ROCKY MOUNTAIN POWER
A DIVISION OF PACIFICORP

1407 W. North Temple, Suite 330
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April 6, 2026

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

Re: Docket No. 26-035-20 – In the Matter of the Application of PacifiCorp d/b/a Rocky Mountain Power for Approval and Report of the Sale of Washington Service Area and an Accounting Order

PacifiCorp d/b/a Rocky Mountain Power ("Company") submits this application to the Public Service Commission of Utah for authority to sell certain Washington-based generation and transmission assets to Gem Sub LLC ("Gem"), a Washington affiliate of Portland General Electric Company ("PGE").

Confidential and highly confidential information is provided pursuant to the procedures set forth in R746-1-601 and 603. In the confidential versions, highly confidential information is redacted and confidential information is unredacted. Highly confidential information has been uploaded to the Commission's SFTP site and provided to the parties listed in Commission Rule R746-1-602(1)(a). Any other party who wishes to view the highly confidential information can contact Max Backlund at max.backlund@pacificorp.com to make arrangements to review.

All formal correspondence and data requests regarding this filing should be addressed as follows:

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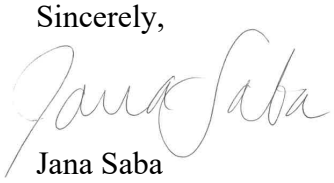
Informal inquiries on this matter may be directed to Max Backlund, Utah Regulatory Affairs Manager at max.backlund@pacificorp.com.

Sincerely,



Jana Saba
Director, Regulation and Regulatory Affairs

CERTIFICATE OF SERVICE

Docket No. 26-035-20

I hereby certify that on April 6, 2026, a true and correct copy of the foregoing was served by electronic mail to the following:

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Attorneys for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In The Matter of the Application of PacifiCorp d/b/a Rocky Mountain Power for Approval and Report of the Sale of Washington Service Area and an Accounting Order	))))))	Docket No. 26-035-20

ROCKY MOUNTAIN POWER'S APPLICATION FOR APPROVAL AND REPORT OF THE SALE OF WASHINGTON SERVICE AREA

In accordance with Utah Admin. Code R746-401-3(B) and Commitment U2 in Docket No. 05-035-54,[1] PacificCorp, d/b/a Rocky Mountain Power ("PacifiCorp," "Rocky Mountain Power" or the "Company"), submits this application to the Public Service Commission of Utah ("Commission"). Through this application, the Company respectfully requests that the Commission issue an order approving the Company's sale of its Washington service area and

[1] *In the Matter of the Application of MidAmerican Energy Holdings Company and PacifiCorp dba Utah Power & Light Company for an Order Authorizing Proposed Transaction*, Docket No. 05-035-54, Report and Order at 35 (Jan. 27, 2006) ("MEHC and PacifiCorp will provide notification of and file for Commission approval of the divestiture, spin-off, or sale of any integral PacifiCorp function.") [hereinafter "First Report and Order"].

select Washington-based assets to Gem Sub LLC ("Gem"), a Washington affiliate of Portland General Electric Company ("PGE"). Gem will be owned jointly by PGE and minority partner, Manulife Infrastructure Fund III, L.P. and its affiliates including John Hancock Life Insurance Company (USA).

Under the proposed transaction, the Company will sell and Gem will purchase certain of the Company's Washington-based generation, transmission, and distribution assets to serve Washington customers ("Service Area Transfer"). Once the Service Area Transfer receives all necessary regulatory approvals and is completed, the assets, as well as the Company's obligation to serve Washington customers, will transfer to Gem, which will begin providing service as a public utility in the state of Washington.

In support of this application, Rocky Mountain Power states as follows:

I. BACKGROUND

1. Rocky Mountain Power is an electrical corporation and public utility in the state of Utah and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. The Company serves over 1,056,000 customers in Utah. Rocky Mountain Power's principal place of business in Utah is 1407 W. North Temple, Suite 330, Salt Lake City, Utah 84116.

2. The Company proposes selling its entire Washington service area, with approximately 137,000 customers located in Yakima, Walla Walla, Columbia, Garfield, and Benton counties. The Washington service area covers approximately 2,730 square miles and includes approximately 35 communities. The customer mix is approximately 84 percent residential and 16 percent commercial and industrial.

