulting from the use of cash sales proceeds to rebalance the capital structure and disallow increases in the average cost of debt caused by the use of cash sales proceeds for early redemptions of debt.
- Cap the state income tax rate to no more than the Utah statutory state income tax rate.
- Correct calculations in the Company's economic analysis related to the revenues received from the transaction, corporate overhead costs, transmission costs, and revenue offsets. These corrections address errors that both overstated and understated the harm to customers.

- 67 • Reject the ADIT remeasurement as a reduction to the gain allocated to the non-
68 Washington states, and instead directly assign the ADIT remeasurement to
69 PacifiCorp.
- 70 • Allocate the entirety of the gain after offsetting reductions, as corrected in the
71 OCS economic analysis, and after the required payments by PacifiCorp to GEM
72 for Washington customers, to non-Washington states.

73 Finally, the OCS concludes that the Washington jurisdiction is receiving the
74 resources included in the transaction and in the Bridge Power Purchase Agreement
75 (“Bridge PPA”) at a cost below market value, and thus any allocation of the gain to
76 Washington or PacifiCorp should not be at the detriment of the remaining jurisdictions.

77 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

78 A. Yes.