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Department of Commerce Division of Public Utilities

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Comments

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Abdinasir Abdulle, Utility Technical Consultant

Bob Davis, Utility Technical Consultant

Date: April 24, 2020

Re: **Docket No. 20-035-T04**, Proposed Tariff Revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities.

Recommendation (Partially Suspend and Partially Approve)

The Division of Public Utilities (“Division”) has reviewed Rocky Mountain Power’s (“RMP”) proposed update to Schedule 37 for qualifying facilities that was filed with the Public Service Commission (“Commission”) on April 9, 2020. The Division recommends that the Commission suspend the wind prices in this Docket until after a final order in the 2019.Q3 Avoided Cost Input Changes Quarterly Compliance in Docket No. 19-035-18, but approve the prices for solar projects proposed in the application.

Issue

On April 9, 2020, in compliance with previous Commission Orders, RMP filed its Advice Filing 20-05, in which it requested tariff changes to Schedule 37 – Avoided cost purchases from small qualifying facilities. On April 13, 2020, the Commission issued a Notice of Filing and Comment

Period in which it asked any interested party to submit comments on or before Friday, April 24, 2020 and reply comments on or before Friday, May 1, 2020. This memorandum represents the Division's comments on RMP's filing. Rocky Mountain Power is asking for an effective date of July 31, 2020.

Discussion

In its Order, dated February 12, 2009, in Docket No. 08-035-78, the Commission directed RMP to annually update the avoided cost pricing in Schedule 37 in order to establish the value or credit for net excess generation of large commercial customers under Schedule 135 Net Metering Service. In its Order, dated November 28, 2012, in Docket No. 12-035-T10, the Commission directed RMP to file future annual filings within 30 days of filing its Integrated Resource Plan ("IRP") or by April 30 of each year, whichever comes first. In compliance with these Orders, RMP filed its updated avoided cost pricing for Schedule 37 on April 9, 2020.

Rocky Mountain Power's filing updated the GRID scenario study period to January 1, 2020 through December 31, 2034. The QF queue was updated to reflect signed contracts not included in the 2019 IRP. The filing also updated the Official Forward Price Curve (OFPC) to the curve dated December 31, 2019. These updates are the routine updates made to RMP's Schedule 38 avoided cost inputs contained in RMP's April 9, 2020 quarterly avoided cost input change compliance filing (2019.Q4 Filing).

The filing also contains the non-routine update associated with the Utah wind deferral that RMP proposed in its 2019.Q3 filing. A decision on this non-routine update is still pending. The non-routine update effects only the wind pricing and has no effect on the solar pricing.

Therefore, the Division recommends the Commission approve the routine updates and the proposed prices for all qualifying Schedule 37 facilities except for wind facilities, and suspend the tariff schedule for wind facilities until after a final order in the 2019.Q3 Avoided Cost Input Changes Quarterly Compliance in Docket No. 19-035-18.

CC: Jana Saba, RMP
Michele Beck, OCS.