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## Action Request Response

To: Utah Public Service Commission

From: Division of Public Utilities  
Chris Parker, Director  
Energy Section  
Artie Powell, Manager  
Dave Thomson, Technical Consultant  
Brenda Salter, Technical Consultant

Date: June 13, 2012

Subject: Rocky Mountain Power, Docket No. 12-035-68, Authority to Revise Rates in Tariff Schedule 98, Renewable Energy Credits Balancing Account. (Division's response to Commission issued Action Request)

### RECOMMEND APPROVAL:

After a review of the filing, the Division recommends the Commission approve the compliance filing, as filed, with the proposed rate change effective date, on an interim basis, of June 1, 2012.

### ISSUE:

Rocky Mountain Power (Company) submitted an application to the Public Service Commission of Utah (Commission) requesting an Order approving a rate change in the Renewable Energy Credits Balancing Account (RBA), Tariff Schedule 98, pursuant to the terms and conditions of the tariff. The application was filed on March 15, 2012. In accordance with the established

schedule in this Docket, the Division of Public Utilities (Division) filed initial comments on April 27, 2012 with other parties filing comments on May 10, 2012. On May 14, 2012 the Commission held a hearing in the above matter. The Commission issued a bench order authorizing the rate change request with an effective date of June 1, 2012. The Commission's order included the use of the same billing determinants as stipulated to in the 2011 rate case. On May 18, 2012 the Company submitted a compliance filing of the tariff along with the change in billing determinants. On June 7, 2012 the Commission issued an Action Request to the Division requesting a review of the Company's compliance filing. This memo is in response to the Commission's Action Request.

#### **DISCUSSION:**

On May 10, 2012 the Office of Consumer Services (Office) filed comments in this Docket requesting the Commission approve the Company's requested revised Schedule 98 rates. The Office conditioned this request upon the Company resubmitting the proposed rate spread based on the stipulated billing determinates approved in the 2011 rate case Docket No.10-035-124. The Office noted that the billing determinates used in the RBA Application are those from the current rate case Docket No. 11-035-200. The billing determinates in the current rate case are still being reviewed and have not been approved. Also, the Commission Order in the 2011 rate case approved the Schedule 98 rates using the stipulated billing determinates and not some undetermined rate spread.

The Company issued a compliance filing on May 18, 2012 of the rate spread using the 2011 rate case billing determinants as ordered by the Commission on May 14, 2012. The Division has reviewed the compliance filing and compared the billing determinants used with those stipulated in the 2011 rate case.

#### **SUMMARY AND CONCLUSION**

The Division has reviewed the compliance filing and finds that the rate spread is in compliance with the Commission bench order. The Division recommends the Commission approve the compliance filing of schedule 98 and approve the rate decrease on an interim basis until a final audit of the REC revenues contained in this filing can be completed by the Division.

Cc: Dave Taylor, Rocky Mountain Power  
Yvonne Hogle, Rocky Mountain Power  
Michele Beck, Office of Consumer Services  
RBA Service List