

**Rocky Mountain Power State of Utah**  
**Back-up, Maintenance and Supplementary Power**

Rocky Mountain Power State of Utah (“RMPU”) offers a Back-up, Maintenance and Supplementary Power Rate Schedule No. 31 (“Schedule 31”). Schedule 31 is available to customers who have their own generating equipment and a contract for back-up service from RMPU. The total back-up and maintenance power is not to exceed 10,000 kW. Schedule 31 contains back-up power, maintenance power and excess power terms, conditions and charges. Supplemental power is billed and priced under the pricing provisions of the applicable general service schedule.

1. Back-up power is the electric energy and capacity supplied by RMPU during an unscheduled outage of the customer’s electric generating equipment. The back-up demand is measured during the on-peak hours, which are 7:00 a.m. to 11:00 p.m., Monday through Friday except Holidays and days when maintenance is scheduled. All energy is priced under the provisions of the applicable general service schedule.
2. Maintenance power is the electric energy and capacity supplied by RMPU during scheduled outages of the customer’s generating equipment. For customers with a demand in excess of 1,000 kW, the customer must submit a proposed maintenance schedule for each month of an 18-month period. The customer can schedule maintenance for a maximum of 30 days per year. The 30 days may be taken in either one continuous period or two continuous 15-day periods. The scheduled maintenance demand charges are one half of the back-up demand charges. All energy is priced under the provisions of the applicable general service schedule.

3. Excess power is the power that RMPU supplies to the customer in excess of the total contract demand. The total contract demand is the sum of the supplementary contract demand and the back-up contract demand.

### **Rider Schedule 31**

The Schedule 31 tariff includes four separate charges. Each charge varies by voltage level.

The voltage levels are secondary, primary and transmission. The charges are as follows:

1. A monthly customer charge expressed by voltage level;
2. A facilities charge expressed by voltage level and stated on a \$/kW/month basis;
3. On-peak back-up demand charges expressed on a \$/kW/month basis by voltage level (the maintenance demand charges are one half of the back-up demand charges); and
4. An excess power charge expressed by voltage level.

Schedule 31 does not contain a generation reservation charge. Customers who take service on Schedule 31 are required to pay a customer charge which is a function of the voltage level and a facility charge. The facility charge applies to the kW of back-up contract demand. The facility charges reflect the cost of distribution and transmission facilities.

The back-up demand charges apply only during the on-peak period and during the off-peak period, there are no back-up demand charges. All the energy is billed under the pricing provisions of the applicable general service schedule.

Schedule 31 also contains excess power charges which are approximately \$40 per kW for primary and transmission voltage customers. The excess power charges only apply to demand that exceeds the total contract demand. These charges are intended so customers do not understate their back-up contract demand and/or their supplemental power demand.

RMPU also offers Generation Replacement Service ("Schedule 33"). Schedule 33 is available to customers who are willing to curtail their on-site generation for various periods of

time and receive replacement power and energy from RMPU. RMPU will offer the customer terms and conditions associated with the generation replacement service at least five days in advance. The customer must respond to RMPU's offer with 48 hours. The customer will contract for a specific amount of power and energy at a specific price for the offering period. The customer pays for this power regardless of actual usage.

### **Summary of Suggested Modifications and General Comments**

The following contains a brief summary of suggested modifications to the standby tariffs:

1. *The on-peak back-up power charges should be stated on a seasonal basis.* The power charges for the supplemental service rate schedules contain different power charges for the summer and non-summer periods. The back-up power charges should reflect higher rates during the summer period and lower rates during the non-summer periods consistent with the supplemental rates.
2. *Customer-generators should have the option to buy back-up power from the market through the utility and avoid the monthly back-up charge for generation service.* The customer would purchase back-up energy from the utility at the real-time market price. RMPU currently has an Energy Exchange Program Rider that allows participating customers to voluntarily reduce electricity in exchange for a payment at times and at prices determined by RMPU. This rider indicates that RMPU has available hourly market price data. These prices could be used to supply back-up and maintenance power. In addition, the customer would pay a share of any applicable contracted capacity purchased, an allocated portion of transmission and any applicable ancillary service charges and a small administrative fee to cover the utility's procurement cost.

3. *Customer-generators should have the option to provide the utility with a load reduction plan that demonstrates their ability to reduce load within a required timeframe and at a specified kW amount to mitigate all, or a portion of, back-up demand charges.* This option allows the standby customer to use demand response to meet all, or a portion of, their standby needs. The utility would approve the load reduction plan, including whether load can be shed fast enough to avoid generator related costs that the utility incurs.
4. *Charges for shared distribution facilities should reflect load diversity of cogeneration customers.* Charges for shared distribution facilities, such as substations, should reflect load diversity. Load diversity reflects the fact that a given portion of the distribution system is not specifically designed to meet a single customer's needs, but instead reflects demand for distribution services by a pool of customers. Customer-generators should pay for non-dedicated distribution facilities when they are actually purchasing back-up or maintenance power. In addition, load diversity should also be applied to transmission costs. Transmission cost recovery could be treated similar to generation cost recovery.
5. *Standby tariffs should specify that under special conditions, special contracts may be warranted.* For example, specific needs or operating conditions may require special contracts for standby power. Schedule 31 contains a provision that back-up or maintenance power will not exceed 10,000 kW. First, the cap limit appears to be low. Second, even if there is cap because of generation reserve concerns, RMPU should be required to enter into a special contract with any customer whose back-up demand requirement exceeds the cap.

6. *The customer can take up to 30 days of maintenance power per year. However, this can be scheduled only twice during the year. The customers should be allowed to use the 30-day allotment over more instances.*

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