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State of Utah
Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Utah Public Service Commission

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

Subject: In the Matter of the Review of Electric Service Schedule No. 38, Qualifying Facilities Procedures, and Other Related Procedural Issues, Docket No. 14-035-140.

Date: October 31, 2014

ISSUE

In its Notice of Status and Scheduling Conference dated October 27, 2014 arising out of Docket No. 14-035-40 (PacifiCorp Quarterly Avoided Cost Compliance Filings for Schedule 38), the Commission, at the request of the parties, created a new docket (Docket No. 14-035-140) to investigate and consider issues raised by parties with respect to Schedule 38. Parties were asked to file comments listing issues they want considered in this new Docket No. 14-035-140 by October 31, 2014. This memorandum is the Division's response to the request for comments listing issues.

DISCUSSION AND ISSUES LIST

In its memorandum to the Commission dated October 14, 2014 under Docket No. 12-035-100, the Division requested that a new docket be opened to address issues raised by the wind and solar capacity contribution study the Company filed in this docket as well as some issues raised in connection with the methodological changes the Company made in its quarterly avoided cost compliance filing for Schedule 38 as well as other issues identified by some parties. In that October 14, 2014 memorandum, the Division listed some potential issues. For presentation and discussion at the scheduled November 6, 2014 scheduling and scoping meeting under this new docket, Docket No. 14-035-140, the Division presents the following list.

1. First and foremost the Division believes that Docket No. 14-035-140 is not a forum to re-litigate issues decided by the Commission in Docket No. 12-035-100 and 14-035-T04.
2. The wind and solar capacity contribution study recently filed by the Company in compliance with the Commission order in Docket No. 12-035-100, is of primary focus and study in this docket.
3. The issue of carbon tax and other potential environmental burdens (e.g. the draft EPA rule known as “111d”) in current avoided cost studies, appears to have been decided in the Commission’s recent decision in the Schedule 37 docket, Docket No. 14-035-T04.
4. With respect to processes in operation within Schedule 38, the Division has become increasingly concerned with length of time a prospective QF project remains in the avoided cost “queue” from the time it requests indicative pricing through the time the project fails to proceed, or is built and comes online. A detailed explanation of the Company’s current practice is first in order. After which modifications to that practice might be recommended and approved by the Commission.

The Division is aware of, and does not necessarily oppose, other issues that are of particular interest to other parties. The Division expects that other parties will list these issues in their own memoranda.

CC: Paul Clements, PacifiCorp
David Taylor, PacifiCorp
Michele Beck, Office of Consumer Services
Service List