

Docket No. 25-057-06
DPU Data Request No. 22.02
Requested by the Division of Public Utilities
Date of EGU Response: August 1, 2025

DPU 22.02: In reference to Exhibit 5.14, Tab “Rate Base”: For FERC account 394, Tools, Shop & Garage Equipment—Utah, why did the category decline from Jan 23 to Dec 24, but is projected to rise significantly by YE RB Dec 2025? Please explain the factors driving this increase. How were the increases for years 2025 and 2026 projected? Please provide the details of the methodology and any calculations used to arrive at these projections. Were the projections based on a historical trend?

Answer: Capital spend for 394 related projects from prior years has accumulated in the 106 account while retirements have decreased the 394 account on the 101 side.

In 2025, the company is moving \$18.2 million of prior capital spend from the 106 account to the 394 account. This can be seen on row 31, column K of the 101_106 projection tab of 25-057-06 EGU exhibit 5.14U. This change can also be seen on row 11102 of 25-057-06 EGU exhibit 5.14U on the rate base tab. The 106 account goes from \$116.8 million YE 2024 to 0 YE 2025, and \$18.2M of that decrease is related to the 394 account.

In 2025, the 394 account is expected to increase by \$19.4 million, with the \$18.2 million transfer related to capital spent in prior periods making up the large majority of that increase. Other items impacting this change include capital spend during 2025 (in the capital increase column), less retirements, and less the portion expected to remain in the 107 at the end of 2025 (refer to the 101/106 Projection Tab of EGU Exhibit 5.14U). The capital increase columns for 2025 and 2026 represent budgeted capital spend for projects identified in 2025 and 2026. The retirement column is based on historical retirement amounts in prior years. The 106/107 to close columns are based on the balances as of December 2024. Forecasted capital remaining in the 107 account is based off a 5-year average of expenditures remaining in the 107. After the company calculates the net additions for 2025 and 2026, it spreads that amount over a 12-month period based off prior year changes in the RB Forecast Tab.

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