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Reply Comments

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Assistant Director
Doug Wheelwright, Utility Technical Consultant Supervisor
David Williams, Utility Technical Consultant
Matthew Pernichele, Utility Technical Consultant

Date: September 4, 2026

Re: **Docket No(s). 24-035-43**, Division of Public Utilities' Request for an Investigatory Docket Regarding Rocky Mountain Power's Line Extension Policy for Large Loads
and
25-R318-01, Proposed Rulemaking Concerning Utah Code §§ 54-26-101 to - 901, Large-Scale Electric Service Requirements

Recommendation

The Utah Division of Public Utilities (Division) submits these Comments in the consolidated Docket No(s). 24-035-43 and 25-R318-01 (Consolidated Dockets) in response to the Public Service Commission of Utah's (Commission) Notice of Additional Comment Period issued July 22, 2026 (Notice), and in response to selected responsive comments submitted by stakeholders.

Background

In its Notice issued in the Consolidated Dockets, the Commission sought additional stakeholder input, with a request for input on three specific topics. Rocky Mountain Power (the Company), the Utah Office of Consumer Services, and the Division filed responsive comments. The Division submits these comments to address certain issues discussed in the responsive comments.



Discussion

Question 1: Closed System Declarations

The first issue on which the Commission requested input relates to the declarations required under Utah Administrative Code R746-318-501(2)(f) and R746-318-601(2)(d). Stakeholders have focused mainly on the R746-318-601(2)(d) declaration (the Closed Private Generation System Declaration).

In its Responsive Comments, the Company provided a description of information that “should enable the Company to confirm that the closed private generation system is electrically separated from the Company’s transmission and distribution system.”¹ The Division appreciates the Company’s efforts at providing a list of information that the stakeholders can evaluate.

Before getting into the specifics of the Company’s proposal, the Division notes that the Company’s interest in ensuring that a private generation system is truly separate from the Company’s system should be balanced with the applicant’s interest in protecting confidential information and design.

Another general issue is when in the design/construction process the Closed Private Generation System Declaration will be made. The Company seems to assume it will happen late in the process (the Company wants to be granted “access to the project site to confirm electrical separation described in the required documentation”).² Presumably, this project site visit would occur when the project neared completion. However, the applicant may want or need the declaration earlier in the process (before it invests significant resources into the project). The Company and other stakeholders may need to have a dialogue to determine the earliest in the process this declaration can happen.

Regarding the specific information the Company says should be submitted (i.e. its Exhibit A, summarized by its bullet points on pages 1-2 of its Responsive Comments), the Division notes the following.

¹ Rocky Mountain Power’s Responsive Comments at 1.

² *Id.* at 2.

First, the Company should be careful to not seek more information than is required to fulfill its responsibilities under the Act and the Rule. For example, the Company requests “[c]losed private generation system conformity information, including how the load and generation facility will be directly connected to each other.”³ However, if the system is truly closed, such that it meets the requirements of R746-318-601(2)(e) and other relevant requirements, there may be cases where Company does not need to know the details of how the load and generation facility will be connected. As the Rules are currently worded, the Company might not have the right to see “how the load and generation facility will be directly connected to each other”, depending on how R746-318-103(8) is interpreted. The Division did propose an amendment to the Rules that would apply in this instance. The Division made this proposal because in some cases, the Company may have an interest in seeing the details of the connection (for example, if the path of the connection is near enough to Company facilities to cause an issue).⁴ However, even if the Commission adopted the Division’s language, the need for this information is rebuttable under the language of R746-318-103(8). If other law and rules exist governing the way facilities are connected to avoid problems, it is not necessarily the Company’s job to ensure compliance with them, even if it has some interest in doing so.

Similarly, it is not clear what it means to identify “all points of physical and electrical separation between closed private generation system and the Company’s facilities.”⁵ Another example is the Company’s request for “confirmation that the qualifying load will be greater than or equal to 100 MWs within five years of the requested initial start date.” This is a requirement under the Act, but the Commission determines this under R746-318-601(4)(b); the Company need not review this information.

Second, the Division is not sure what level of diagram or plan is required to satisfy some of the Company’s suggested required documentation. For example, the Company requests:

³ *Id.* at 1.

⁴ See DPU R743-318 Redline at 3 (June 16, 2026).

⁵ *Id.* at 2.

