



State of Utah

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Public Service Commission

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JOHN S. HARVEY, Ph.D.
Commissioner

September 28, 2026

Ms. Jana Saba
Rocky Mountain Power
1407 W North Temple, Suite 330
Salt Lake City, UT 84116
jana.saba@pacificorp.com

Data Request Response Center
PacifiCorp
825 NE Multnomah St., Suite 2000
Portland, OR 97232
datareq@pacificorp.com

Re: *Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities*; Docket No. 26-035-T06

Dear Ms. Saba:

The Public Service Commission (PSC) reviewed Rocky Mountain Power's (RMP) August 24, 2026, Compliance Tariff Revisions¹ and its April 30, 2026, filing (together, the "Filing"). The Filing: (1) revises RMP's Electric Service Schedule No. 37 ("Schedule 37"), Avoided Cost Purchases from Qualifying Facilities Sheet Nos. 37.3 through 37.7 ("Tariff Revisions"); (2) incorporates the preferred portfolio (the "Preferred Portfolio") from RMP's 2025 IRP, filed on March 31, 2025, and acknowledged on June 25, 2026 (the "2025 IRP"); and (3) proposes non-routine changes to RMP Electric Service Schedule No. 38² ("Schedule 38"). RMP states the Filing is consistent with the

¹ On April 30, 2026, RMP filed its annual 2026 avoided cost update ("April 2026 Update") in this docket. On May 29, 2026, the PSC declined to approve the April 2026 Update and, based in part on the PSC's order in Docket No. 25-035-T03 ("Order to Suspend"), directed RMP to refile within 60 days of a PSC order regarding RMP's 2025 IRP, in Docket No. 25-035-22. The PSC issued an Order in Docket No. 25-035-22 on June 25, 2026.

² Instead of continuing to provide forecasted non-firm avoided cost pricing based on the then-current Schedule 37 at the time of delivery (*i.e.*, as it is updated through time), RMP proposes that non-firm Qualifying Facilities ("QF") be compensated using the actual locational marginal price ("LMP") results from the WEIM Fifteen Minute Market ("FMM") for the QF's delivery point, or at a nearby point if a QF is too small to have a reported price. RMP recommends that compensation be based on hourly deliveries and the simple average of the four FMM prices, rather than weighted based on volumes in each 15-minute interval to reduce the administrative complexity of the calculation and while being comparable to current billing practices which are based on hourly output. RMP recommends that published

requirements set forth in the PSC's February 12, 2009, Order in Docket No. 08-035-78³ and its November 28, 2012, Clarification and Procedural Order in Docket No. 12-035-T10.⁴ The Tariff Revisions reflect an effective date of October 1, 2026. The PSC issued a Notice of Filing and Comment Period seeking comments on the Filing by September 11, 2026, and reply comments by September 18, 2026.

The Division of Public Utilities (DPU) submitted comments on September 11, 2026 recommending the PSC approve the Tariff Revisions.⁵ DPU comments the strategic alignment of Schedule 37 avoided cost rates with the 2025 IRP ensures that rates paid to QFs accurately reflect the costs RMP would otherwise incur. DPU indicates the July 4, 2025, enactment of the One Big Beautiful Bill Act ("OBBBA") has shifted the energy resource planning environment by repealing major portions of the Inflation Reduction Act, which reduces renewable solar and wind generation tax credits. DPU explains RMP prepared the 2025 IRP Update to reflect new federal tax credit realities alongside routine updates to load forecasts, forward market price curves, and WRAP regional reliability standards. Transitioning to the 2025 IRP Update ensures that Schedule 37 avoided cost rates remain grounded in the utility's most current preferred portfolio and market assumptions and complies with the PSC's Order to Suspend. As federal subsidies for variable energy resources were removed, the economic competitiveness of dispatchable resources shifted, fundamentally changing the avoidable resource mix. According to DPU, this necessitates a granular look at the data changes within the Preferred Portfolio to ensure the tariff remains just and reasonable.

DPU verified 2025 IRP Update data by confirming the calculation methodologies, ensuring alignment with the Preferred Portfolio, and checking the planning reserve margins, which serve as the foundation for the estimated costs and energy values used in Schedule 37. DPU states the Filing accurately incorporates the fundamental shifts in the planning environment necessitated by the OBBBA and the regional reliability requirements of the WRAP. DPU also confirms the Filing aligns with the 2025 IRP Update and concludes that RMP has complied with the Order to

integration costs in Schedule 37 be subtracted from WEIM pricing results for wind and solar QFs under non-firm pricing for both Schedules 37 and 38, impacting only non-firm QFs, and would have no impact on pricing for firm QFs under the approved Proxy and Partial Displacement Differential Revenue Requirement avoided cost methodologies.

³ In its February 12, 2009 Report and Order Directing Tariff Modifications in Docket No. 08-035-78 (at page 24, ¶ 2), the PSC required RMP to update the avoided cost pricing in Schedule 37 annually, concurrent with the approval and establishment of rates for larger commercial and industrial customers based on the FERC Form No. 1 method, consistent with the updating requirements for the FERC Form No. 1 method.

⁴ In its November 28, 2012 Order in Docket No. 12-035-T10 (at page 7, ordering paragraph 2), the PSC required RMP to file future annual proposed rates for Schedule 37 within 30 days of filing its IRP or IRP Update or by April 30 of each year, whichever occurs first.

⁵ No other party filed comments, and no party filed reply comments by September 18, 2026.

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Suspend and the Tariff Revisions are just, reasonable, and based on the acknowledged 2025 IRP. Accordingly, DPU recommends the PSC approve the Tariff Revisions, as filed.

Based on the PSC's review of the Filing and DPU's recommendation, and there being no opposition, the PSC approves the Tariff Revisions as filed, effective October 1, 2026.

Sincerely,

/s/ Gary L. Widerburg
PSC Secretary
DW#347172