3. The Service Area Transfer includes three generation assets located in Washington state: the 477 megawatt ("MW") Chehalis combined cycle gas turbine power plant in Lewis County, the 94 MW Goodnoe Hills Wind Farm located in Klickitat County, and the 234 MW Marengo I and II Wind Farms located in Columbia County. It also includes certain Washington-based transmission assets, specifically 393 miles of transmission lines, 10 substations (two of which will be jointly owned), and approximately 6,220 structures; and certain Washington-based distribution assets, specifically around 4,100 miles of distribution lines, 34 substations, and approximately 100,480 poles.

4. The assets the Company is proposing to sell comprise a relatively small portion of its total operating facilities. Specifically, the Company will sell approximately 4,100 miles of its approximately 66,900 miles of distribution lines system-wide, none of which serve Utah. Additionally, the Company will sell 393 miles of its approximately 17,700 miles of transmission lines system-wide. Further, the Goodnoe Hills Wind Farm, the Marengo I and II Wind Farms, and the Chehalis combined cycle gas turbine power plant altogether comprise 805 MW of the Company's 15,452 MW of owned and contracted generation capacity system-wide. The testimony accompanying this application demonstrates that the sale of certain Washington-based assets and the transfer of the duty to serve the Washington service area improves the Company's overall system load and resource balance and mitigates future resource adequacy challenges.

5. The base purchase price for the Service Area Transfer at the time of signing, subject to relevant adjustment, is $1.9 billion. In addition to the base purchase price, Gem will pay additional cash consideration for the accounts receivable and regulatory assets (net of deposits) set forth in Schedule 1.1-RA to the Asset Purchase and Service Area Transfer Agreement (the "Agreement") at closing, although Gem will only purchase the accounts receivable set forth in

Schedule 1.1-RA to the extent that the value of such accounts receivable exceeds the amount of accounts receivable and accounts payable assumed to be in the normalized net working capital. Together, the base purchase price and such additional cash consideration constitute the purchase price. Following the closing, a post-closing determination of the actual net working capital and actual value of the specified assets set forth in Schedule 1.1-RA to the Agreement will transpire.

6. The net book value of all assets to be sold is approximately $1.36 billion with the goodwill value of the business, net of taxes and other transaction costs, accounting for the balance of the purchase price. The purchase price for the Service Area Transfer includes approximately $504 million in goodwill, before closing costs. The goodwill value is the amount received in excess of the fair market value of the assets sold in this transaction. The Company proposes to assign customers 68 percent of the Utah-allocated portion of this goodwill, yielding a $68.9 million credit. The Company will provide this rate credit over three years in the Company's next general rate case, resulting in an annual rate credit of approximately $23.0 million. As set forth in the Company's supporting testimony, PacifiCorp's proposal to assign 68 percent of goodwill to customers and 32 percent to the Company is supported by the benefits the Service Area Transfer brings to the Company's customers, and better positions the Company to meet the financial challenges associated with the rapidly changing utility landscape. In addition, the generation assets included in the transfer are approximately 37 percent depreciated; the Company's proposal to assign 68 percent of the goodwill value to customers is roughly twice current depreciation levels in these assets.

7. The Company proposes selling certain Washington-based assets as part of the Service Area Transfer for two overarching reasons: to manage risk and to improve its financial position. First, the Service Area Transfer will help the Company manage risks associated with

operating an expansive, multi-state system. The Company provides retail electric service to over two million customers across six states: Utah, Wyoming, Idaho, Washington, Oregon, and California. Operating in and planning for six states can prove challenging, especially with states' continued implementation of discrete energy policies. As an example, the Company's non-Washington states (with the exception of California) have been unwilling to pay the costs of the Chehalis plant's compliance with Washington's Climate Commitment Act ("CCA"),[2] costing the Company approximately $45 million annually. The Company has sought to solve this problem through a new multi-state cost allocation protocol. While the Washington Utilities and Transportation Commission ("Washington Commission") recently approved the Washington version of this protocol,[3] the uniform adoption of a new multi-state cost allocation protocol in the Company's other states is uncertain. Sale of the Washington service area resolves this CCA issue, scales down the Company's overall system load by eight percent, and helps address other multi-state cost allocation challenges, allowing the Company to streamline planning, financing, and operations of its multi-state system.

