

Rocky Mountain Power
Exhibit RMP__(JRS-1SD)
Docket No. 17-035-40
Witness: Joelle R. Steward

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF UTAH

ROCKY MOUNTAIN POWER

Exhibit Accompanying Supplemental Direct and Rebuttal Testimony of
Joelle R. Steward

Revenue Requirement Overview

January 2018

Resource Tracking Mechanism

Revenue Requirement Overview – The Combined Projects

Category	Base	New	Deferral	
Capital Investment	Zero unless the assets or part of the assets have been included in a general rate case. After a rate case, the base will be the amount included in the test period, beginning on the rate effective date of that case.	Actual monthly beginning plant in-service balances associated with the Combined Projects, beginning with first assets placed in service.	The difference between the base and new columns will be included in the mechanism calculation until the amounts are fully included in a general rate case, at which time this will end.	
Accumulated Depreciation Reserve	Same as capital investment.	Monthly depreciation reserve of Combined Projects.		
Accumulated Deferred Income Tax	Same as capital investment.	Actual accumulated deferred income tax balances associated with the Combined Projects.		
Operation & Maintenance Expense	Zero unless the assets or part of the assets have been included in a general rate case. After a rate case, the base will be the amount included in the test period, beginning on the rate effective date of that case.	Actual O&M expense for the Combined Projects.		
Depreciation Expense	Zero.	Actual monthly plant in-service balances associated with the Combined Projects less the base multiplied by current depreciation rates.		
Property Taxes	Zero.	Capital Investment deferral less the Depreciation Reserve deferral multiplied by the average property tax rate from the last rate case.		
Wind Tax	Zero.	Incremental energy production MWh associated with Wind Projects subject to the Wyoming Wind tax multiplied by the wind tax rate.		
NPC Savings	The EBA tracks and captures any incremental changes to wind production between NPC in base rates and actual NPC.	The EBA has a 100% pass through of the difference between base NPC and actual NPC. The RTM will capture any savings, if any, not included in the EBA related to incremental energy production associated with the Wind Projects, and pass these savings back to customers.		Any incremental wind production associated with the Wind Projects not in base rates will be multiplied by monthly HLH and LLH prices, (Four Corners for east resources) less wind integration costs.
Wheeling Revenues	Zero unless the Transmission Projects have been included, or partially included, in a general rate case. After a rate case, the base will be the amount included in the test period, beginning on the rate effective date of that case.	The EBA has a 100% pass through of wheeling revenues. The RTM will capture any incremental Transmission Projects wheeling revenues associated with the Transmission Project not included in the EBA.		Any incremental third-party wheeling revenues associated with the Transmission Projects, if any, not included in the EBA or in base rates
PTC	Zero until the next general rate case. After a rate case, the base will be the amount included in the test period, starting on the rate effective date, associated with the Wind Projects.	Actual MWh eligible for PTC produced by the Wind Projects multiplied by the production tax rate.	Difference between the base and actual. Tracked until Wind Project PTC's have expired, and have been reset to zero in base rates.	