



We Partner to Build the New Clean Energy Economy

UTAH PUBLIC SERVICE COMMISSION

Heber M. Wells Building
160 East 300 South, 4th Floor
Salt Lake City, Utah 84111

May 17, 2016

**RE: Docket No. 15-035-51 – In the Matter of PacifiCorp’s Financial Reports –
Results of Operations**

Dear Public Service Commission,

Utah Clean Energy submits these comments pursuant to the Commission’s April 25, 2016, Notice of Filing and Comment Period regarding the Division of Public Utilities’ (Division) Action Request Response dated January 7, 2016. In the Action Request, the Commission requested recommendations on Rocky Mountain Power’s (RMP) Annual Cost of Service Study filing. In its Action Request Response (April 15, 2016), the Division recommended that the Commission acknowledge RMP’s filing with a recommendation to allocate jurisdictional revenue credits to rate schedules first (rather than allocating relative revenue credits among functions first) in order to more accurately account for how well different rate schedules are earning the jurisdictional average rate of return.

Utah Clean Energy filed initial comments in this docket April 5, 2016, requesting an informational meeting or technical conference on cost of service modeling issues. Having reviewed the Division’s Action Request Response, we believe the Division’s recommendation regarding the allocation of revenue credits would be an informative case study for such a meeting. Having the Division and RMP illustrate a revenue allocation process would help parties better understand the mechanics of the cost of service model and facilitate increased comprehension and use of the model. Utah Clean Energy believes this would generally increase the quality of participation in regulatory and ratemaking proceedings.

As raised in our initial comments, Utah Clean Energy is additionally interested in exploring the following cost of service modeling-related questions in an informational meeting:

- How do the Company's and Commission's cost of service models differ from one another?
- In what types of filings does PacifiCorp utilize its cost of service model (or annual Results of Operations)?
- How do GRID, net power costs, and the Jurisdictional Allocation Model interact with and feed into the cost of service models?

Thank you for the opportunity to submit comments in this matter.

Respectfully submitted,

Sophie Hayes, Staff Attorney
Utah Clean Energy

CERTIFICATE OF SERVICE
Docket No. 15-035-51

I hereby certify that a true and correct copy of the foregoing was served by email this 17th day of May, 2016, on the following:

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