8. Second, the Service Area Transfer will help the Company meet the financial challenges associated with the rapidly changing utility landscape, including the need for new investments. This is especially crucial now given that the Company is under significant financial pressure as a result of wildfire litigation and adverse regulatory outcomes. PacifiCorp was recently downgraded by S&P to the lowest credit rating level that is still considered investment grade, and both S&P and Moody's have placed PacifiCorp on Negative Outlook. As a result of these

[2] The Commission denied recovery of CCA costs in the Company's 2024 Energy Balancing Account docket and in the Company's 2025 general rate case. *Rocky Mountain Power's Application for Approval of the 2024 Energy Balancing Account*, Docket No. 24-035-01, Order at 25 (Feb. 25, 2025); *Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations*, Docket Nos. 24-035-04 *et al.*, Order at 48 (Apr. 25, 2025).

[3] *Wash. Utils. & Transp. Comm'n v. PacifiCorp, d/b/a Pac. Power & Light Co*, Washington Commission Docket No. UE-250224, Order 08 at ¶ 18 (Dec. 22, 2025).

downgraded ratings, the Company's cost of debt has increased and its access to capital has decreased, both of which impede the Company's ability to operate its system. The Service Area Transfer supports stabilization of the Company's financial position and builds investor confidence by resolving the Company's CCA losses from Chehalis and relieving the Company's financial obligation to make additional capital expenditures necessary for compliance with the Clean Energy Transformation Act ("CETA") in Washington.

9. The primary transaction document is the Agreement, with attached exhibits containing term sheets and plans addressing energy and capacity and electric transmission rights. The Agreement is attached as Highly Confidential Attachment No. 1 – Asset Purchase and Service Area Transfer Agreement ("Attachment No. 1"), Another notable exhibit to the Agreement is the Form of Transition Services Agreement, which will cover a schedule of services to be provided over an agreed-upon transition period to ensure the continuity of the operation of the assets and service to Washington customers. The Company, PGE, and Gem executed the Agreement on February 15, 2026.

10. The closing of the Service Area Transfer is subject to regulatory approvals, including the Commission's approval of the sale in this proceeding. The Company, Gem, and PGE are seeking all other approvals necessary to complete the Service Area Transfer. The Company, PGE, and Gem are seeking approval from the Washington Commission for the purchase and sale of assets. PGE is seeking regulatory approval from the Public Utility Commission of Oregon ("Oregon Commission") for the purchase of assets. Additionally, the Company, PGE, and Gem are seeking approval for the sale of assets from the Federal Energy Regulatory Commission ("FERC"). The Company is also seeking regulatory approval from the Oregon Commission, the California Public Utilities Commission, the Idaho Public Utilities Commission, and the Wyoming

Public Service Commission. The waiting period under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 for this transaction has expired and the Company and PGE have provided the required notice pursuant to the Washington Uniform Antitrust Premerger Notification Act.

II. LEGAL STANDARD

11. The proposed Service Area Transfer involves the sale of certain Washington-based Company assets and its Washington service area but does not involve a merger between two Utah public utilities or the acquisition of properties of another public utility in the same general line of business in the state of Utah. Therefore, Utah's utility sale of property regulations apply here, not Utah's utility change of control laws and regulations or laws requiring approval of the acquisition of properties from utilities providing similar service in the state.[4] Under Utah Admin. Code R746-401-3(B), a public utility must file a report on an asset sale at least 30 days before the sale, rather than an application for approval of the sale.

12. However, in the 2006 Commission order approving MidAmerican Energy Holding Company's acquisition of the Company, the Company committed to requesting Commission approval of any "divestiture, spin-off, or sale of any integral PacifiCorp function" through a Utah merger commitment ("Commitment U2").[5] With this Service Area Transfer, the Company will sell its entire Washington service area, 805 MW of generation assets, approximately 4,100 miles of distribution lines, and 393 miles of transmission lines. Because this consists of most of its assets in Washington, the Company considers these assets integral to its function. Therefore, here, Rocky

[4] Utah Code Ann. §§ 54-4-28, 54-4-30.
[5] Docket No. 05-035-54, First Report and Order at 35.

Mountain Power requests Commission approval for the Service Area Transfer pursuant to Commitment U2.

13. Since the adoption of Commitment U2, the Company has not sought Commission approval of proposed sales under this Utah merger commitment. The Commission has therefore not yet identified an applicable legal standard for considering the Company's proposed Service Area Transfer. However, under Utah Code Ann. § 54-4-30, utility asset purchases must be "in the public interest."[6] When assessing whether asset purchases are in the public interest, the Commission has considered whether there will be harm to existing customers and whether there will be long-term financial benefits.[7] Additionally, in a previous voluntary application for approval of an asset sale by Rocky Mountain Power, the Commission similarly considered whether the sale was "in the public interest,"[8] which the Company supported by underscoring the customer benefits of the sale.[9] Therefore, the Company requests the Commission apply a similar standard in considering the Service Area Transfer.

