

September 28, 2018

#### VIA ELECTRONIC FILING

Public Service Commission of Utah Heber M. Wells Building, 4<sup>th</sup> Floor 160 East 300 South Salt Lake City, UT 84114

Attention: Gary Widerburg

**Commission Secretary** 

**Re: Advice No. 18-05** 

Electric Service Schedule 34 - Renewable Energy Purchases for Qualified

Customers – 5,000 kW and Over

Docket No. 16-035-T09 - In the Matter of Rocky Mountain Power's Proposed

Electric Service Schedule No. 34, Renewable Energy Tariff

Compliance Filing

In its August 31, 2018 order in Docket No. 16-035-T09, the Public Service Commission of Utah directed Rocky Mountain Power ("Company") to file an updated Electric Service Schedule No. 34 to incorporate the changes recommended by the Division of Public Utilities ("Division") in its August 1, 2018 filing. These changes were supported by the Company and the Office of Consumer Services in comments filed on August 23, 2018 and August 21, 2018, respectively.

Enclosed for filing are the proposed tariff pages associated with Tariff P.S.C.U. No. 50 of Rocky Mountain Power applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405-2(D), the Company states that the tariff sheets do not constitute a violation of state law or Commission rule. The Company tariff sheets reflect an effective date of August 31, 2018, the date of the Commission order approving the changes.

| First Revision of Sheet No. 34.1 | Schedule 34 | Renewable Energy Purchases for Qualified Customers – 5,000 kW and Over |
|----------------------------------|-------------|--|
| First Revision of Sheet No. 34.2 | Schedule 34 | Renewable Energy Purchases for Qualified Customers – 5,000 kW and Over |
| First Revision of Sheet No. 34.3 | Schedule 34 | Renewable Energy Purchases for Qualified Customers – 5,000 kW and Over |
| Original Sheet No. 34.4          | Schedule 34 | Renewable Energy Purchases for Qualified Customers – 5,000 kW and Over |

Public Service Commission of Utah September 28, 2018 Page 2

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): <a href="mailto:datarequest@pacificorp.com">datarequest@pacificorp.com</a>

jana.saba@pacificorp.com

By Regular mail: Data Request Response Center

PacifiCorp

825 NE Multnomah Blvd., Suite 2000

Portland, OR 97232

Informal inquiries may be directed to Jana Saba, Manager, State Regulatory Affairs, at (801) 220-2823.

Sincerely,

Joelle Steward
Vice President, Regulation

cc: Division of Public Utilities
Office of Consumer Services

Enclosures





#### **ROCKY MOUNTAIN POWER**

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

#### STATE OF UTAH

# $Renewable\ Energy\ Purchases\ for\ Qualified\ Customers-5,000\ kW\ and\ Over$

**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 Contract Demand, to be reached within a ramp-up period of 36-months or such other period approved by the Commission.

**MONTHLY BILL:** As approved by the Commission, Customers taking service under this schedule shall be subject to all charges and rates specified in the Customer contract pursuant to Conditions of Service section 1.c., plus the including monthly cost-based Aadministrative Ffees for metering and billing, and any other charges specified in the Customer contract.

| <u>Standard Administrative Fee (if not otherwise included in Customer contract):</u> |
|--|
| \$110 per generation source, and   |
| \$150 for the first Delivery Point, and  |
| \$50 per any additional Delivery Points  |

#### **CONDITIONS OF SERVICE:**

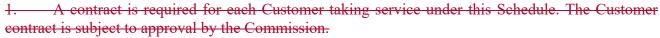
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Issued by authority of Report and Order of the Public Service Commission of Utah in Advice Docket No. 16-0816-035-T09

**FILED:** August 11, 2016 September 28, 2018

**EFFECTIVE**: August 31, 2016 2018





a. The Customer contract will provide delivery of electricity to the Customer by the Company from one or more renewable energy resources. See Conditions of Service paragraph 4, below, for eligible renewable energy resources criteria.

