

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of Rocky Mountain Power's Proposed Utah Service Reliability Performance Baselines	<u>DOCKET NO. 13-035-01</u>
In the Matter of Rocky Mountain Power's Service Quality Review Report	<u>DOCKET NO. 15-035-72</u> <u>ORDER MODIFYING RELIABILITY CONTROL LIMITS AND BASELINE NOTIFICATION LEVELS</u>

ISSUED: December 20, 2016

On January 7, 2013, PacifiCorp, dba Rocky Mountain Power (PacifiCorp), filed an application (2013 Application) with the Public Service Commission of Utah (PSC) in Docket No. 13-035-01 for approval of its proposed electric service reliability performance baselines (Performance Baselines or Baselines) pursuant to Utah Administrative Code R746-313, Electrical Service Reliability (Rule). In addition to requiring each electric company to have a written electric service reliability program, Section 4 of the Rule requires PacifiCorp to file Performance Baselines for System Average Interruption Duration Index (SAIDI) and System Average Interruption Frequency Index (SAIFI) reliability indices.

In the 2013 Application, PacifiCorp included SAIDI and SAIFI Performance Baselines, set forth the basis for the proposed Baselines, and proposed notification requirements in the event reliability performance ever exceeded either of the Baselines. In our Order in Docket No. 13-035-01 (2013 Order),¹ we approved, among other things, the following baseline notification levels:

¹ *In the Matter of Rocky Mountain Power's Proposed Utah Service Reliability Performance Baselines*, Docket No. 13-035-01, Order issued May 30, 2013.

- 201 minutes for SAIDI; and
- 1.9 events for SAIFI.

Hereafter, we refer to these baseline notification levels as the 2013 Approved Baseline Notification Levels. Our 2013 Order also stated:

[R]igorous monitoring and evaluation of reliability data by the Company, the Division, and the Service Quality Review Group will ensure the Commission is notified if modifications to the Baselines are appropriate. Therefore we accept the Company's proposed Baselines as stated in the Application, subject to ongoing review.

(2013 Order at 9.)

On April 28, 2016, PacifiCorp filed the Utah Service Quality Review Report for the period of January 1 through December 31, 2015 (2015 Report). The 2015 report was filed with the PSC in Docket No. 15-035-72 and pursuant to both the PSC's order in Docket No. 08-035-55² and the Rule. In response to the May 2, 2016 Notice of Filing and Comment Period, the Division of Public Utilities (Division) filed comments recommending the PSC acknowledge the 2015 Report as complying with previous PSC orders. However, the Division also recommended that, in its final order, the PSC make a downward adjustment to the baseline ranges for the reliability indices approved in the 2013 Order.

In reply comments, PacifiCorp acknowledged there was reason to reconsider baselines against which it is comparing its reliability performance. Therefore, PacifiCorp requested the PSC order PacifiCorp and the Division to convene a technical workshop, including all interested parties, so that: "... the various parameters that are inherent in the calculations for baselines

² *In the Matter of the Service Quality Standards for Rocky Mountain Power*, Docket No. 08-035-55, Order issued June 11, 2009.

could be explored with the objective of a joint recommendation to be provided to the Commission for consideration.”³ Consistent with our 2013 Order, on July 5, 2016 we issued an order (2016 Order) acknowledging the 2015 Report and directing PacifiCorp and the Division to convene a technical workshop to address, among other things, the 2013 Approved Baseline Notification Levels.⁴

On November 7, 2016 the Division filed a memorandum (Memorandum) indicating PacifiCorp and the Division had complied with our 2016 order by convening a technical workshop on September 27, 2016, including participation by the Office of Consumer Services (Office). At the workshop, the parties addressed baselines for reliability indices and other related issues. As a result of the workshop, the three participating parties agreed to recommend a slight downward adjustment of the reliability baseline control zones⁵ and notification levels⁶ as follows:

	2013 baseline control zone	proposed 2016 baseline control zone	baseline notification level
SAIDI	151 to 201 minutes	137 to 187 minutes	exceeding 187 minutes
SAIFI	1.3 to 1.9 events	1.0 to 1.6 events	exceeding 1.6 events

In its Memorandum, the Division represents that these values were calculated using the 12-month moving average data for SAIDI and SAIFI over the period from 2011 to 2015 as the mean, plus or minus approximately two standard deviations.

³ PacifiCorp’s June 17, 2016 Reply Comments at 1.

⁴ *In the Matter of Rocky Mountain Power’s Service Quality Review Report*, Docket No. 15-035-72, Order issued July 5, 2016.

⁵ Reliability baselines establish a range within which electric service reliability delivered to customers falls within an expected level and beyond which notification to the Commission, as required by Section 7 of the Rule, would be required.

⁶ The upper limit of the reliability baseline establishes the baseline notification level.

On December 1, 2016 PacifiCorp filed reply comments indicating that it believes no real purpose is served by lowering the 2013 Approved Baseline Notification Levels, except to potentially penalize PacifiCorp if it exceeds the upper threshold. Nevertheless, PacifiCorp indicates that it will accept the adjustments for SAIDI and SAIFI as recommended in the Memorandum. In its reply comments, PacifiCorp also noted that, as explained to the Division and the Office during the workshop, future conditions might require elevating the 2016 proposed baselines, with PSC approval.

FINDINGS AND CONCLUSIONS

We support PacifiCorp's collaborative work on electric service reliability and appreciate its willingness to reconsider limits to the reliability indices. We find PacifiCorp's concern that service quality reliability and performance is complex to be meritorious, and thus we recognize the possibility of future upward revisions to performance baselines with our approval. The Performance Baselines are an important guide for all parties to monitor and evaluate PacifiCorp's reliability performance. We conclude that the method used in determining the 2016 proposed baselines is consistent with that approved in our 2013 Order.

Based on the foregoing, we approve the revised SAIDI and SAIFI control zones and baseline notification levels as recommended. We note that the Division did not provide the control levels on which these limits were developed, and we request that PacifiCorp identify these levels in the next service quality review report.

ORDER

1. We approve a SAIDI control zone of 137 to 187 minutes and a SAIDI Baseline notification level of 187 minutes.

2. We approve a SAIFI control zone of 1.0 to 1.6 events and a SAIFI Baseline notification level of 1.6 events.

DATED at Salt Lake City, Utah, December 20, 2016.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
DW#290880

Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this written Order by filing a written request with the Commission within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission does not grant a request for review or rehearing within 20 days after the filing of the request, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on December 20, 2016, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

Data Request Response Center (datarequest@pacificorp.com)
PacifiCorp

Robert C. Lively (bob.lively@pacificorp.com)
Yvonne Hogle (yvonne.hogle@pacificorp.com)
Daniel Solander (daniel.solander@pacificorp.com)
Rocky Mountain Power

Patricia Schmid (pschmid@utah.gov)
Justin Jetter (jjetter@utah.gov)
Rex Olsen (rolsen@utah.gov)
Robert Moore (rmoore@utah.gov)
Utah Assistant Attorneys General

Erika Tedder (etedder@utah.gov)
Division of Public Utilities

By Hand-Delivery:

Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, Utah 84111

Administrative Assistant