

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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)	DOCKET NO. 12-035-100
In the Matter of the Application of Rocky)	Exhibit No. DPU 1.0 SR
Mountain Power for Approval of)	
Changes to Renewable Avoided Cost)	
Methodology for Qualifying Facilities)	Surrebuttal Testimony
Projects Larger than Three Megawatts)	Charles E. Peterson
)	
)	

**FOR THE DIVISION OF PUBLIC UTILITIES
DEPARTMENT OF COMMERCE
STATE OF UTAH**

Surrebuttal Testimony Regarding RMP's Motion to Stay
of
Charles E. Peterson

December 11, 2012

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Surrebuttal Testimony of Charles E. Peterson

Q. Please state your name, business address and title.

A. My name is Charles E. Peterson; my business address is 160 East 300 South, Salt Lake City, Utah 84114; I am a Technical Consultant in the Utah Division of Public Utilities (Division, or DPU).

Q. On whose behalf are you testifying?

A. The Division.

Q. Did you previously file testimony in this matter?

A. Yes. I filed direct testimony on behalf of the Division on November 30, 2012 in this docket and rebuttal testimony on December 7, 2012.

Q. What is the purpose of your testimony in this matter?

A. I will be responding to certain comments made by Sarah Wright in her rebuttal testimony on behalf of Utah Clean Energy.

I will note that silence on other comments made by Ms. Wright, or other witnesses in their rebuttal testimony, does not necessarily imply that I agree with those comments.

24 **Q. Please summarize the Ms. Wright’s comments that you wish to address.**

25 A. I will comment on Ms. Wright claim in lines 62-63 that the “Division’s approach will put
26 projects at even greater risk of non-completion due to additional uncertainty.” I will
27 comment on her claim that the Division’s proposal would “reward the Company for its non-
28 compliance....” (lines 65-66), and that implication that the Division’s proposal somehow
29 violates PURPA by failing to sign a PPA by a specific date (see lines 76-82).

30

31 **Q. Does the Division’s proposal in your direct testimony increase uncertainty to WQFs?**

32 A. No. The Division’s proposal reduces risk and uncertainty by providing WQFs with price
33 certainty for a period time, through the period that changes in avoided cost methodology will
34 be contemplated and even for a period of time after the Commission may have ordered
35 changes to that methodology.

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37 **Q. Does the Division intend to “reward the Company for its [alleged] non-compliance?**

38 A. Schedule 38 contemplates that the Company “will update its pricing proposals at appropriate
39 intervals to accommodate any changes to the Company’s avoided-cost calculations, the
40 proposed project or proposed terms of the draft power purchase agreement....” (Schedule 38
41 B.6(c)). The Division is not rewarding the Company, but it is concerned that ratepayers may
42 be harmed by fixing a price at 2009 levels. The Division’s proposal is an attempt at balancing
43 ratepayer interests with the interests between Blue Mountain Power Partners, LLC and the
44 Commission’s order in Docket No. 12-2557-01, and other WQFs.

45

46 **Q. What are your comments regarding Ms. Wright's allegations that the Division's**
47 **proposal is a violation of PURPA?**

48 A. This seems to be a legal issue and I am not an attorney. However, in my view the Division's
49 proposal does nothing to limit parties from entering into contracts. It does however put a time
50 limit on the applicability of a pricing methodology approved by the Commission in a 2005
51 order.

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53 **Q. Does this conclude your surrebuttal testimony?**

54 A. Yes.

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