- Documentation to demonstrate that the generation facility has no possible path, in any of the customer's system configurations, to parallel with the Rocky Mountain Power systems or existing service.
- Explain how the design prevents the generation facility from paralleling with other customer electrical infrastructure.
- Identify all points of physical and electrical separation between the closed private generation system and Rocky Mountain Power facilities.
- Describe any protection, control, interlock, grounding, or isolation measures used to maintain electrical separation.⁶

It is not clear to the Division what kind of documentation is necessary to achieve some of the listed goals. For example, what level of schematic/engineering plan is required to “demonstrate the private generation facilities have no possible path to parallel with the Company's systems”?⁷ It is also not clear to the Division whether parallel path issues are the main area of concern for the Company, or whether other electrical engineering issues are also of concern.

If the Company and other stakeholders disagree regarding the amount or level of documentation that is sufficient for the Company to make a declaration, it may be appropriate to hold a technical conference or workshop to advise the Commission on what level of documentation is required.

Third, whatever level of documentation is required, the Company should, if it refuses to issue a declaration, provide the reasons the declaration was not issued. These reasons should be as specific as possible. The applicant can then present its petition to the Commission under R746-318-601(3), along with any documentation that it believes shows that its system is separate. The Commission can then make a determination on the issue, or request more information.

Fourth, the Division is not convinced that site visits by the Company should be a default requirement. Closed private generation systems are in some respects a type of competition

⁶ *Id.* at Exhibit A, p. 2 of 4.

⁷ *Id.* at 2.

for the Company, and owners of such systems have an interest in protecting their confidentiality, just as the Company does for its facilities. Company access to the project site should not be the standard default requirement. Although the Division has no expertise in the possible types of physical layouts that will comprise closed systems, there may be some types of systems where the Company's concerns are clearly not an issue (e.g. separate campuses with thousands of feet of separation). In those cases, and perhaps others, project site visits might not be appropriate. Again, this is the type of issue that may benefit from a short technical conference or workshop.

Declarations: Division Recommendations

1. The Division does not believe that specific information (i.e. the Company's Exhibit A) should be written into the Rules at this time. The Division recommends that the Commission consider a technical conference or workshop where the following issues are discussed:
 - The technical issues that are most likely to pose problems (parallel path issues, etc.), and how likely these issues are on different possible layouts;
 - The level and detail of documentation and design necessary for the Company to approve or deny the declaration (including whether the same level of documentation should be required for all types of designs/layouts);
 - The timing of the Company's determination regarding the declaration;
 - When project access by the Company is appropriate or required; and
 - Other items requested by stakeholders.

If parties reach agreement on these issues, the specifics can go in a Commission order, rather than in the Rules.

2. Pending more explanation by the Company, site inspection visits by the Company should not be the default. They can be performed if: (1) the Company shows good cause that they are required, and (2) the Commission approves.
3. If the Company declines to issue a declaration under R746-318-601(2)(d), it should provide a specific explanation for the withholding. When the applicant submits a petition under R746-318-601(3), it can provide its own account regarding the alleged deficiency.

Question 3: Costs for Existing Transmission

In its response to the Commission's third suggested topic (existing transmission costs), the Company indicated that it has contemplated a "dedicated new monthly charge" based on the customer's actual peak demand in a given month. The Division appreciates the Company's suggestion. The Division has not yet fully reasoned through the details of the proposal (for example, the proposal that "revenue from this charge would be allocated among PacifiCorp's six-state service territory consistent with the treatment of other OATT revenues"). There are also some other issues that could arise, such as whether the charge could include a take-or-pay component. There also could be complications when there is a transmission line in Utah owned by an entity other than PacifiCorp. However, the Division is preliminarily and tentatively in favor of such a charge, and believes that it could satisfy the need for large load customers to cover costs for existing transmission.

The Division does not believe that any specific method for accounting for existing transmission needs to be written into the Rules. It may be the case that different large loads call for different ways to account for existing transmission. For now, it is enough for the Commission to simply note in the Rules that existing transmission costs should be considered and accounted for. Therefore, the Division affirms its suggestion regarding proposed language for (renumbered section) R746-318-301(3)(e) in its previous comments: the application for Commission approval of a large load contract should include "a description of how costs for the large load customer's use of existing transmission facilities will be recovered from the large load customer."⁸ The actual structure of the cost recovery may vary from contract to contract.

cc: Michele Beck, OCS
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⁸ DPU R743-318 Redline at (June 16, 2026).