

Rocky Mountain Power defends plan for rate hike

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Utah's largest electric utility, [Rocky Mountain Power](#), spent much of the day Tuesday discussing its reasoning for asking for a \$100 million rate hike and debating whether it deserves the increase.

The utility has requested a rate of return on its equity investment of 10.75 percent. In April, the Committee for Consumer Services suggested that the utility should receive a 9.85 percent return on equity, and said the reduced rate of return would save consumers \$31.6 million.

Several witnesses testified at the hearing Tuesday before the state Public Service Commission, including economic experts called by the utility, the Utah Committee for Consumer Services and the state division of Public Utilities.

Late last year, [Rocky Mountain Power](#) had initially asked for a \$161 million rate increase, but that was scaled back in March to \$100 million following an order from the commission to revise the application.

If granted in full, the rate hike would be the third in as many years and would add about \$2.20 to the typical monthly residential electric bill, according to [Rocky Mountain Power](#) spokesman Jeff Hymas.

In an unusual move, [Rocky Mountain Power](#) last month told the commission it planned to file a second request for a general rate increase in June. Concurrent rate cases are not unprecedented but have not occurred in more than 30 years, according to commission spokeswoman Julie Orchard.