

Docket No. 25-057-06
DPU Data Request No. 22.01
Requested by the Division of Public Utilities
Date of EGU Response: August 1, 2025

DPU 22.01: In reference to Exhibit 5.14, Tab “Rate Base”: For FERC account 380 Services, the rate base amount is virtually unchanged from Jan 23 to Nov 24. In Dec 24 there is a large increase, and there is a further increase to the YE RB DEC 2025 amount.

(1) Please give a brief overview of the categories of items that are included in the 380 FERC account.

(2) What was the percentage increase in this account (380 Services-Utah) for the three-year period from Jan 2020 to Dec 2022?

(3) Why was there a large increase in Dec 2024 in the Utah 380 FERC account, after almost two years of mostly flat values (from Jan 23 to Nov 24)? Please give a rough breakdown of the categories of items, and the factors that caused the increase in Dec 2024 (from \$420,782,850 in Nov 24 to \$503,335,516 in Dec 2024).

(4) Please give a rough breakdown of the categories of items, and the factors that cause the projected increase from Dec 2024 to YE RB Dec 2025 (from \$503,335,516 to \$544,221,606 in YE 2025, then to \$572,449,628 at YE RB 2026, in Utah FERC 380). Please provide the details of the methodology and any calculations used to arrive at these projections. Were the projections based on a historical trend? Please explain.

Answer: (1) FERC account 380 contains cost of installing and maintaining service lines and accessories.

(2) FERC account 380 decreased by 0.03% from \$420,177,779 in January 2020 to \$420,031,218 in December 2022. The incremental investment in service lines completed during those years remained in the 106 at the end of 2022 which had balances of \$44.1 million.

(3) The main driver in the increase was due to a transfer from the 106 account to the 101 account (in account 380). For several years the incremental additions for services remained in the 106 account as they were completed. The Company transferred these balances into the 101 account during 2024.

(4) The 2025 and 2026 net additions can be found on the 101_106 projection tab of the 25-057-06 EGU Exhibit 5.14U on line 21 columns N and T respectfully. The net additions are calculated by adding the capital budget in the projected increase column, subtracting retirements, adding any 106 and 107 account balances from the prior year, and subtracting the portion of capital expenditures expected to remain

in the 107 account. 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. The 106/107 to close columns are based off of 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, they spread that amount over a 12-month period based off prior year changes in the RB Forecast Tab.

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