

Rocky Mountain Power  
Exhibit RMP\_\_\_(JRS-4R)  
Docket No. 20000-519-EA-17  
Witness: Joelle R. Steward

BEFORE THE WYOMING PUBLIC SERVICE  
COMMISSION

ROCKY MOUNTAIN POWER

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Exhibit Accompanying Rebuttal Testimony of Joelle R. Steward  
Capital Structure, Property Tax Rate and Net Power Cost Description

November 2017

**PacifiCorp  
 Wyoming**

Exhibit RMP\_\_(JRS-4R)

Wind Repowering - Capital Structure, Property Tax and Net Power Cost Description  
 Capital Structure and Property Tax Rate

**20000-469-ER-15 Capital Structure & Cost - Ordered  
 Effective 1/1/2016**

Line no.	Capital Structure	Capital Structure	Capital Cost	Weighted Cost	Pre-Tax Cost
1	Debt	48.540%	5.189%	2.519%	2.519%
2	Preferred	0.020%	6.750%	0.001%	0.002%
3	Common	51.440%	9.500%	4.887%	7.876%
4			<b>TOTAL</b>	<b>7.407%</b>	<b>10.397%</b>
5	Consolidated Tax Rate		37.951%		
6	Tax Gross-up factor for PTC = (1/(1 - tax rate))		1.6116		
<b>Property Tax Calculation from Order for Docket Number 20000-469-ER-15</b>					
7	Total Company				135,310,456
8	Wyoming GPS Factor				14.6657%
9	Wyoming Property Taxes				19,844,226
10	Wyoming Gross EPIS				3,846,190,554
11	Wyoming Accum. Depr.				(1,191,418,911)
12	Wyoming Accum. Amort.				(79,859,074)
13	Wyoming Net EPIS				2,574,912,569
14	Estimated Wyoming Property Tax Rate				0.771%
15	Wyoming SG Factor - Docket No. 20000-469-ER-15				15.9592%
16	Wyoming GPS Factor - Docket No. 20000-469-ER-15				14.6657%

**Net Power Cost Incremental Savings Calculation and Definitions**

*Incremental Generation = Wind Plant Generation MWh – Base Wind Plant Generation MWh*

*Base Wind Plant Generation = Wind Plant Generation MWh / (1 + Project Generation Increase %)*

*NPC Incremental Savings*

$$= [\text{Incremental Gen}_{HLH} \times (\text{Monthly Market Price}_{HLH} - \text{Integration Costs})] + [\text{Incremental Gen}_{LLH} \times (\text{Monthly Market Price}_{LLH} - \text{Integration Costs})]$$

*RTM NPC Benefit = NPC Incremental Savings × ECAM Sharing Band*

Where:

*Incremental Generation = The increase in generation at the wind plant due to repowering  
 Project Generation Increase % = The percentage change in energy at the wind plant due to repowering (See Confidential Exhibit RMP\_\_TJH-1R)*

*Incremental Gen<sub>HLH</sub> = The increase in generation at the wind plant due to repowering during heavy load hours*

*Incremental Gen<sub>LLH</sub> = The increase in generation at the wind plant due to repowering during light load hours*

*Monthly Market Price<sub>HLH</sub> = Heavy load hour monthly market price*

*Monthly Market Price<sub>LLH</sub> = Light load hour monthly market price*

*Integration Costs = Wind integration costs from the most recent IRP*

*RTM NPC Benefit = The NPC repowering benefit absorbed by the Company in the ECAM as a result of the sharing band*