

# Informal Complaint Report

**Index Number:** 5141      **Company Name:** Rocky Mountain Power

## CUSTOMER INFORMATION

**Customer Name:** Ellis-Hall Consultants      **Account Number:**  
**Other Contact Info:** Mary Anne Wood      **Phone Number:** (801) 366-6060  
**Customer Address:** 60 Easet South Temple, Suite 500      **Other Phone:**  
**Customer Address:**      **Email Address:** mawood@woodbalmforth.co  
...  
**City:** Salt Lake City      **State:** UT      **Zip Code:** 84111

## COMPLAINT INFORMATION

**Type of Call:** Complaint      **Complaint Type:** Rate & Tariff  
**Date Received:** 11/7 /2013      **Date Resolved:** 11/13/2013  
**Complaint Received By:** Erika Tedder      **DPU Analyst Assigned:** 0  
**Utility Company Analyst:**  
**Company at Fault:**       **Actual Slamming Case:**       **Actual Cramming Case:**

### Complaint Description:

The Division of Public Utilities requests an expedited response please:

UTILITY CUSTOMER:  
FROM: Ellis-Hall Consultants  
CONTACT: Mary Anne Wood  
PHONE: 801-366-6060  
EMAIL: mawood@woodbalmforth.com  
IP: 74.122.79.134

SERVICE ADDRESS:  
60 East South Temple, Suite 500  
Salt Lake City Utah, UT 84111

UTILITY: PacifiCorp/Rocky Mountain Power  
ACCOUNT NUMBER: N/A

COMPLAINT TYPE: Rate And Tariff

COMPLAINT: On May 22, 2013, Ellis-Hall Consultants, LLC ("Ellis-Hall") receive a letter from Paul Clements providing indicative pricing for Ellis-Hall's proposed Monticello Wind Farm Project. Pursuant to Mr. Clements letter, Ellis-Hall proceeded with obtaining and LGIA and PPA for its wind project.

In July, 2013, Ellis-Hall appeared and intervened in two matters (12-035-115 Blue Mountain PPA) (12-035-116 Latigo PPA) alleging that PacifiCorp had violated Schedule 38 and engaged in disparate treatment in its execution of Blue Mountain's PPA and Latigo's PPA.

After Ellis-Hall made its claims of disparate treatment, on August 27, 2013 it receive a letter from Mr. Clements stating that although Ellis-Hall received indicative pricing on May 22, 2013, the August 16, 2013 Public Service Commission of Utah ("Commission") directed "the Company to discontinue use of the market proxy pricing method and to provide indicative avoided cost pricing to wind and solar qualifying facility projects based on the partial displacement differential revenue requirement pricing method." Based on Mr. Clements reading of the Commission's order, PacifiCorp claimed that although Ellis-Hall had previously received indicative pricing, it was not currently in possession of an executed power purchase agreement and that therefore, pursuant to the Commission orders in Docket No. 12-035-100, the previously provided indicative pricing was no longer valid. Mr. Clements then indicated that should Ellis-Hall desire indicative pricing, it would have to resubmit a request pursuant to Schedule 38.

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Ellis-Hall and PacifiCorp have engaged in weeks of negotiations and PacifiCorp has refused to change its position regarding the Commission's Order or honor Ellis-Hall's May 22, 2013 indicative pricing.

Ellis-Hall believe that PacifiCorp's interpretation of the Commission's order is incorrect. The Order states in part: "future requests for indicative pricing for wind QFs under Schedule 38 will be calculated using the Proxy/PDDRR method." Ellis-Hall is not seeking a future request for indicative pricing. As of the date of the Order, Ellis-Hall had already obtained indicative pricing. The Order does not state that it has any application to projects that have already received indicative pricing. While the Commission's December 20, 2012 Order acknowledged the possibility of the application of new avoided cost calculations for all large wind QF projects not in possession of an executed power purchase agreement, that is not what the August 16, 2013 Order of the Commission ultimately provided. The Commission Order specifically applies only to future requests for indicative pricing for wind QFs under Schedule 38

In addition to being erroneous under the Commission's August 27, 2013 Order, Ellis-Hall believes that PacifiCorp refusal to honor Ellis-Hall's May 22, 2013 indicative pricing is disparate treatment.

SUGGESTED RESOLUTION: Execute Ellis-Hall's PPA honoring Ellis-Hall's May 22, 2013 indicative pricing.

