DPU Exhibit 1.2 DIR Charles E. Peterson Docket No. 16-035-T09 July 28, 2016

P.S.C.U. No. 50

**Original Sheet No. 34.1** 

### ROCKY MOUNTAIN POWER

## **ELECTRIC SERVICE SCHEDULE NO. 34**

### STATE OF UTAH

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# Renewable Energy Purchases for Qualified Customers – $5,\!000~\mathrm{kW}$ and Over

**PROVISION:** This Schedule governs contract guidelines for the Company to acquire renewable energy on behalf of qualified Customers, pursuant to Utah Code Annotated § 54-17-806.

**AVAILABILITY**: At any point on the Company's interconnected system where there are facilities of adequate capacity.

**APPLICATION:** To Customers in all territory served by the Company in the state of Utah whose total aggregated electric load is at least 5,000 kW, based on annual peak load. A Customer may aggregate multiple metered delivery points under a single corporate entity to satisfy the 5,000 kW threshold, based on annual peak load at each delivery point. Annual peak load will be based on the Customer's highest Demand reading during the prior 12-month period or its reasonably projected Demand including planned load expansions in the subsequent 12-month period. For new Customers, annual peak load will be based on the Customer's reasonably projected annual peak demand to be reached within a 36-month period ramp-up period, unless an extended time is approved by the Commission.

**MONTHLY BILL:** Customers taking service under this schedule shall be subject to all charges and rates specified in the contract, pursuant to Conditions of Service section 1(c) and approved by the Commission, plus the monthly Administrative Fee, and any other charges specified in the contract and approved by the Commission consistent with this Schedule.

**Administrative Fees:** 

\$110 per generation source, and \$150 per Delivery Point

## **CONDITIONS OF SERVICE:**

- 1. A contract is required for each Customer taking service under this Schedule. The contract is subject to approval by the Commission.
  - a. The contract will provide delivery of electricity to the Customer by the Company from one or more renewable energy facilities. See Conditions of Service paragraph 2, below, for eligible renewable energy facilities criteria.

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## **ELECTRIC SERVICE SCHEDULE NO. 34 - Continued**

- b. The maximum amount of renewable energy to be acquired on behalf of a Customer hereunder shall be based upon the reasonably projected annual amount of energy to be consumed by the Customer, based on known and sound forecast methods typically used by the Company for large customers. Any energy output that exceeds the Customer's usage on an annual basis will be compensated at the Company's then-current avoided costs on Schedule 37.
- c. The contract will include a Renewable Energy Rate in compliance with Utah Code Annotated § 54-17-806. Under the contract the Customer shall pay the Customer's normal tariff rate and:
  - i. An incremental charge equal to the difference between the cost to the Company to supply renewable generation to the Customer and the Company's avoided costs as defined in Utah Code Annotated § 54-2-1(1); or
  - ii. an incremental amount based on an alternative methodology proposed by the Company. The alternative methodology must be set forth in the contract and must demonstrate no harm to other existing customers as compared to the Customer paying its normal tariff rate and that it is in the public interest as determined by the Commission.
- d. The Contract for a new Customer or for new load from expansion of an existing Customer Facility may include a temporary Renewable Energy Rate for company supply service during the ramp up period in compliance with Utah Code Annotated § 54-17-806. If a temporary Renewable Energy Rate is set forth in the contract it must demonstrate no harm to other existing customers during the effective period and that it is in the public interest as determined by the Commission.
- e. The contract will contain service termination provisions obligating the Customer to continue to pay all of the costs of the renewable energy contract or contracts entered into by the Company on the Customer's behalf in the event the contract is terminated early and a cost obligation related to the renewable energy contract or contracts continues beyond the termination. All costs related to the renewable energy contract(s) will be borne by the Customer. The Customer shall be required to provide adequate credit assurances.
- f. If a new Customer fails to to meet the requirements for eligibility for participation under this Schedule during the ramp up period, the service to Customer will revert to the otherwise applicable electric service schedule.
- 2. Criteria for renewable energy facilities eligible under this schedule:
  - a. A generation facility that derives its energy from a renewable energy source as defined in Utah Code Annotated § 54-17-601(10)(a). The renewable facility may be owned by the Company, the Customer or any other person or entity, provided that the Company will enter into a contract under reasonable terms and conditions to buy output from renewable energy facilities owned by others.

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### **ELECTRIC SERVICE SCHEDULE NO. 34 - Continued**

- b. Renewable energy credits (RECs) associated with renewable energy delivered under this Schedule will be deposited into an account maintained by or on behalf of the Customer, and will be retired. If specified in the contract, unbundled RECs can be acquired in the marketplace by Rocky Mountain Power on behalf of the Customer at the Customer's expense to allow the Customer to meet its renewable energy goals during time periods when a Customer's electrical usage is ramping up to full intended levels or the Customer is in the process of attempting to secure renewable resources.
- c. Renewable resources eligible for contract under this Schedule must not already be included in the Company's rates.
- d. The Company will take physical delivery of output from the renewable energy facility and will provide electric service to the Customer.
- 3. The Company will require a nonrefundable application fee of \$5,000.00 from each Customer requesting service under this Schedule, as a partial offset to the Company's costs related to the preparation of a contract for review by the Commission, which fee shall not be refunded whether a contract is ultimately executed. For purposes of application of this fee, one application fee will be assessed on a Customer aggregating multiple points of delivery.

**ELECTRIC SERVICE REGULATIONS:** Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the Customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Public Service Commission of Utah, including future applicable amendments, will be considered as forming a part of, and be incorporated in said Agreement.

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