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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of Revisions to Back-Up, Maintenance, and Supplementary Power Service Tariff, Electric Service Schedule 31)
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Docket No. 13-035__

APPLICATION OF ROCKY MOUNTAIN POWER FOR APPROVAL OF REVISIONS TO BACK-UP, MAINTENANCE, AND SUPPLEMENTARY POWER SERVICE TARIFF, ELECTRIC SERVICE SCHEDULE 31

Rocky Mountain Power, a division of PacifiCorp, (Rocky Mountain Power or the Company), hereby submits an application (Application) to the Public Service Commission of Utah (Commission) requesting approval to revise the Back-Up, Maintenance, and Supplementary Power Service Tariff Schedule 31 (Proposed Schedule 31) to:

- A. Change the current rates and the methodology for the calculation of partial requirements service, i.e. backup or standby service (Partial Requirements Service), to coincide with cost causation principles,
- B. Reflect adequate and accurate costs for the provision of such services,
- C. Require customers with onsite generation of 1,000 kW up to and including 15,000 kW, in addition to those with onsite generation greater than 15,000 kW that meet the criteria of a qualifying facility (QF) under the Public Utility Regulatory Policies Act

of 1978 (PURPA) that need supplementary, backup, maintenance or excess power service (other than for emergency supply during times of utility outages) to take such services under Proposed Schedule 31, and

D. Change the name of Schedule 31 to “Partial Requirements Service.”

In support of this Application, Rocky Mountain Power offers the Direct Testimony of Ms. Joelle R. Steward, and states as follows:

1. Rocky Mountain Power is a division of PacifiCorp, an Oregon corporation that provides electric service to retail customers through its Rocky Mountain Power division in the states of Utah, Wyoming, and Idaho, and through its Pacific Power division in the states of Oregon, California, and Washington. Rocky Mountain Power is a public utility in the state of Utah and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. The Company serves approximately 824,000 customers in Utah. Rocky Mountain Power's principal place of business in Utah is 201 South Main Street, Suite 2300, Salt Lake City, Utah 84111.

2. Rocky Mountain Power files this Application pursuant to UTAH ADMIN. R. 746-405-2(E)(1) of the Commission, under which the Company is required to make a showing, and a finding is made by the Commission, that the changes are justified.

3. Communications regarding this Application should be addressed to:

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In addition, Rocky Mountain Power respectfully requests that all data requests regarding this matter be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Dave Taylor at (801) 220-2923.

BACKGROUND

4. The currently effective Schedule 31 was developed over 20 years ago and has not been reevaluated since. Over the last several years the number of customers in Utah and in surrounding states with onsite generation, that require or inquire about partial requirements service from the Company has increased, and is expected to continue to rise. Schedule 31 is lacking in several respects. Rates are not based on an adequate methodology to calculate accurate costs for Partial Requirements Service. Thus current Schedule 31 does not produce sufficient pricing for the provisions of such service, causing other customers who do not use the service to subsidize those that do.

Schedule 31 also does not *require* customers with onsite generation to take Partial Requirements Service under that schedule. Some customers who receive the service take it under other general service schedules which lack the framework necessary to calculate the costs for this service accurately.

5. The Company proposes to establish an appropriate methodology that will produce rates to more closely tie the rates to the otherwise applicable general service schedule and to more accurately reflect the true costs of providing Partial Requirements Service. The Company also proposes to change customer availability and applicability of Partial Requirements Service under Schedule 31. The Company requests an effective date of September 1, 2014, and to incorporate any applicable general rate changes approved during the intervening period using the proposed methodology in the compliance filing for this proceeding.

History

6. Partial Requirements Service was first made available under Schedule 31 in 1976 for customers with onsite generation of 2,500 kW or less. In 1987, the rate structure was further refined and service was expanded to customers with onsite generation up to 10 MW. In 1992, service and rate provisions were added for service during planned maintenance periods (i.e., Maintenance Service) and when customer's demand exceeds their contract demand (i.e., Excess Service). Since 1992, the Schedule 31 rate structure has remained unchanged.

Applicability of Proposed Schedule 31

7. Customers that need Partial Requirements Service, with the exception of those needing it solely for emergency supply during Company outages or those that take net metering service under Schedule 135, will be *required* to take it under Proposed Schedule 31 if they meet the following criteria:

- Customer onsite generation, regardless of generation type, is 1,000 kW and higher, not to exceed 15,000 kW, and

- Customer onsite generation is greater than 15,000 kW and meets the criteria for Qualifying Facilities (“QF”) under the Public Utility Regulatory Policies Act of 1978.

8. Customers with onsite generation less than 1,000 kW will be served under the applicable general service schedule or will be eligible for net metering. Customers with generation facilities greater than 15,000 kW that do not meet the foregoing criteria will not be served under Proposed Schedule 31; they will be provided service by special contract.

Components of Proposed Schedule 31

9. Proposed Schedule 31 will continue to include Customer Charges, Backup Facilities Charges, Backup Power Charges, Excess Power Charges and Maintenance Power Charges, as defined in the Direct Testimony of Ms. Steward. As with current Schedule 31, supplementary facilities, power and all energy charges will be tied to the rate schedule the customer would otherwise take service on.

10. The specific components and bases for the proposed rates in Proposed Schedule 31 are more particularly described in the Direct Testimony of Ms. Steward.

CONCLUSION

11. Increasing inquiries and requests for Partial Requirements Service and the growing size of onsite generation facilities require an evaluation and modification of current Schedule 31 pricing. Changes are necessary to support such requests and to ensure that appropriate and accurate costs are paid by the customers who require the services, and not by customers who do not. Based on the foregoing, the Company respectfully requests that the Commission approve Proposed Schedule 31 to:

(a) change the current rates and methodology for the calculation of rates for partial requirements service, i.e. backup or standby service (Partial Requirements Service), to coincide with cost causation principles;

(b) reflect adequate and accurate costs for the provision of such services;

(c) require customers with onsite generation of 1,000 kW up to and including 15,000 kW, in addition to those with onsite generation greater than 15,000 kW that meet the criteria of a QF under PURPA that need supplementary, backup, maintenance or excess power service to take such services under Proposed Schedule 31; and

(d) change the name of Schedule 31 to "Partial Requirements Service."

12. The Company requests that the proposed change in rates and methodology for approved Schedule 31 be implemented effective September 1, 2014, reflecting any applicable general rate changes approved during the intervening period. The Company further requests that the approved methodology be used in all future rate case proceedings where Schedule 31 rates will be established.

DATED: December 4, 2013.

Respectfully submitted,

Yvonne R. Hogle
Attorney for Rocky Mountain Power