

Attachment B: Proposed Treatment of Revenue Requirement Information Contained in the Existing MDR A & B

The OCS believes that the revenue requirement information contained in MDR A continues to be necessary for the review of any general rate case filing and should be memorialized in rules designating a complete filing. The OCS also believes that the revenue requirement information provided in MDR B (with the following changes shown below) is also necessary for the review of any general rate case filing and should also be provided at the time of filing (as opposed to 30 days later) and should be memorialized in rules designating a complete filing. The redline version below highlights our proposed changes to the revenue requirement information of MDR B.

- 2.1 **Accounting – Changes.** To the extent not already included and fully disclosed in the Company’s filing, please provide a detailed description of Material changes in accounting policies or procedures adopted by the Company since its last Utah rate case or as anticipated through the end of the Test Year. Include a detailed description of the impact of change in accounting policy or procedure on the Test Year and identify the basis of the change.
- 2.2 **Accounting - Write-offs.** Please provide a detailed description of Material write-offs of assets and/or liabilities from the start of the Base Year To Date that affect Utah revenue requirement. For each material write-off, provide the following:
- a. Copy of journal entry recording the write-off;
 - b. Detailed description of the purpose of the write-off;
 - c. Copies of studies, report or analysis done in determining whether or not to write off the asset;
 - d. Amount of the write-off and identification of the accounts charged on a total Company and a Utah jurisdictional basis; and
 - e. Amount included in the projected Test Year for write-offs, if any, on a total Company and a Utah jurisdictional basis, by account.
- 2.3 **Affiliates - Organizational Charts.** Please provide for the Base Year and Test Year and continuing To Date, the affiliates organization chart for the company including a clear indication of affiliates, parent companies, divisions and subsidiaries indicating their regulatory status.
- 2.4 **Affiliates.** Please provide a detailed description of corporate restructurings and changes in affiliate relationships since the Company’s initial filing in the prior general rate case and also describe changes in the corporate and affiliate relationships between the Base Year and the end of the Test Year reflected in the filing.

- 2.5 **Affiliates.** Please provide a copy of Material new or Materially modified contracts or agreements entered into since the information that was provided in the prior general rate case, including attachments thereto, if relevant to the costs the utility seeks to recover from Utah ratepayers through Utah regulatory operations or costs allocated or directly charged to Utah regulated operations included in general rate case filings, between the utility and/or its parent company and affiliated companies for services and/or goods rendered between or among them. Provide a list of active contracts unless already provided in the most recent Affiliate Interest Report.
- 2.6 **Affiliates.** Please provide a copy of cost allocation manuals and/or policies and procedures that set forth the detailed cost allocation methodology and/or pricing methodology used to charge costs between affiliates that have changed since the information provided in the prior general rate case.
- 2.7 **Audit - Financial.** Please provide a copy of each adjusting journal entry made in response to the Company's independent auditors' final recommendations in their most recent audit of the Company. Include supporting documentation. Also identify and provide adjusting journal entries included in the independent auditors' final recommendations that were not accepted by or made by the Company, along with a description of why the adjustment was not accepted or made.
- 2.8 **Audit - Financial.** Please provide a copy of management letters received from the Company's outside auditors or responses to those management letters for the Base Year, the prior Historical Year and the period To Date.
- 2.9 **Audit - Financial Audit Workpapers.** Please coordinate review of the financial audit workpapers for the most recent completed financial audit conducted by the Company's independent auditors at auditor's Salt Lake City, Utah or Portland, Oregon office or other mutually agreed upon location. Provide a copy of the company's letter authorizing the external audit firm to meet with requesting parties, discuss workpapers with them and allow parties to make copies of selected workpapers.
- 2.10 **Audits - Internal.** Please provide a listing of internal audits conducted by or for the Company or its parent Company for the Base Year, the two prior Historical Years and To Date if relevant to the costs the utility seeks to recover from Utah ratepayers through Utah regulatory operations or the costs allocated or directly charged to Utah regulated operations included in general rate case filings. Noticelf any additional internal audits are completed subsequent to the response to this data request being provided by the Company , please update this response to identify any additional

internal audit reports that have been of Internal Audit reports completed during the pendency of the case ~~will be provided upon completion.~~

