State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THOMAS BRADY
Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

GARY HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

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: July 14, 2014

Re: Docket Number13-035-70, 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 Rocky Mountain Power's ("Company") January 1 through December 31, 2013 Service Quality Review Report as compliant with the Commission's June 11, 2009 Order in Docket No. 08-035-55 and Rule R746-313.

ISSUE

On May 1, 2014, in compliance with the Commission's June 11, 2009 Order in Docket No. 08-035-55 and Rule R764-313, the Company filed with the Commission its semiannual Service Quality Review Report for January 1 through December 31, 2013 (Report). On May 14, 2014, 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 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 May 1, 2014, the Company filed a draft report for the interested parties to review and comment. On May 30, 2014, a Technical Conference was held in which the Company discussed its draft report 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 choosing the five circuits it selected for improvement.

In the Technical Conference, the Company, provided a spreadsheet to help explain the process for selecting the five worst performing circuits in each year. This process can be summarized as follows. The Company assembled a list of the worst performing circuits based on the trend of performance (CPI99). From this list, it eliminated any circuit that

1) had already been designated as worst performer in prior years;
2) may recently had some work done on it;
3) had an artificially inflated CPI score due to the manner in which the circuit's SAIDI and/or SAIFI is calculated; and
4) is to have major reconfiguration or retirement in the next couple of years.

The five worst performing circuits that remain after this elimination process are the ones that will be selected as the worst performing circuits. The Division thinks that this is a reasonable process.

Second, in Docket No. 04-035-07, the Company committed to correct distribution priority A conditions on average within 120 days. The graph in 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 monthly average number of days that a priority A condition was outstanding initially increased. The Company explained this increase occurred because the Company initially performs the work using internal resources. However, as the work that needed to be performed accumulates, the Company outsources that work to external contactors as necessary to catch up with the work load. There were 5,100 Priority A conditions corrected during 2013 calendar year. It took, on average, 67 days to correct these Priority A conditions. There were only 455 Priority A condition outstanding (excluding those that are the responsibility of joint pole users) as of December 31, 2014. The Division is satisfied with the Company's explanation.

In conclusion, the Division reviewed the Report in light of the requirements of R746-313 and the June 11, 2009 Commission Order in Docket No. 08-035-55 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 December 2014 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