



State of Utah
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Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Abdinasir M. Abdulle, Technical Consultant
Charles Peterson, Technical Consultant

Date: January 24, 2014

Re: **Acknowledge** RMP's January 1 through June 30, 2014 Service Quality Review Report. Docket Number 13-035-70, In the Matter of Rocky Mountain Power's Service Quality Review Report.

RECOMMENDATION (Acknowledge)

The Division of Public Utilities ("Division") recommends that the Public Service Commission ("Commission") acknowledge that Rocky Mountain Power's ("Company") January 1 through June 30, 2014 Service Quality Review report complies with the Commission's June 11, 2009 Order in Docket No. 08-035-55 and Rule R746-313.

ISSUE

On October 25, 2013, in compliance with the Commission's June 11, 2009 Order in this Docket and Rule R764-313, the Company filed with the Commission its semiannual Service Quality Review Report for January 1 through June 30, 2012. On December 2, 2013, the Commission issued a Notice of Filing and Comment Period in which the Commission asked any interested party to comment. This memorandum represents the Division's comments on the Company's January 1 through June 30 Service Quality Review Report.

DISCUSSION

The Company's annual report is the result of a collaborative effort. Normally, the Company prepares a draft of the report for review and takes comments through written correspondence and in a technical conference. The Company reviews the draft and answers questions from interested parties. On October 10, 2013, the Company filed a draft report for the interested parties to review and comment. On October 22, 2013, a Technical Conference was held in which the Company discussed its Utah Service Quality Review Report for the period of January 1, 2013 through June 30, 2014 with parties in attendance. Several issues were raised at the Technical Conference.

First, Network Performance Standard 3, Improve Under Performing circuits, indicated that "The Company will reduce by 20% the circuit performance indicator (CPI) for a maximum of five underperforming circuits on an annual basis within five years after selection." In the meeting the Company indicated that there are a number of factors that go into the selection of the five worst performing circuits. The result of this selection process is that the chosen five circuits may not necessarily be the five worst performing circuits. Consequently, the parties asked and the Company agreed to include in its next report information about the ten worst performing circuits along with the five circuits it selected for improvement. The Company is to give its reasons for its selection.

Second, in Section 2.3, Reliability History, the Company stated that "Historically the Company has significantly improved reliability as measured by all key reliability indices." This implies that a statistical analysis was made to determine if there is a significant improvement in the reliability measures. However, the Company indicated that there was no statistical analysis made to compare measured values over time. Therefore the parties recommended that the Company change the wording in this section. The Company's updated filing contains alternative language, which the Division finds acceptable.

Third, in Docket No. 04-035-070, the Company committed to correct distribution priority A conditions on average within 120 days. The graph under Section 3.3 of the report

shows that the Company's performance in correcting the priority A conditions is below the standard of 120 days. In addition, the graph shows that the Company corrected about 700 conditions in the first six months of 2013. However, in a footnote on page 25 of 30, the Company indicates that 2,227 priority A conditions were outstanding at the date of the report. It seems that at the current pace of about 700 corrections per six months, it could take over two years to correct the outstanding priority A conditions, depending on the rate new priority A conditions are identified. The Division does not believe that the current pace is satisfactory or satisfies the Commitment. However, in a phone conversation, the Company indicated that it deployed more resources to correct the outstanding conditions and we should expect a ramp up in the correction rate in the next report.

Finally, in its July 10, 2013 correspondence in Docket No. 13-035-70, the Commission directed the Company to list the longest five priority A conditions as of the report date. The Company inadvertently did not include this information in its draft report. The information is now included in Section 3.3 of the final report.

In conclusion, the Division reviewed the report in light of the requirements of R746-313 and the June 11, 2009 Commission Order in this Docket and the Utah Service Quality Review Group Report filed with the Commission on September 13, 2006. The Division determined that the Company is in compliance and recommends that the Commission acknowledge the Company's January through June 2013 Service Quality Review report. The Division commends the Company on its cooperative work on the issues of service quality and developing a meaningful report.

CC: Dave Taylor, RMP
Michele Beck, OCS