## **Complaint Response:**

11/12/2013:

Good afternoon Erika,

Ellis-Hall Consultants  
60 East South Temple, Suite 500  
Salt Lake City, Utah 8411

Ellis-Hall is requesting to execute a power purchase agreement ("PPA") based on indicative pricing provided by the Company in a May 22, 2013 letter. The letter was provided pursuant to Utah Schedule 38. Schedule 38 clearly states that indicative prices are "...merely indicative and are not final and binding. Prices and other terms and conditions are only final and binding to the extent contained in a power purchase agreement executed by both parties and approved by the Commission." As of the date of this filing, the parties have not executed a power purchase agreement.

In the August 16, 2013 Public Service Commission of Utah ("Commission") order in Phase II of Docket No. 12-035-100, the Commission directed the Company to discontinue use of the market proxy pricing method and to provide indicative avoided cost pricing to wind and solar qualifying facility projects based on the partial displacement differential revenue requirement pricing method. Consistent with that order and with Schedule 38, PacifiCorp provided revised indicative pricing to Ellis-Hall on September 5, 2013.

Ellis-Hall is arguing that it should continue to receive pricing based on the market proxy pricing method even though the Commission has directed the Company to discontinue its use.

On September 5, 2013, Energy of Utah LLC ("EOU") filed a petition for review, rehearing and clarification ("Petition") of the Commission's Report and Order issued in Docket No. 12-035-100 on August 16, 2013, the order in which the Commission directed the Company to discontinue use of the market proxy pricing method. In its filing, EOU made the same arguments made by Ellis-Hall in this informal complaint regarding continued use of the market proxy pricing method.

On September 18, 2013, PacifiCorp and the Utah Office of Consumer Services ("Office") filed responses to EOU's Petition. Based on a review of the Petition and the responses filed by PacifiCorp and the Office in that proceeding, the Petition made by EOU was denied by the Commission in a September 23, 2013 order.

Ellis-Hall is making materially the same arguments that were rejected by the Commission in the case of the EOU Petition. Consistent with the Commission order in the EOU Petition and with Schedule 38, the Company cannot agree to enter into a PPA with Ellis-Hall using the outdated pricing from the May 22, 2013 indicative pricing letter.

The Company attaches its response filed in the EOU Petition as additional reference for this informal complaint since the issues raised by Ellis-Hall are materially the same as those raised in the EOU petition.

As stated in the complaint, PacifiCorp and Ellis-Hall have attempted negotiations on a number of occasions over the past several months without success. The most recent meeting was a face-to-face meeting on October 30, 2013.

Please let me know if you have any questions.

Thank you,

Autumn Braithwaite  
Regulatory Analyst  
(801) 955-2434

# Informal Complaint Report

11/13/2013:

Autumn/RMP forwarded the above email to Ellis-Hall Consultants as her response to their informal complaint.

## **Additional Information:**

11/13/2013:

I emailed Autumn/RMP asking if she'd sent this response to the Complainant.

E.Tedder

From: Mary A. Wood <mawood@woodbalmforth.com>

Date: Thu, Jan 23, 2014 at 1:49 PM

Subject: RE: Rocky Mountain Power

To: "Braithwaite, Autumn" <Autumn.Braithwaite@pacificcorp.com>, etedder@utah.gov

Cc: Steve Wood <swood@woodbalmforth.com>, "Mary A. Wood" <mawood@woodbalmforth.com>

Ms. Braithwaite and Ms. Tedder,

Because we have not received any further response from the Division, we assume that there is no additional investigation being conducted into our informal complaint. If so, we are not satisfied with the resolution of our informal complaint and ask that the PSC provide us with a form to file a formal complaint.

Mary Anne Q. Wood  
Wood Balmforth LLC  
60 East South Temple, Suite 500  
Salt Lake City, UT 84111  
(801) 366-6060  
(801) 366-6061 (fax)  
mawood@woodbalmforth.com

From: Erika Tedder <etedder@utah.gov>

Date: Thu, Jan 23, 2014 at 2:43 PM

Subject: Re: Rocky Mountain Power

To: "Mary A. Wood" <mawood@woodbalmforth.com>

Cc: "Braithwaite, Autumn" <Autumn.Braithwaite@pacificcorp.com>, Steve Wood <swood@woodbalmforth.com>

Dear Ms. Wood,

As per your request, I have attached the paperwork on how to file a formal complaint with the Public Service Commission.

Respectfully,

Erika Tedder  
Office Specialist  
Division of Public Utilities