

Rocky Mountain Power  
Exhibit RMP\_\_(JKL-2)  
Docket No. 20000-\_\_-EA-17  
Witness: Jeffrey K. Larsen

BEFORE THE WYOMING PUBLIC SERVICE  
COMMISSION

ROCKY MOUNTAIN POWER

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Exhibit Accompanying Direct Testimony of Jeffrey K. Larsen  
Example Annual RTM Deferral Calculation – Revenue Requirement

June 2017

**PacifiCorp**  
**Wyoming**  
 Wind Repowering - Example Annual RTM Deferral Calculation  
 Revenue Requirement

Line No.	Reference	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)	(n)	(o)	(p)
		Total Company	Factor	Factor %	Wyoming Allocated	Total Company	Factor	Factor %	Wyoming Allocated	Total Company	Factor	Factor %	Total Company	Factor	Factor %	Wyoming Allocated	
1	Plant Revenue Requirement	171,587	SG	15.9592%	27,381	986,120	SG	15.9592%	157,377	1,132,769	SG	15.9592%	1,132,769	SG	15.9592%	180,781	181,502
2	Capital Investment	(939)	SG	15.9592%	(150)	(23,511)	SG	15.9592%	(3,752)	(69,031)	SG	15.9592%	(69,031)	SG	15.9592%	(9,421)	(15,461)
3	Depreciation Reserve	(43,689)	SG	15.9592%	(6,969)	(192,063)	SG	15.9592%	(30,652)	(263,671)	SG	15.9592%	(263,671)	SG	15.9592%	(42,080)	(49,095)
4	Accumulated DIT Balance	126,959			20,262	770,545			122,973	810,067			810,067			129,280	116,946
5	Net Rate Base	10,397%			10,397%	10,397%			10,397%	10,397%			10,397%			10,397%	10,397%
6	Pre-Tax Return on Rate Base	13,199			2,107	80,111			12,785	84,220			84,220			13,441	12,158
7	Wholesale Wheeling Revenue	-	SG	15.9592%	-	-	SG	15.9592%	-	-	SG	15.9592%	-	SG	15.9592%	-	-
8	Operation & Maintenance	583	SG	15.9592%	93	4,379	SG	15.9592%	699	3,864	SG	15.9592%	3,864	SG	15.9592%	617	135
9	Depreciation	8,454	SG	15.9592%	1,349	33,279	SG	15.9592%	5,311	37,778	SG	15.9592%	37,778	SG	15.9592%	6,029	6,056
10	Property Taxes	-	GPS	14.6657%	-	7,523	GPS	14.6657%	1,104	6,396	GPS	14.6657%	6,396	GPS	14.6657%	1,231	1,193
11	Wind Tax	60	SG	15.9592%	10	206	SG	15.9592%	33	251	SG	15.9592%	251	SG	15.9592%	40	40
12	<b>Total Plant Revenue Requirement</b>	<b>22,287</b>			<b>3,558</b>	<b>125,499</b>			<b>19,831</b>	<b>134,508</b>			<b>134,508</b>			<b>21,358</b>	<b>19,582</b>
13	<b>Net Power Cost</b>																
14	NPC Incremental Savings	(505)	SG	15.9592%	(81)	(9,703)	SG	15.9592%	(1,549)	(13,767)	SG	15.9592%	(13,767)	SG	15.9592%	(2,197)	(2,895)
15	PTC Benefit	(17,405)	SG	15.9592%	(2,778)	(69,048)	SG	15.9592%	(11,020)	(81,995)	SG	15.9592%	(81,995)	SG	15.9592%	(13,086)	(13,095)
16	PTC Benefit in Base Rates	(17,405)	SG	15.9592%	(2,778)	(69,048)	SG	15.9592%	(11,020)	(81,995)	SG	15.9592%	(81,995)	SG	15.9592%	(13,086)	(13,095)
17	Net PTC	-			-	-			-	-			-			-	-
18	Gross-up for taxes	(10,646)			(1,695)	(42,232)			(6,740)	(50,151)			(50,151)			(8,004)	(8,009)
19	PTC Revenue Requirement	(28,051)			(4,477)	(111,280)			(17,759)	(132,146)			(132,146)			(21,069)	(21,104)
20	Rev. Requirement	(6,259)			(939)	4,516			623	(11,405)			(11,405)			(1,929)	(4,416)
21	<b>Adjustment for ECAM Pass-through</b>																
22	NPC Incremental Savings	1,616			(81)				(1,549)								(2,895)
23	Percentage included in ECAM (70%)				70%				70%								70%
24	ECAM Pass-through				(56)				(1,084)								(2,026)
25	Rev. Req. after ECAM Pass-through				(942)				1,707								(2,390)
26	Total Deferral - WY Share				(942)				1,084								(2,390)
27	Net Customer Benefit				(939)				-								(4,416)
28	Deferral Balance - WY Share																
29	Beginning Deferral Balance				-				(947)								354
30	Monthly Deferral				(942)				1,084								(2,390)
31	Deferral Collection				-				513								(487)
32	Carrying Charge				(5)				(6)								(20)
33	Ending Deferral Balance				(947)				643								(2,543)
34	Federal/State Combined Tax Rate	37.951%															
35	Net to Gross Bump up Factor = (1/(1-tax rate))	1.6116															
36	Deferred Balance Carrying Charge	2.02%															
37	Pre-tax Return	10.397%															
38	Property Tax Rate	0.77%															
39	Wyoming SG Factor	15.9592%															
40	Wyoming GPS Factor	14.6657%															

Footnotes:  
 1) Capital balances equal the average of the monthly balances in JKL-3 with a one month delay  
 2) Carrying Charge (line 29) is applied to average monthly deferral balances  
 3) Equals the sum of each year's monthly values in JKL-3  
 4) Not Applicable for Repowering  
 5) The Company is proposing to cap the RTM until the next general rate case so that, after taking into account the wind repowering benefits that will flow through the Company's ECAM, it will not operate to surcharge customers