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State of Utah

Department of Commerce Division of Public Utilities

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Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

David Thomson, Utility Technical Consultant

Gary Smith, Utility Technical Consultant

Joanna Matyjasik, Utility Analyst

Date: March 31, 2020

Re: **Docket No. 20-035-T03**, Rocky Mountain Power's Proposed Changes to its Procedural Electric Service Schedule No. 94 – Energy Balancing Account.

Recommendation (Approval)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve the proposed revised tariff sheet 94.3 as filed in Rocky Mountain Power's (Company) Tariff Compliance Filing dated March 20, 2020.

Background

On March 13, 2020, the Commission issued an Order in the Matter of the Application of Rocky Mountain Power for Approval of its Proposed Energy Cost Adjustment Mechanism, Docket No. 09-035-15 (2020 Order). In the 2020 Order, the Commission reviewed the current Energy Balancing Account (EBA) schedule recorded in Schedule 94 and approved modifications. Subject to the Commission's 2020 Order, the Company made a Tariff Compliance Filing in

Docket No. 20-035-T03 dated March 20, 2020. On March 20, 2020, the Commission issued an Action Request to the Division to review the filing and make a recommendation by April 6, 2020. On March 24, 2020, the Commission in Docket No, 20-035-T03 issued a notice of filing and comment period. Comments on the Company's proposed tariff revisions may be submitted on or before April 6, 2020.

Discussion

On November 14, 2019, the Commission issued an Order in Docket No. 09-035-15, approving Rocky Mountain Power's energy balancing account as an ongoing program (2019 Order). With the implementation of the Utah Supreme Court's decision restricting the use of interim rates in the EBA, and given parties' comments, the 2019 Order provided interested parties the opportunity to file comments on the EBA's future procedural schedule by March 2, 2020.

On February 24, 2020, RMP filed comments. On March 2, 2020, the Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) each filed comments. On March 3, 2020, the Utah Association of Energy Users (UAE) filed comments.

The Commission considered all comments and issued the 2020 Order with the following schedule:

The EBA procedural schedule in Schedule 94 shall be:

- a. RMP will file its EBA application on or about March 15.
- b. DPU will complete its audit and file its audit report and supporting testimony by November 7.
- c. The PSC will hold a hearing on or about January 21 of the following year.
- d. The PSC will issue an order on or about February 21 of the following year before the next EBA filing is made.
- e. The EBA rate effective date will be March 1 for a rate-effective period of 12 months.

Conclusion

Based on the Division's review of the Company's Tariff Compliance Filing in Docket No. 20-035-T03, the Division recommends that the Commission approve the revised tariff sheet 94.3 filed on March 20, 2020 and make it available for public inspection.

Cc: Michele Beck, Office of Consumer Services
Joelle Steward, Rocky Mountain Power
Jana Saba, Rocky Mountain Power