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UTAH PUBLIC SERVICE COMMISSION
Heber M. Wells Building
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

May 9, 2016

RE: Docket No. 16-035-T05 – Rocky Mountain Power's Proposed Revisions to Electric Service Schedule No. 94, Energy Balancing Account (EBA)

Background. On April 14, 2016, Rocky Mountain Power (“RMP”) filed proposed revisions to Electric Schedule No. 94, Energy Balancing Account (“EBA”), with the Public Service Commission (“Commission”). RMP’s proposed revisions are a result of Senate Bill 115 (“SB 115”), which was passed during the 2016 general session of the Utah Legislature. On May 2, 2016, the Division of Public Utilities (“Division”), the Office of Consumer Services (“Office”), the Utah Association of Energy Users (“UAE”), and the Utah Industrial Energy Consumers (“UIEC”) filed comments in opposition to the Company’s proposed tariff revisions. Utah Clean Energy has reviewed parties’ comments and offers the following comments in response.

Comments. Utah Clean Energy generally agrees with the comments of the Division, Office, UAE, and UIEC: 1) references to the pilot nature of the EBA should be retained in the tariff going forward, and 2) the duration of the 100% sharing mechanism mandated by SB 115 should be specifically noted.

Utah Clean Energy agrees with the commenting parties that the tariff language should retain reference to the pilot nature of the EBA. SB 115 did not terminate the pilot program or mandate an EBA of permanent or indefinite duration.¹ Rather, the legislation requires the Commission to report to the Legislature in both 2017 and 2018 on whether allowing 100% cost recovery through

¹ SB 115 enacted Utah Code Section 54-7-13.5(2)(d) to read, “Beginning June 1, 2016, for an electrical corporation with an energy balancing account established before January 1, 2016, the commission shall allow an electrical corporation to recover 100% of the electrical corporation’s prudently incurred costs as determined and approved by the commission under this section.” Thereafter, SB 115 states, at Section 54-7-13.5(6), “The commission shall report to the Public Utilities and Technology Interim Committee before December 1 in 2017 and 2018 regarding whether allowing an electrical corporation to continue to recover costs under Subsection (2)(d) is reasonable and in the public interest.” Section 54-7-13.5(2)(b) was unchanged by SB 115 and still requires the Commission to find that an EBA is in the public interest.

the EBA is in the public interest.² Thus, Utah Clean Energy believes that the Commission should continue to review the pilot EBA as contemplated in the Commission Order that initially approved the EBA (in Docket No. 09-035-15³) and the subsequent stipulation that extended the pilot program through 2016 (Docket No. 13-035-184). Therefore, with regard to the pilot language in the tariff, Utah Clean Energy supports the tariff revisions proposed by the Office in their May 2 comments.

Utah Clean Energy also agrees with commenting parties that the duration of the 100% sharing mechanism mandated by SB 115 should be specifically noted in order to more accurately reflect the statutory changes effected by SB 115.⁴ The 100% sharing mandate runs from June 1, 2016 to December 31, 2019.⁵ Given the time limited duration of the SB 115 revisions (pertaining to 100% cost pass through specifically), Utah Clean Energy recommends that the tariff be modified in such a way that includes reference to both the 70/30 sharing mechanism that was initially approved for the EBA and the limited duration of the 100% provision enacted in SB 115 (June 20116 through December 2019).

Conclusion. With regard to the pilot program language in the EBA tariff, Utah Clean Energy recommends that the Commission adopt the tariff revisions proposed by the Office in their May 2 comments. With regard to 100% mandate, Utah Clean Energy recommends that the tariff specifically indicate its duration (June 20116 through December 2019).

Respectfully submitted this 9th day of May, 2016,

Sophie Hayes,
Utah Clean Energy

² Utah Code Section 54-7-13.5(6).

³ Utah Clean Energy was a party to the initial EBA proceeding and supported the 70/30 sharing mechanism.

⁴ UIEC did not comment or make recommendations with regard to this issue. UAE recommended that the limited duration of the 100% pass through be specifically noted. The Division and Office proposed specific language revisions that include reference to both the 70/30 sharing as well as the 100% cost pass through. The Division and the Office also recommend that both formulas for calculating the monthly EBA accruals (according to the 70/30 sharing and the 100% pass through) be included in the tariff.

⁵ Utah Code Section 631-1-254(2) – “Repeal dates.”

