

REPLY COMMENTS OF TORUS INC.

To: Public Service Commission of Utah

From: Torus Inc.

Cara Baldwin, Chief Legal Officer (cara-baldwin@torus.co)

Re: **Docket No. 26-035-30: In the Matter of Rocky Mountain Power's
Semi-Annual Demand-Side Management (DSM) Forecast Reports**

Date: August 4, 2026

I. Introduction

Torus Inc. ("Torus") respectfully submits these reply comments pursuant to the Commission's Notice of Filing and Comment Period issued July 1, 2026. Torus is a Utah-based manufacturer of hybrid energy storage and grid-support systems, headquartered in South Salt Lake, with systems deployed at commercial, institutional, and critical-infrastructure sites across the state, including systems enrolled in Rocky Mountain Power's Wattsmart programs. Torus appreciates the opportunity to offer a brief perspective as a participant in the programs funded through the Schedule 193 mechanism.

II. Torus Supports the Division's Recommendations

Torus has reviewed the Division of Public Utilities' Action Request Response dated July 22, 2026, and supports both of its recommendations. Disclosure of the carrying charge rate in the Company's accounting spreadsheet is a modest, sensible improvement in transparency. And the Division's concern about the trajectory of the net regulatory asset balance — growing from approximately \$398.6 million to a forecasted \$952 million by 2036, with associated carrying charges rising from \$31.3 million to \$76.6 million annually — is well founded. Interest paid on a deferred balance delivers no energy savings, no peak reduction, and no grid benefit to customers. Aligning annual program spending with

annual collections until the balance is restored to equilibrium is a reasonable exercise of ratepayer protection, and Torus takes no issue with the Division's proposed \$100 million cap, which reflects the Company's own long-term forecast.

III. A Respectful Observation on Flexible Load and Storage Resources

Torus offers one observation for the Commission's consideration as this and related dockets progress. The condition the Division identifies is, at bottom, a financing-structure issue: the Schedule 193 surcharge has not kept pace with program spending and carrying costs. It is not a finding that demand-side flexibility itself has become less valuable. To the contrary, as load growth accelerates and the cost and lead times of traditional grid equipment continue to rise, resources that shift and shape load — including customer-sited storage — are among the least-cost tools available for reducing peak demand, relieving local congestion, and deferring infrastructure investment.

Torus's respectful suggestion is simply that, as the Commission acts on the Division's recommendations, it distinguish between the *accounting mechanism* and the *resources*. The proper measure of any ratepayer dollar is the grid function it purchases; the Division's concern with carrying charges reflects precisely that principle, and it is the standard by which flexible-load and storage resources ask to be judged. Storage sited at congested points on the system illustrates the point. When transmission and distribution facilities are congested, the lowest-cost energy on the system — often renewable generation available at minimal busbar cost — is curtailed or displaced, and higher-cost units are dispatched in its place. Every hour of that substitution raises the delivered cost of energy for customers without any offsetting benefit. A storage resource that relieves the congestion allows that low-cost energy to reach the load it was generated to serve, reduces line losses by flattening peak flows, and defers the need for capital additions whose equipment costs and lead times have risen sharply in recent years. Each of those effects lowers costs to customers directly — the same objective that animates the Division's recommendations in this docket.

Where such resources perform functions comparable to traditional grid infrastructure, there may be circumstances in which evaluating and recovering their costs through infrastructure-based frameworks, rather than through the Schedule 193 program account,

better matches costs with the function performed. Such pathways would also, incidentally, relieve pressure on the very account balance the Division seeks to stabilize.

Torus does not ask the Commission to open or expand any proceeding here. Torus raises the point only so that the record reflects that program-account discipline and continued deployment of cost-effective grid-support resources are complementary goals, not competing ones.

IV. Conclusion

Torus thanks the Division for its careful analysis and the Company for its transparency and collaboration with the DSM Steering Committee, and respectfully urges the Commission to acknowledge the report and adopt the Division's recommendations.

Respectfully submitted this 4th day of August, 2026.

cc: Rocky Mountain Power (Michael.Snow@PacifiCorp.com,
datarequest@pacificorp.com)

Division of Public Utilities (chrisparker@utah.gov, dpudatarequest@utah.gov)

Office of Consumer Services (mbeck@utah.gov, ocs@utah.gov)