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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Request of Rocky Mountain Power for a Limited Stay of Schedule 38 Qualifying Facility Procedures)	DOCKET NO. 14-035-65
)	Reply Comments

Rocky Mountain Power (“Rocky Mountain Power” or “Company”) hereby submits its reply comments, in accordance with the Notice of Filing and Comment Period, issued by the Public Service Commission of Utah (the “Commission”) in this proceeding on May 23, 2014.

In support of its request, Rocky Mountain Power states as follows:

1. On May 22, 2014, Rocky Mountain Power filed a Request for Stay of the provisions of Schedule 38 that require the Company to provide indicative pricing within 30 days of receiving a completed request.

2. As the Company indicated in its Request for Stay, due to the volume of requests past and currently-outstanding requests, the Company will not be able to complete all of the requested pricing studies within the 30-day timeframe contemplated in Schedule 38.

3. To clarify, this does not mean that, if the stay is granted, the Company will wait until the expiration of the 90 day period to provide indicative pricing to the projects in the queue. The Company is currently working to respond to the requests. The Company expects that both the Parowan Solar project being developed by Energy of Utah, and the Monticello II project,

being developed by Ellis-Hall Consultants, LLC, will receive indicative pricing before the end of June 2014. Both of these parties were notified of the delay before the request for stay was filed.

4. Complying with the 30 day timeframe became an impossibility due to the large volume of pricing requests that were received in a short period of time, not just from Utah but across the system. Each indicative pricing request received must be reviewed and the incoming data validated. Once validated, all projects go into one line for pricing (or “pricing queue”) to assure that the PDDRR Methodology is run correctly according to the Schedule 38 process in each state. Concurrent with the large volume of incoming pricing, beginning in April 2014 the GRID model also required updating as described below.

5. On March 31, 2014, the Company filed its 2013 Integrated Resource Plan (“IRP”) Update, which included changes to the portfolio of potentially deferrable resources used in the application of the Proxy/PDDRR method as approved by the Commission in Docket No. 12-035-100. Once the IRP Update was filed, the Company began work to incorporate the applicable changes into the GRID model used for indicative prices, and these changes needed to be completed prior to continuing work on indicative pricing requests.

6. Furthermore, on April 29, 2014, a transmission constraint located in Utah was identified by PacifiCorp Transmission and posted on OASIS. The transmission constraint limits the available transmission capacity for projects located in southern Utah, but was not reflected in the GRID topology which split Utah into only two areas, Utah North and Utah South. Identification of the new transmission constraint required the transmission topology utilized in the GRID model to be refined prior to calculating indicative prices for projects in southern Utah.

7. The Company has completed the aforementioned updates to the GRID model and continues to process the pricing requests for the parties that have filed comments, and the other

outstanding requests. The Company intends to provide indicative prices to individual developers as soon as possible. The stay will not prevent the development of renewable resources in Utah, and is a reasonable step that will allow the Company to continue to meet its obligations under the tariff. The Commission is granted discretion under the Public Utility Regulatory Policies Act of 1978 (“PURPA”) to implement and approve rules for the development of qualifying facilities, which includes the Company’s Tariff Schedule No. 38. Granting the stay is within the discretionary authority of the Commission to implement PURPA, and is consistent with the statute. Similarly, the Company is not avoiding its obligation under PURPA to purchase power from a qualifying facility—the Company is providing indicative pricing and negotiating power purchase agreements with qualifying facility developers. The process just cannot be completed in the timeframe set forth in the tariff due to the volume of pricing requests and circumstances described in the preceding paragraphs.

8. The comments filed by the Office of Consumer Services and Division of Public Utilities both agree that the Company’s approach is reasonable and in the public interest.

9. Based on the foregoing, the Company requests that the Commission immediately grant the Company’s request and stay the 30 day requirement contained in paragraph I.B.3 of Schedule 38, and allow the Company until August 20, 2014, to provide indicative pricing to all currently outstanding requests.

Dated this 13th day of June 2014.

Respectfully submitted,

ROCKY MOUNTAIN POWER

Daniel E. Solander

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