



GARY HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

State of Utah  
Department of Commerce  
Division of Public Utilities

FRANCINE GIANI  
*Executive Director*

CHRIS PARKER  
*Director, Division of Public Utilities*

## Action Request Response

**To:** Utah Public Service Commission

**From:** Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Bob Davis, Utility Analyst

Abdinasir Abdulle, Utility Analyst

**Date:** June 18, 2018

**Re:** Approval, Docket No. 18-035-T03 - In the Matter of Rocky Mountain Power's Proposed Revisions to Electric Service Schedule No. 135, Net Metering Service.

### Recommendation (Approval)

The Division of Public Utilities ("Division") recommends the Public Service Commission ("Commission") approve Rocky Mountain Power's ("RMP") proposed revisions to Schedule 135, effective July 1, 2018. The Division determined that RMP's filing complies with the Commission's Order in Docket No. 08-035-78, dated February 12, 2009.

### Issue

On June 1, 2018, RMP filed with the Commission its proposed revisions to Electric Service Schedule No. 135, Net Metering Service. RMP requests an effective date of July 1, 2018. On June 1, 2018, the Commission issued an action request to the Division requesting it to investigate RMP's filing and make recommendations. The Commission asked the Division to report back by June 18, 2018. This memorandum represents the Division's response to the Commission's request to investigate RMP's filing.

## **Background**

The Commission's February 12, 2009 Order in Docket No. 08-035-78<sup>1</sup>, directed RMP to update tariff Schedule No. 135 annually to reflect the value of net excess generation credits for large non-residential customers based on the average retail rates for the previous year's FERC Form No. 1.

## **Discussion**

In compliance with the Commission's Order, RMP filed its Fourth Revised Sheet No. 135.4 of Electric Service Schedule No. 135. This sheet contains the updated net excess generation credits for large non-residential customers in Schedule 135. RMP also provided Exhibit 1, which shows the calculations for the average retail credits for large non-residential customers. The Division reviewed the variance between the numbers in Exhibit 1 used to calculate the average credits and the current FERC Form No. 1. The Division concludes that the calculations are correct. The \$.0076 overall difference between Exhibit 1 and FERC Form 1 - Utah Supplemental is reasonable. The Division notes that the change in rates for customer classes 6, 6A, 6B, 8 and 10 is less than 10 percent.

The STEP Pilot Program completed its first full year of operation on December 31, 2017. The STEP Program requires certain accounting adjustments to comply with the STEP Act. RMP explains the need for the adjustments in its Advice No. 18-03 to the Commission.

This calculation includes an adjustment to remove the amounts that were recovered for Schedules 193 and 196 (Demand Side Management Cost Adjustments and Sustainable Transportation and Energy Plan Cost Adjustment) from revenue included on the Company's 2017 FERC Form 1. When Schedules 193 and 196 became effective as a single line item on customer's bills on January 1, 2017, the accounting was setup such that the collections from these schedules were rolled into the base rate codes that are used to develop the average FERM [sic] Form 1 credits in Schedule 135 for large non-residential customers. In November 2017, the accounting for Schedules 193 and 196 was revised so that the collection would no longer flow into the base rate codes. Therefore, the

---

<sup>1</sup> See <https://pscdocs.utah.gov/electric/08docs/0803578/0803578ROdtm.pdf>, Section V. Issue 2.b., page 20.

Company does not anticipate that this adjustment will be necessary in subsequent annual filings.<sup>2</sup>

In reviewing RMP's advice letter for this matter, the Division reviewed Utah Administrative Code Rule 746- 405-2 (D) (3) (g), which requires a statement that the tariff sheets proposed do not constitute a violation of state law or Commission rule. However, the rule also states that the filing of proposed tariff sheets shall of itself constitute the representation of the filing utility that it, in good faith, believes the proposed sheets or revised sheets to be consistent with applicable statutes, rules and orders. The filing does not appear to violate statute or rule.

### **Conclusion**

The Division concludes that RMP's filing complies with the Commission's Order and recommends that the Commission approve RMP's filing effective July 1, 2018.

Cc: Joelle Steward, RMP  
Jana Saba, RMP  
Michele Beck, OCS

---

<sup>2</sup> RMP Advice No. 18-03 to Gary Widerburg, Commission Secretary, June 1, 2018, ¶ 2.