III. THE SERVICE AREA TRANSFER IS IN THE PUBLIC INTEREST

14. The Service Area Transfer is in the public interest and will provide benefits to the Company's remaining customers, including those in Utah.

[6] Utah Code § 54-4-30. Utah Code § 54-4-30 does not apply to the proposed Service Area Transfer because the Company does not seek to acquire property of another public utility engaged in the same general line of business in the state of Utah.

[7] *See, e.g.*, *Application of Dixie Escalante Rural Electric Association for Approval of Acquisition of Electric Utility Plant and Equipment and Addition to Certificate of Public Convenience and Necessity*, Docket No. 20-066-03, Order Approving Acquisition, Amending Certificate of Public Convenience and Necessity No. 1930, and Canceling Certificate of Public Convenience and Necessity No. 1573 at 5 (Dec. 9, 2020) (approving proposed asset purchase due to a lack of harm to customers and the long-term financial benefits of the purchase).

[8] *In the Matter of the Voluntary Request of Rocky Mountain Power for Approval of Resource Decision and Request for Accounting Order*, Docket No. 14-035-147, Report and Order Memorializing Bench Ruling at 9 (Apr. 29, 2015).

[9] Docket No. 14-035-147, Application for Approval of Transaction and for a Deferred Accounting Order at 13 (Dec. 15, 2014).

15. For purposes of analyzing and allocating the costs and benefits of this transaction, the Company has looked to the 2020 PacifiCorp Inter-jurisdictional Cost Allocation Protocol ("2020 Protocol") for guidance, as this was adopted by all Company states for allocating certain system costs, is the basis for current rates, and many stakeholders have advocated for its use during this transitional period to a new inter-jurisdictional cost allocation methodology. Application of the 2020 Protocol here guides both the assignment of the goodwill value of the Service Area Transfer, which the Company proposes be based on allocation of the underlying resources,[10] and the treatment of changes in the loads and resources from the sale of service area on other states, which the Company proposes be reflected through operation of dynamic allocation factors.[11] Rocky Mountain Power requests that the Commission approve utilizing the 2020 Protocol as proposed in this Application.

16. First, the Service Area Transfer will not increase rates for the Company's Utah customers. The testimony accompanying this application demonstrates that the net effect of the transfer of the duty to serve customers in the Washington service area to Gem and the sale of certain Washington-based assets is no change or a net benefit. The Company will fund a rate credit of $68.9 million. Because PacifiCorp anticipates the transition period to last approximately three years, PacifiCorp proposes amortizing this rate credit over three years, providing approximately $23.0 million annually, beginning in the Company's next general rate case. The rate credit, along

[10] Under Section 7 of the 2020 Protocol, "[a]ny gain or loss from the sale of Company-owned assets will be allocated among or to States based upon the proportional allocation or assignment of the asset at the time of the execution date of the sale agreement." *In the Matter of the Application of Rocky Mountain Power for Approval of the 2020 Inter-Jurisdictional Cost Allocation Agreement*, Docket No. 19-035-42, Exhibit RMP___(JRS-1) at 43 (filed Dec. 3, 2019). This section then permits each commission to allocate their share of the gain or loss between customers and shareholders.

[11] Under Section 3.1.9 of the 2020 Protocol, the allocation of costs and benefits from load changes associated with a service area sale is treated through application of dynamic allocation factors (for changes in load under 5 percent) or on a case-by-case basis (for changes in load over 5 percent). While Washington constitutes approximately 8 percent of PacifiCorp's load, PacifiCorp is proposing in this case to follow the standard approach using dynamic allocation factors to address the changes in load and resources associated with the Service Area Transfer.

with other quantifiable benefits, offsets the incremental costs of the transaction. Even after the rate credits expires, other benefits continue to offset transaction costs.

17. As discussed above in Section I, the purchase price for the Service Area Transfer includes approximately $504 million in goodwill, before closing costs, and the Company proposes to assign customers 68 percent of the Utah allocation of this goodwill value. As set forth in the Company's supporting testimony, this assignment is supported by the benefits the Service Area Transfer brings to the Company's customers, and better positions the Company to meet the financial challenges associated with the rapidly changing utility landscape—including the need for new investments. Moreover, the assigning to customers 68 percent of the goodwill value is roughly twice the current depreciation levels in the assets being sold.