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#### **CONDITIONS OF SERVICE:**

- 1. A contract is required for each Customer taking service under this Schedule. The Customer contract is subject to approval by the Commission.
  - a. The Customer contract will provide delivery of electricity to the Customer by the Company from one or more renewable energy resources. See Conditions of Service paragraph 4, below, for eligible renewable energy resources criteria.
  - 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 Schedule 37 avoided costs for the relevant resource type. The Customer contract may provide that, if the amount of such excess energy averaged over a reasonable time period exceeds the size limitations of Schedule 37, an alternative price using Schedule 38 considerations will apply prospectively to such excess energy.
  - c. The Customer contract will include rates calculated in compliance with Utah Code Annotated § 54-17-806. Under the Customer contract the Customer shall pay:
    - i. the Customer's normal tariff rate as specified in the applicable Electric Service Schedule (which may include a special contract as described in Electric Service Regulation 3(3)),
    - ii. cost-based administrative fees, and:
    - iii. either.
      - 1. 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
      - 2. an amount based on a different method set forth in the Customer contract and approved by the Commission.
  - d. The Customer contract will contain service termination provisions obligating the Customer to continue to pay all of the costs of the renewable energy resource(s) acquired by the Company on the Customer's behalf in the event the Customer contract is terminated early and a cost obligation related to the renewable energy resource(s) continues beyond the termination. At the discretion of the Company, a Customer with multiple delivery points shall have the option to transfer the renewable energy contract obligation of one delivery point to a new or existing delivery point within the Company's service territory without termination fees.
  - e. The Customer shall be required to provide adequate credit assurances.

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Issued by authority of Report and Order of the Public Service Commission of Utah in  $\frac{\text{Advice-Docket}}{0816-035-T09}$  No.  $\frac{16-035-T09}{0816-035-T09}$ 

**FILED:** August 11, 2016 September 28, 2018

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- f. The Customer contract may shall specify the consequences if a new Customer fails by the end of the ramp up period described in the Application section, if applicable, to meet the 5,000 kW eligibility requirement for participation under this Schedule.
- g. The Customer contract shall address the extent to which rate adjustments identified in Electric Service Schedule 80, including but not limited to the Energy Balancing Account in Electric Service Schedule 94, will apply to the Customer.
- 2. Approval by the Commission of an amount calculated using a different method identified in Condition of Service 1.c.iii.2 shall be based on a finding that the contract is just and reasonable and in the public interest. Evaluation of the contract shall include consideration of

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#### ELECTRIC SERVICE SCHE4DULE NO. 34 - Continued

- 2. Approval by the Commission of an amount calculated using a differenteither method identified in Condition of Service 1.c.iii.2 under this schedule shall be based on a finding that the contract amount calculated is just and reasonable and in the public interest. Evaluation of the contract public interest shall include consideration of use of system facilities and contributions to system fixed costs, and any other issues the Commission determines to be relevant any issues the Commission determines to be relevant, which may include, but not be limited to, contribution to system fixed costs, if any. For a Customer other than a new Customer or an existing Customer expanding its load, evaluation of the "public interest" will include consideration of the costs of existing Company facilities.
- 3. At the request of a Customer, the Company may agree to enter into a new contract with another customer to accommodate a transfer of the Customer's rights and obligations with respect to a renewable energy resource to another Customer, subject to Commission approval of the new contract.
- 4. The following provisions set out the criteria for renewable energy resources 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. The renewable resource may be owned by the Company, the Customer or any other person or entity(ies), provided that the Company will enter into a contract under reasonable terms and conditions to buy output from renewable energy resources owned by others.
  - 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 the Company 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.
- 5. 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

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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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**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.







#### **ROCKY MOUNTAIN POWER**

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

#### STATE OF UTAH

Renewable Energy Purchases for Qualified Customers – 5,000 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 Contract Demand, to be reached within a ramp-up period of 36-months or such other period approved by the Commission.

MONTHLY BILL: As approved by the Commission, Customers taking service under this schedule shall be subject to all charges and rates specified in the Customer contract pursuant to Conditions of Service section 1.c., including monthly cost-based administrative fees for metering and billing.

