- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities	DOCKET NO. 19-035-T07 ORDER

ISSUED: June 11, 2019

On April 30, 2019, PacifiCorp filed with the Public Service Commission of Utah (PSC) proposed revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities (Schedule 37), Sheet Nos. 37.3 through 37.7, effective June 3, 2019 (Schedule 37 Annual Filing). Schedule 37 applies to Utah-located cogeneration qualifying facilities (QFs) with a design capacity of 1,000 kilowatts or less and small power production QFs with a design capacity of 3,000 kilowatts or less. PacifiCorp filed the Schedule 37 Annual Filing pursuant to the PSC's orders in Docket Nos. 08-035-78 and 12-035-T10.[1]

On May 1, 2019, the PSC issued a Notice of Filing and Comment Period with comments and reply comments due on May 15, 2019 and May 22, 2019, respectively.

On May 15, 2019, the Division of Public Utilities (DPU) filed comments concluding PacifiCorp's Schedule 37 Annual Filing was made in compliance with PSC orders and that the avoided cost calculations were made consistent with the approved method. The DPU recommended the PSC acknowledge the proposed revisions to Schedule 37. On May 22, 2019, the DPU filed reply comments expressing concern regarding a change in the capacity factor PacifiCorp used to calculate avoided cost prices for thermal generation resources identified in

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[1] *See In the Matter of the Consideration of Changes to Rocky Mountain Power's Schedule No. 135 - Net Metering Service,* (Report and Order Directing Tariff Modifications, issued February 12, 2009), Docket No. 08-035-78. *See also In the Matter of Rocky Mountain Power's Proposed Rate Changes to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities,* (Clarification and Procedural Order, issued November 28, 2012), Docket No. 12-035-T10.

PacifiCorp's Quarter 1 2019 Avoided Cost Input Changes Quarterly Compliance Filing filed on April 30, 2019 in Docket No. 19-035-18 (Compliance Filing Docket).[2,3] The DPU recommended the PSC acknowledge PacifiCorp's Schedule 37 Annual Filing as complying with relevant PSC orders contingent on the resolution of the issues raised in the Compliance Filing Docket.

Because the reply comment deadline related to the capacity factor modification in the Compliance Filing Docket, *i.e.*, June 7, 2019,[4] occurred after PacifiCorp's proposed effective date of June 3, 2019 for the tariff changes proposed in the Schedule 37 Annual Filing, on May 29, 2019 the PSC issued an Order Suspending Tariff in this docket.

On May 31, 2019, PacifiCorp filed comments in the Compliance Filing Docket asserting that the capacity factor change affects only avoided price calculations for baseload QFs receiving avoided cost pricing under the Electric Service Schedule No. 38, Qualifying Facility Procedures tariff.[5] No party disputes this assertion.[6]

Based on the PSC's review of PacifiCorp's Schedule 37 Annual Filing, the DPU's comments and reply comments, and the comments provided by PacifiCorp in the related Compliance Filing Docket, the changes to Schedule 37 Sheet Nos. 37.3 through 37.7 are approved as filed on April 30, 2019, effective June 3, 2019.

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[2] *See Rocky Mountain Power's 2019 Avoided Cost Input Changes Quarterly Compliance Filing* (Comments from Utah Clean Energy, filed May 15, 2019), Docket No. 19-035-18.

[3] The Compliance Filing summarizes the avoided cost methodology used to determine avoided cost prices for Electric Service Schedule No. 38, Qualifying Facility Procedures (Schedule 38) and Schedule 37.

[4] *See supra* n.2, Notice of Comment Period, issued May 16, 2019.

[5] *Id.*, PacifiCorp's May 31, 2019 comments at 1.

[6] On June 7, 2019, the DPU filed reply comments in the Compliance Filing docket concluding PacifiCorp's capacity factor change is consistent with the current method of calculating the capacity contribution of baseload avoided cost resources and recommends the PSC approve it. UCE has no specific recommendations regarding the capacity factor change. *See id.*, DPU's June 7, 2019 Reply Comments at 2; UCE's June 7, 2019 Reply Comments at 1.

DATED at Salt Lake City, Utah, June 11, 2019.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#308677

Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the PSC within 30 days after the issuance of this 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 does not grant a request for review or rehearing within 20 days after the filing of the request, 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 §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

       I CERTIFY that on June 11, 2019, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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