18. Second, the testimony accompanying this application demonstrates that the Service Area Transfer improves the Company's overall system load and resource balance and mitigates future resource adequacy challenges.

19. Third, the Service Area Transfer will provide long-term financial benefits by relieving the Company from its obligation to make the required capital expenditures necessary for compliance with Washington climate laws because, by selling its Washington service area, the Company will no longer operate as a Washington-jurisdictional utility.

20. Because the proposed Service Area Transfer will provide benefits to Utah customers and the Company, the Commission should conclude that the Service Area Transfer is in the public interest and should approve the Service Area Transfer.

IV. REPORT OF SALE

21. In accordance with Utah Admin. Code R746-401-3(B), the Company hereby provides the following report of sale pursuant to Utah Admin. Code R746-401-3(E):

1. The utility's name and address, and a brief description of the utility's service territory:

22. Rocky Mountain Power is a public utility in the state of Utah serving located at 1407 W. North Temple, Suite 330 Salt Lake City, UT 84116. PacifiCorp, an Oregon corporation, provides retail electric service under the name Rocky Mountain Power in the states of Wyoming, Utah, and Idaho, and under the name Pacific Power in the states of Oregon, Washington, and California. In Utah, Rocky Mountain Power serves approximately 1,056,000 customers and has approximately 1,979 employees.

2. Description of the subject transaction, the purposes and reasons for the transaction, and the location and purposes of the subject assets;

23. As described in Section I, the subject of this Service Area Transfer is the Company's entire Washington service area of approximately 2,730 square miles. Additionally, the Company will sell certain Washington-based assets, including generation assets (the Chehalis combined cycle gas turbine power plant, the Goodnoe Hills Wind Farm, and the Marengo I and II Wind Farms), transmission assets (393 miles of transmission lines, 10 substations (two of which will be jointly owned), and approximately 6,220 structures), and distribution assets (approximately 4,100 miles of distribution lines, and 34 substations, and approximately 100,480 poles). As discussed above in Section I, the assets included in Service Area Transfer comprise a relatively small portion of the Company's total operating facilities. After the Service Area Transfer, Gem will use these assets to serve the Company's previous Washington customers, who will become customers of Gem. The base purchase price at the time of signing, subject to relevant adjustment, for the Service Area Transfer is $1.9 billion.

24. Regarding the reason for the Service Area Transfer, as discussed above in Section I, the Service Area Transfer will help the Company manage risk and improve its financial position. The Service Area Transfer will help the Company manage risk by resolving the shortfall relating

to recovery of CCA costs, scaling down the Company's overall system load by eight percent, and helping address other multi-state cost allocation challenges, allowing the Company to streamline planning, financing, and operations of its multi-state system. Regarding the Company's financial position, the Service Area Transfer will help the Company meet the financial challenges associated with the rapidly changing utility landscape, supports stabilization of PacifiCorp's its financial position, and builds investor confidence.

3. *Information to show that the utility has or will get any required consent, franchise or permit from the proper county, city, or other public authority and any other necessary authorizations from the appropriate governmental bodies;*

25. As discussed above in Section I, the Company, Gem, and PGE are seeking all other approvals necessary to complete the Service Area Transfer.

4. *Dates assets are to be constructed, bought or otherwise acquired, or sold, transferred or otherwise disposed of;*

26. Rocky Mountain Power anticipates selling its assets around or before March 1, 2027.

5. *Estimated construction cost of the assets or book cost and accumulated depreciation, depletion or amortization of assets acquired, sold, transferred or disposed of;*

27. The net book value of the assets was determined using PacifiCorp's accounting records, seen in Exhibit RMP___(NLK-1). As discussed above in Section I, the net book value of all assets to be sold is approximately $1.36 billion.

6. *Information to show that any proposed line, plant or system will not conflict with or adversely affect the operations of any existing certificated public utility which supplies the same product or service to the public and that it will not constitute an extension into the territory certificated to any existing public utility which supplies the same product or service to the public;*

28. The Company is the sole owner and operator of the distribution assets it plans to sell. To the best of the Company's knowledge, there is no known impact on other Utah public utilities if the sale of these distribution assets is approved because Gem plans to use the resources

in the same manner as the Company—assuming the Company's obligation to serve Washington customers—and none of the distribution assets service Utah.