- 2.11 **Board of Directors - Meeting Minutes.** Please provide the Board of Directors' meeting minutes for the Base Year, the prior Historical Year and To Date for the Company and the parent company if relevant to the costs the utility seeks to recover from Utah ratepayers through Utah regulatory operations or the costs allocated or directly charged to Utah regulated operations included in general rate case filings for the same period.
- 2.12 **Budget.** Please provide complete and detailed copies of the annual operating and capital budgets for the Base Year through the end of the Test Year.
- 2.13 **Budget.** Please provide copies of operating and capital budget instructions and directives provided to employees, including assumptions, directives, manuals, policies and procedures, timelines, and descriptions of budget procedures for the budget or forecast for the Test Year and the period To Date ~~for a future Test Year filing.~~
- 2.14 **Budgets - Operating Plans.** If available, please provide written operating plans that describe the Company's goals and objectives for the Base Year through the end of the Test Year.
- 2.15 **Budget - Variance.** Please provide a complete copy of quantitative and narrative monthly, quarterly and annual comparisons of operating and capital budgets to actual expenditures for the Base Year, the prior ~~two~~ Historical Years, ~~the Test Year~~ the entire period from the base year and To Date ~~for a future Test Year filing.~~ This should include, but not be limited to, full and complete budget variance reports consisting of the entire report(s).
- 2.16 **Employee Costs.** Please provide a breakdown of the total amount of gross payroll and employee benefit costs (by benefit type) for the Base Year, the prior two Historical Years and through the end of the Test Year between amounts expensed and amounts capitalized and provide the percentage of payroll and employee benefits (by benefit type) charged to expense for each Year.
- 2.** **Employee Costs.** Please provide for the Base Year, the prior two Historical Years, subsequent period to date, and for the Test Year the amount of overtime, the amount of premium pay, the amount of other salary/labor costs and the amount of incentive compensation in total and expensed for each.

- 2.17 **Employee Costs.** Please provide a list of compensation and benefit studies the Company has for the Base Year, the prior Historical Year and To Date and indicate which of the studies were used (if any) in projecting the compensation and employee benefit costs for the Test Year.
- 2.18 **Employee Costs –Employee Levels.** Please describe, in detail, ~~Material~~ employee reductions, employee severance plans, or early retirement programs conducted by the Company during the Base Year, ~~the prior two~~ ~~Historical Years~~ and To Date and as projected through the end of the test year. Specifically identify where they~~that~~ are reflected in the filing. If not reflected, explain why not. ~~This request seeks information on major plans or programs beyond cost management efforts undertaken in the normal course of business.~~ This should include, but not be limited to, a detailed description of the plan, number of employees offered or projected to be offered early retirement or severance, number of employees accepting early retirement or severance, projected number of employees anticipated to accept early retirement or severance in the future and actual and projected cost savings and costs associated with the program. For costs incurred, identify the amounts, by FERC account, and the dates the entries were booked.
- 2.19 **Employee Costs – Employee Level.** Please list separately the budgeted and the actual number of employees (where available), by month, for the Base Year, the prior two Historical Years, the Test Year and To Date. If the labor force levels are other than full-time equivalent positions, please provide a separate listing stated in terms of full-time equivalent positions.
- 2.20 **Employee Costs – Wages & Salaries Levels.** Please show the actual percentage of increases in salaries and wages for exempt, non-exempt and union employees for the Base Year, the prior two Historical Years, the Test Year and To Date .
- 2.21 **Employee Costs - Incentive Plans.** (a) Please provide complete copies of bonus programs or incentive award programs in effect for the Company for the Base Year, the prior Historical Year, the Test Year and To Date. (b) Identify incentive and bonus program expenses incurred in the Base Year, the prior Historical Year, the Test Year and To Date and identify the amounts included in the Test Year. (c) Identify the accounts charged. (d) Identify incentive and bonus program expenses charged or allocated to the Company from affiliates or the parent company in the Base Year, the prior Historical Year, the Test Year and To Date.
- 2.22 **Employee Costs - Benefits.** Please provide a listing of health and other benefits received by employees during the Base Year. Provide a detailed description of changes to employee benefits occurring subsequent to the

Base Year To Date and anticipated future changes through the end of the Test Year. This should also include any changes to pension and Post Retirement Other Than Pension plans. Please identify whether or not the changes are reflected in the filing. If not reflected, explain why not and provide the impact on the filing if such changes had been incorporated, including workpapers, assumptions and calculations used in determining such impact.

