

State of Utah Department of Commerce Division of Public Utilities

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ROCKY MOUNTAIN POWER RBA AUDIT REPORT

To:Utah Public Service CommissionFrom:Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Brenda Salter, Technical Consultant

Date: July 11, 2014

Re: Application to Revise Rates in Tariff Schedule 98, Renewable Energy Credits Balancing Account

Docket No. 14-035-30

RECOMMENDATION

Based upon the Division's review and audit of Rocky Mountain Power's (Company or RMP) Renewable Energy Credits (RECs), the Division recommends that the Utah Public Service Commission (Commission) approve the interim rates set under this docket as final.

ISSUE

The Division hereby submits for filing the Division's Audit Report of the Rocky Mountain Power, Renewable Energy Credits Balancing Account (RBA) dated July 11, 2014.

DISCUSSION

On May 22, 2014 the Commission issued a bench order finding the application and interim rates, with an effective date of June 1, 2014, just and reasonable and in the public interest. The bench order was issued by the Commission with a caveat that it would be memorialized in writing. As of this filing the Commission has not issued their written order. The Division will investigate



further, and provide additional comments, any request made by the Commission in their written order regarding the application and interim rates.

The Division reviewed numerous documents in the course of its audit of which included RMP REC sales, request for proposals, RMP reverse request for proposals, RMP REC revenue contracts, renewable costs in base rates, the REC budget for 2013 and 2014, REC policies and procedures, and previous RBA filings. The Division's audit found no material discrepancies in the Company's records of the 2013 REC transactions.

CONCLUSION

Based on a review of the associated 2013 REC tariff, Schedule 98, and related 2013 filings with the Utah Public Service Commission, the Company appears to be in compliance with regulatory and reporting requirements and the interim rates appear to be in the public interest and should be made final.

CC Dave Taylor, Rocky Mountain Power Yvonne Hogle, Rocky Mountain Power Michele Beck, Office of Consumer Services Service List