29. The Company is the sole owner and operator of the Goodnoe Hills Wind Farm, the Marengo I and II Wind Farms, and the Chehalis power plant that the Company proposes transferring to Gem in the Service Area Transfer. These assets are currently system resources used to serve all the Company's customers, including those in Utah. The Company is not aware of any impact the sale of its Washington generation assets will have on other Utah utilities.

30. The Company is the sole owner and operator of the transmission assets it plans to sell. To the best of the Company's knowledge, there is no known impact on other Utah public utilities if the sale of these transmission assets is approved.

7. Financial statements of the utility demonstrating adequate financial capacity to support the construction or acquisition of the proposed assets, and information concerning any proposed financing arrangements necessary to finance the proposed assets;

31. This section is not applicable because the transaction does not involve the construction or acquisition of a proposed asset that would require a demonstration of adequate financial capacity.

8. Estimated effect of the transaction on current utility rates and charges;

32. The sale is not anticipated to increase current utility rates in Utah. Indeed, the net effect of the Service Area Transfer should be neutral or beneficial, as set forth previously.

V. REQUEST FOR APPROVAL OF ACCOUNTING ORDER

33. In accordance with Utah Code Ann. § 54-4-23, PacifiCorp also requests approval of an accounting order that would authorize the recording of a regulatory liability for Utah-allocated goodwill value from the sale, which PacifiCorp proposes sharing with customers. As discussed above in Section III, PacifiCorp proposes to share the goodwill value with customers by

funding a rate credit of $68.9 million. PacifiCorp proposes recording these rate credits by crediting FERC Account 254-Other Regulatory Liabilities. PacifiCorp requests that the goodwill value recorded in this account be amortized over three years in PacifiCorp's next general rate case.

VI. REQUESTED APPROVAL DATE

34. The Company respectfully requests approval of the Service Area Transfer as expeditiously as possible to allow the Service Area Transfer to close around or before March 1, 2027. The Service Area Transfer is important for the customers, communities, employees, and shareholders of both the Company and PGE. These stakeholders are subject to uncertainty during the pendency of the application. Processing this application expeditiously will mitigate this uncertainty and serve the public interest.

VII. COMMUNICATIONS

35. Communications regarding this application should be addressed to:

By email (preferred): max.backlund@pacificorp.com
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By mail:

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36. In addition, Rocky Mountain Power requests that all data requests regarding this application be sent in Microsoft Word or plain text format to the following:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

37. Informal inquiries may be directed to Max Backlund, Utah Regulatory Affairs Manager, at max.backlund@pacificorp.com.

VIII. DESCRIPTION OF SUPPORTING TESTIMONY

38. This application is supported by testimony from the following witnesses:

- **Richard J. Garlish**, President of Rocky Mountain Power, provides an overview of the Company, including its utility service in Utah and Washington, briefly describes the Service Area Transfer, and explains why the Company seeks to transfer the Washington service area and certain Washington-based assets to Gem.
- **Joelle R. Steward**, Senior Vice President, Regulation, provides information on the Service Area Transfer, explains how the Service Area Transfer is consistent with the public interest, and discusses key aspects of the transaction documents.
- **Nikki L. Kobliha**, Senior Vice President of Finance, provides the Company's financial information relevant to the proposed Service Area Transfer and discusses the calculation of the regulatory gain attributable to the goodwill

value of the business, the proposed assignment of goodwill value to customers, and the calculation of customer rate credits.

- **Michael G. Wilding**, Vice President of Energy Supply Management ("ESM"), explains how PacifiCorp and Gem will transition service in Washington, and demonstrates that the Service Area Transfer does not harm resource adequacy and reliability for Utah customers.
- **Ramon J. Mitchell**, Managing Director of ESM Finance and Net Power Costs ("NPC"), presents the Company's forecast NPC incorporating the Service Area Transfer.
- **Shelley E. McCoy**, Director of Revenue Requirement presents the Company's revenue requirement incorporating the Service Area Transfer, and addresses cost allocation issues.

IX. CONCLUSION

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue an order pursuant to Commitment U2 approving the Service Area Transfer whereby the Company will sell to Gem its Washington service area and certain Washington-based assets, as expeditiously as possible. Rocky Mountain Power also requests that the Commission approve the Company's proposed application of the 2020 Protocol to analyze and allocate the costs and benefits of the Service Area Transfer, including the resulting changes in load and resources.

DATED: April 6, 2026.

Respectfully submitted,

Ajay Kumar
Adam Lowney
Bill Magness

Attorneys for Rocky Mountain Power