

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 300, Regulation Charges	<u>DOCKET NO. 19-035-T03</u> <u>ORDER</u>
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ISSUED: March 19, 2019

BACKGROUND

On February 22, 2019, PacifiCorp filed Advice No. 19-03 with the Public Service Commission of Utah (PSC) proposing updates to the Section 9R.4 carrying charge interest rate in Electric Service Schedule No. 300, Regulation Charges, Tariff P.S.C.U. No. 50 (Tariff Application). If the Tariff Application is approved, the interest rate in Section 9R.4 will increase from 4.09% to 4.37%, effective April 1, 2019. Section 9R.4 interest applies to certain PacifiCorp account balances subject to PSC orders (e.g., Demand-Side Management Balancing Account, Renewable Energy Credit Balancing Account, Home Energy Lifeline Program, Solar Incentive Program, STEP Balancing Account, and Blue Sky Program). Additionally, Section 9R.4 interest applies to customer deposits and, in certain circumstances, customer overpayments.^{1,2}

On February 22, 2019, the PSC issued a Notice of Filing and Comment Period, requesting comments no later than March 11, 2019, and reply comments no later than March 15, 2019. On February 27, 2019, the Division of Public Utilities (DPU) filed comments recommending approval of PacifiCorp's Tariff Application.

¹ See *In the Matter of a Request for Agency Action to Review the Carrying Charges Applied to Various Rocky Mountain Power Account Balances* (Order issued January 20, 2016); Docket No. 15-035-69.

² See *In the Matter of the Application of Rocky Mountain Power to Implement Programs Authorized by the Sustainable Transportation and Energy Plan Act* (Phase One Report and Order issued December 29, 2016); Docket No. 16-035-36.

DISCUSSION

PacifiCorp's Tariff Application is based on the annual average 2018 Aaa and Baa corporate bond interest rates published by Moody's Analytics. PacifiCorp's Tariff Application includes an amended Tariff Sheet No. 300.2 with an updated interest rate of 4.37 percent, effective April 1, 2019, and minor administrative changes.

The DPU states PacifiCorp correctly calculated the proposed carrying charge interest rate.³ Based on its investigation, the DPU recommends the PSC approve PacifiCorp's revised Sheet No. 300.2, effective April 1, 2019.⁴

No other party filed comments, and the opportunity has since elapsed.

FINDINGS AND ORDER

Based on the information provided in PacifiCorp's Tariff Application, the DPU's recommendation, and there being no objection filed, we find PacifiCorp correctly calculated the proposed carrying charge interest rate. Therefore we approve the amendments to PacifiCorp's Tariff Sheet No. 300.2 as filed, effective April 1, 2019.

Therefore, we order:

The current effective interest rate in Section 9R.4 of Schedule No. 300 of PacifiCorp's Tariff is amended to 4.37%.

³ See *DPU's Action Request Response* at 2, filed February 27, 2019.

⁴ See *id.*

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DATED at Salt Lake City, Utah, March 19, 2019.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg

PSC Secretary

DW#307195

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 20 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on March 19, 2019, a true and correct copy of the foregoing was served upon the following as indicated below:

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