- 2.23 **Employee Costs - Pensions.** Please provide the two most recent pension actuarial reports prepared for the Company.
- 2.24 **Employee Costs - Pensions.** Please provide all information received from the Company's outside actuaries and all information developed internally in determining the projected pension costs included in the Company's filing. This should also include any letters, emails or correspondence between the Company and its actuaries regarding assumptions to utilize in determining the projected amounts. If not clear from the information provided in response, please identify all actuarial assumptions utilized in determining the projected pension costs included in the Company's filing.
- 2.25 **Employee Costs – Post Retirement Benefits Other Than Pensions (PBOP).** Please provide the two most recent PBOP actuarial reports prepared for the Company.
- 2.26 **Employee Costs – Post Retirement Benefits Other Than Pensions (PBOP).** Please provide all information received from the Company's outside actuaries and all information developed internally in determining the projected PBOP costs included in the Company's filing. This should also include any letters, emails or correspondence between the Company and its actuaries regarding assumptions to utilize in determining the projected amounts. If not clear from the information provided in response, please identify all actuarial assumptions utilized in determining the projected PBOP costs included in the Company's filing.
- 2.27 **OMAG Expenses – Advertising.** Please provide for the Base Year, the prior Historical Year and the Test Year the amount of advertising expense, by account, by type of advertising (i.e., informational, instructional, promotional).
- 2.28 **OMAG Expenses - Dues, Industry Associations.** Please provide the amounts included in the Base Year, the prior Historical Year and the Test Year for above-the-line payments to industry associations. This response can be limited to amounts exceeding \$20,000. Identify the organization/association name and amounts, along with the account in

which the costs are included in the filing. If any of the dues or other amounts paid to the organizations/associations go toward lobbying and public relations efforts and are recorded in above the line accounts, provide the associated amounts included in the above the line accounts whether Material in magnitude or not.

- 2.29 **OMAG Expenses - Outside Services Expense.** Please provide an itemization of all outside services expenses exceeding \$40,000 included in FERC account 923 for the Base Year the subsequent period to date, and the Test Year. This listing should include identification of the vendor, description of service provided, and amounts.
- 2.30 **OMAG Expense - Injuries and Damages.** Please state the amount of injuries and damages expense for the Base Year, the prior two Historical Years, the Test Year and To Date. Also identify the amount of injuries and damages expense included in the projected Test Year in the filing.
- 2.31 **OMAG Expense - Insurance.** Please provide the amount of insurance expense, by insurance type (i.e., property insurance, liability insurance, workers compensation, directors & officers liability insurance, etc.) for the Base Year, the subsequent period to date, the prior two Historical Years and the Test Year and identify the accounts the associated costs are included in.
- 2.32 **OMAG Expense - Insurance.** For insurance coverage for which the Company is self-insured, please provide a description of that self insurance, a description of how it is accounted for in the utility's books and records and a description of activity for the Base Year, the subsequent period to date, the prior two Historical Years and the Test Year.
- 2.33 **OMAG Expense - Legal Settlements.** Please list amounts exceeding \$100,000 included in the Base Year and the Test Year (on a direct charge basis, affiliate billing, or allocation) that are the result of the settlement of lawsuits or other legal action.
- 2.34 **OMAG - Uncollectibles – Bad Debt Reserve.** Please provide for the Base Year, the prior two Historical Years, the subsequent period to date, and the Test Year the beginning bad debt reserve balance, the amount written off, the recoveries, the reserve adjustment, other charges or credits, and the ending reserve balance. For the same periods, provide the total amount of retail revenue from retail sales and total retail bad debt expense.
- 2.35 **OMAG – Uncollectibles.** Please provide a detailed description of changes in the Company's collection policies or write-off policies since the last [filing of the prior](#) general rate case.

- 2.36 **OMAG - Cost-saving Programs.** Please list and describe in detail cost-saving or cost increasing programs and initiatives implemented during the Base Year and To Date and as projected through the end of the Test Year. ~~This request seeks information on major plans or programs beyond efforts undertaken in the normal course of business. This response may be limited to programs or initiatives having an impact of \$100,000 or greater.~~
- 2.37 **Financial – Strategic Plans.** Please provide a copy of the most recent of (a) completed strategic plans approved by the Board of Directors for the Company and the plan that was utilized at the time the Company initially prepared its filing, such as (b) Integrated Resource Plans, for the Company.
- 2.38 **Penalties and Fines.** Please list penalties and fines in the Base Year and the Test Year and indicate in which accounts the associated amounts are included.
- 2.39 **Rate Base - Working Capital.** ~~If the working capital request in the Company's case is based on a lead/lag study other than that used in the prior rate case, p~~Please provide a complete copy of the lead/lag study utilized in determining the cash working capital contained in the Company's filing. Include all workpapers utilized in preparing the study if not already included as part of the study itself. If a more recent lead/lag study than the one that was utilized in the filing, also provide a copy of the more recent study.
- 2.41 **Reserve Accounts.** Does the Company maintain reserve accounts (e.g., an injuries and damages reserve account)? If so, please provide the monthly balances in reserve accounts for the Base Year, the prior two Historical Years, the Test Year and To Date. This listing should include the monthly debits and credits to the reserve accounts. Also, provide the amount included in the Base Year and the projected Test Year expenses, by account, for building-up the reserve balances.
- 2.42 **Revenues: Regulated Retail Sales.** Please provide by customer class, by month, the number of customers, actual usage, and normalized usage for the Base Year, the prior two Historical Years, the period after the Base Year and To Date. Also provide the same information as projected for the Test Year incorporated in the filing.