Standard Administrative Fee (if not otherwise included in Customer contract): \$110 per generation source, and \$150 for the first Delivery Point, and \$50 per any additional Delivery Points

(continued)



#### **CONDITIONS OF SERVICE:**

- 1. A contract is required for each Customer taking service under this Schedule. The Customer contract is subject to approval by the Commission.
  - a. The Customer contract will provide delivery of electricity to the Customer by the Company from one or more renewable energy resources. See Conditions of Service paragraph 4, below, for eligible renewable energy resources criteria.
  - 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 Schedule 37 avoided costs for the relevant resource type.
  - c. The Customer contract will include rates calculated in compliance with Utah Code Annotated § 54-17-806. Under the Customer contract the Customer shall pay:
    - i. the Customer's normal tariff rate as specified in the applicable Electric Service Schedule (which may include a special contract as described in Electric Service Regulation 3(3)),
    - ii. cost-based administrative fees, and:
    - iii. either,
      - 1. 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
      - 2. an amount based on a different method set forth in the Customer contract and approved by the Commission.
  - d. The Customer contract will contain service termination provisions obligating the Customer to continue to pay all of the costs of the renewable energy resource(s) acquired by the Company on the Customer's behalf in the event the Customer contract is terminated early and a cost obligation related to the renewable energy resource(s) continues beyond the termination. At the discretion of the Company, a Customer with multiple delivery points shall have the option to transfer the renewable energy contract obligation of one delivery point to a new or existing delivery point within the Company's service territory without termination fees.
  - e. The Customer shall be required to provide adequate credit assurances.
  - f. The Customer contract shall specify the consequences if a new Customer fails by the end of the ramp up period described in the Application section, if applicable, to meet the 5,000 kW eligibility requirement for participation under this Schedule.
  - g. The Customer contract shall address the extent to which rate adjustments identified in Electric Service Schedule 80, including but not limited to the Energy Balancing Account in Electric Service Schedule 94, will apply to the Customer.

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Issued by authority of Report and Order of the Public Service Commission of Utah in Docket No. 16-035-T09

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

- 2. Approval by the Commission of an amount calculated using either method identified in Condition of Service 1.c.iii. under this schedule shall be based on a finding that the amount calculated is just and reasonable and in the public interest. Evaluation of the public interest shall include consideration of use of system facilities and contributions to system fixed costs, and any other issues the Commission determines to be relevant.
- 3. At the request of a Customer, the Company may agree to enter into a new contract with another customer to accommodate a transfer of the Customer's rights and obligations with respect to a renewable energy resource to another Customer, subject to Commission approval of the new contract.
- 4. The following provisions set out the criteria for renewable energy resources 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. The renewable resource may be owned by the Company, the Customer or any other person or entity(ies), provided that the Company will enter into a contract under reasonable terms and conditions to buy output from renewable energy resources owned by others.
  - 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 the Company 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.
- 5. 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.

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Original Sheet No. 34.4

## **ELECTRIC SERVICE SCHEDULE NO. 34.4 – Continued**

**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.

## **CERTIFICATE OF SERVICE**

Docket No. 16-035-T09

I hereby certify that on September 28, 2018, a true and correct copy of Rocky Mountain Power's Advice No. 18-05 was served by electronic mail to the following parties:

# **Utah Office of Consumer Services**

Cheryl Murray <a href="mailto:cmurray@utah.gov">cmurray@utah.gov</a>
Michele Beck <a href="mailto:mbeck@utah.gov">mbeck@utah.gov</a>

**Division of Public Utilities** 

Erika Tedder etedder@utah.gov

**Assistant Attorney General** 

Patricia Schmid <a href="mailto:pschmid@agutah.gov">pschmid@agutah.gov</a>
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**Rocky Mountain Power** 

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**Utah Association of Energy Users** 

Gary Dodge gdodge@hjdlaw.com

**Walmart** 

Vicki Baldwin wbaldwin@parsonbehle.com

Supervisor, Regulatory Operations