

GARY HERBERT Governor SPENCER J. COX Lieutenant Governor

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

ACTION REQUEST RESPONSE

| To: | Utah Public Service Commission |
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| From: | Utah Division of Public Utilities Chris Parker, Director Energy Section Artie Powell, Manager Abdinasir Abdulle, Utility Analyst Charles Peterson, Technical Consultant |
| Date: | July, 11, 2016 |
| Re: | Docket No. 16-035-24. Rocky Mountain Power Major Event Report – April 30 through May 1, 2016. |

Recommendation (Approve)

The Division of Public Utilities ("Division") recommends that the Public Service Commission ("Commission") approve Rocky Mountain Power's ("Company") application for Major Event exclusion for the event that took place on April 30 through May 1, 2016. The System Average Interruption Duration Index (SAIDI) value for the event exceeded the threshold that defines a major event under the Institute of Electrical and Electronic Engineers' (IEEE) 2.5 Beta methodology adopted by the Commission in 2005 in Docket No. 98-2035-04.

Issue

On June 10, 2016, the Company filed with the Commission its Major Event Report for the event that took place on April 30 through May 1, 2016 requesting that this event be excluded from its



network performance reporting and customer guarantee failure payments. On the same day the Commission issued an Action Request to the Division asking the Division to review the request for agency action and to make recommendations. The Commission asked the Division to report its findings and recommendations by July 11, 2016. This memorandum represents the Division's comments on the Company's request for major event exclusion.

Event Description and Restoration Effort

On April 30, 2016, a strong wind storm with gusts up to 91 mph swept through Weber and Davis Counties and continued through the next day. This strong wind caused substantial damage to the Company's facilities and hence affected the Company's reliability performance from April 30 through May 1, 2016.

The event resulted in 32,308,736 customer minutes lost and 72,719 customers experiencing sustained interruptions. According to the Company, the damage to the Company's facilities was extensive and included replacement of 89,733 feet of conductor, 38 poles, 14 transformers, and 62 crossarms.

Discussion

The Division reviewed the Company's calculations of the threshold that defines a major event under IEEE 2.5 Beta methodology adopted by the Commission in 2005 in Docket No. 98-2035-04. Based on the data the Company provided to the Division, the Division determined that the threshold for the Daily SAIDI value for the year calculated by the Company, 6.06 minutes, is correct. For this event, the Company calculated the daily SAIDI value for Utah to be 36.86 minutes. Based on the above discussion, the Division concludes that the April 30 through May 1, 2016 event exceeded the daily SAIDI value threshold.

The Company's Network Performance Standard No. 4 states that "*The Company will restore power outages due to loss of supply or damage to the distribution system within three hours to* 80% of customers on average." The Division understands this standard to be applicable to normal conditions. In the case of a Major Event, the Division would determine whether a

satisfactory level of effort was expended by the Company to restore power to comply with this standard.

In reviewing the Company's restoration efforts, the Division noted that the Company used, in addition to its local crews, company crews borrowed from other operating areas, contract crews, substation crews, and vegetation crews. Though the restoration effort was hindered by breaking trees, and high winds, these crews succeeded in restoring power to about 34 percent of the customers who experienced sustained outage within three hours and 96 percent of customers were restored within 24. There were a few customers that sustained damage on the customer side of the meter. These customers experienced longer outage duration.

Having reviewed the Company's filing, the Division concludes that the Company's restoration efforts were adequate.

Conclusion

Therefore, since the Utah SAIDI value for this event, 36.86 minutes, exceeded the daily SAIDI value threshold limit of 6.06 minutes, and the restoration effort was adequate, the Division concludes that this event was a Major Event and should be excluded from the network performance reporting.

CC: Bob Lively, RMP Michel Beck, OCS