



State of Utah
Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Brenda Salter, Technical Consultant

Date: March 21, 2013

Re: **Proposed Schedule and Interim Rate Process in the RBA**

Docket No. 13-035-33, the Application of Rocky Mountain Power for Authority to Revise Rates in Tariff Schedule 98, Renewable Energy Credits Balancing Account, by Crediting Revenues of Approximately \$3.3 Million

RECOMMENDATION

The Division recommends an interim rate process be incorporated in this filing. The Division proposes below a schedule for the docket to accommodate an effective date of June 1, 2013.

ISSUE AND DISCUSSION

Rocky Mountain Power has submitted an Application to Revise Rates in Tariff Schedule 98 the Renewable Energy Credits Balancing Account (RBA) as directed in Commission Order Docket No. 10-035-124. The Company calculated a \$3.3 million deferral balance to be credited to customers with a June 1, 2013 effective date. The Division would not be able to complete a thorough audit of the 2012 REC revenues with a June 1, 2013 effective date. Any schedule

would be too compact and would not allow adequate time for discovery. The Division proposes the following interim rate schedule for the RBA:

| Division Proposed - w/interim rates | | | |
|-------------------------------------|-----------|------|------------|
| | Date | Days | Total Days |
| Company Filing | 3/15/2013 | | |
| Scheduling Conference | 3/27/2013 | 12 | 12 |
| Division Comments | 4/26/2013 | 30 | 42 |
| Response Comments | 5/10/2013 | 14 | 56 |
| Hearing | 5/14/2013 | 4 | 60 |
| Interim Rates | 6/1/2013 | 18 | 78 |
| Audit Report Due | 7/12/2013 | 41 | 119 |
| Comments on Filing or DPU Audit | 8/2/2013 | 21 | 140 |
| Reply comments | 8/23/2013 | 21 | 161 |

Any party desiring a hearing on issues presented in the filing should so state in their comments or reply comments.

Discovery Turnaround Time 14 days

This schedule is similar in nature to the Commission Ordered RBA schedule in Docket No. 12-035-68. The Division notes this schedule implements interim rates while the Division completes its audit. The Division believes this extended schedule provides sufficient time to complete the RBA audit. If the Commission decides to forgo an interim rate process in the RBA, the Division proposes the following schedule:

| Division Proposed - w/Effective Date Change | | | |
|---|-----------|---------|------------|
| | Date | Days | Total Days |
| Company Filing | 3/15/2013 | | |
| Scheduling Conference | 3/27/2013 | 12 | 12 |
| Division Audit w/Comments | 7/12/2013 | 107 | 119 |
| Comments on Filing or DPU Audit | 8/2/2013 | 21 | 140 |
| Reply comments | 8/23/2013 | 21 | 161 |
| Hearing | 8/29/2013 | 6 | 167 |
| Rate Effective Date | 9/14/2013 | 16 | 183 |
| Discovery Turnaround Time | | 14 days | |

The second schedule would require the rate effective date be moved from the Company's requested June 1, 2013 effective date to approximately September 14, 2013.

While the Division can be reasonable flexible on either schedule, both schedules would allow the Division approximately four months to complete its audit. Either schedule would give all parties the time needed to issue discovery and receive responses. They also allow parties the opportunity to review and reply to issues raised in the Division's audit and/or the Company's filing.

The Division notes that an interim rate was not implemented in the Energy Balancing Account Docket No. 12-035-67 because of controversial issues in the case. The Renewable Energy Balancing Account implemented interim rates in Docket 12-035-68. The Division recommends an interim rate process be incorporated in this filing.

CC Dave Taylor, Rocky Mountain Power
Michelle Beck, Office of Consumer Services
Robert Reeder, Attorney for UIEC
Gary Dodge, Attorney for UAE
Service List