- 2.43 **Revenues – Other.** Please provide on a total Company and a Utah jurisdictional basis, for the Base Year, the prior two Historical Years, the Test Year and To Date the amount of Other Revenues by revenue type.
- 2.44 **Sales of Property.** For the Base Year, the prior two Historical Years, the Test Year and To Date, has the Company sold ~~Materially significant~~ property that had formerly been included in Plant in Service? If so, for each ~~Material~~ sale in which the proceeds exceeded \$50,000, please describe the property sold; state whether, when, and in what manner it was included in rate base; show the details of how the gain or loss was calculated; indicate when the sale occurred; and explain how and whether the Company is treating such gain or loss in its filing. Please also provide a listing of any properties the Company currently has offered for sale or projects to offer for sale through the end of the Test Year. Please limit the response to sales of property that had been included in Utah rates while in service.
- 2.45 **Taxes: Income.** Please prepare a list of and provide ~~or make available~~ ~~for review under the “highly confidential” terms of the GRC protective order, depending on specific content,~~ revenue ruling requests, IRS responses, and correspondence between the Company and the IRS since the filing of the Company’s last rate case.
- 2.46 **Taxes: Income.** Please ~~provide a copy of~~~~make available for review under the “highly confidential” terms of the GRC protective order~~ copies of the most recent State and Federal income tax returns in which the Company participated.
- 2.47 **Taxes: Income.** Please provide a copy of the current tax sharing agreement in which the Company participates.
- 2.48 **Taxes: Income.** Please provide a detailed description of any changes to the methods by which the Company is projecting test year income tax expense in the current filing from the methods utilized in the prior rate case filing. Describe, in detail, why the changes or modifications are being made and provide the impact of such changes.
- 2.51 **OMAG Expenses: Generation Expenses.** Please provide the amount of Generation O&M overhaul costs, by unit and by function, for the Base Year, two prior historical periods, subsequent to date, and as projected for the Test Year and the year following the Test Year.
- 2.52 **Interjurisdictional Allocation.** Please provide a schedule comparing the projected Utah jurisdictional allocation percentage utilized for the Test Year in the four prior Utah general rate case filings as compared to the actual Utah jurisdictional allocation percentage experienced for that same

twelve month period for each of the following factors: SE, SG, SO, and CN.

- 2.52 **Interjurisdictional Allocation.** Please provide a schedule comparing the projected jurisdictional allocation percentage utilized for the Test Year in the three prior general rate case filings in each of the non-Utah states (i.e., Oregon, Wyoming, etc.) that utilize a future test period as compared to the actual jurisdictional allocation percentage experienced for that same twelve month period for each of those respective states for each of the following factors: SE, SG, SO, and CN. Please provide the response in a format in which a separate schedule or table is provided for each state.
- 2.54 **OMAG Expenses.** Please provide an SAP account detailed list of all non-labor transaction activity exceeding \$50,000 for each of the following FERC accounts for the Base Year and separately for the subsequent period to date: 921, 924, 925, 928, 529, 930, 931 and 935.
- 2.* **Plant Additions.** For each addition to plant in service since the time of the last rate case to date exceeding \$10 million for which costs are direct charged or allocated to Utah, please provide a detailed description of the project, total project costs and any cost benefit analysis prepared by or for the Company on the project.
- 3 **Plant Additions.** For each of the projected additions to plant in service contained in the Company's filing exceeding \$3 million for which costs are direct charged or allocated to Utah, please provide a detailed description of the project, total project costs and any cost benefit analysis prepared by or for the Company on the project.