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State of Utah Department of Commerce Division of Public Utilities

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Action Request Response

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Charles Peterson, Utility Technical Consultant

Bob Davis, Utility Analyst

Abdinasir Abdulle, Utility Analyst

Date: February 9, 2016

Re: **Docket No. 15-035-53 Rocky Mountain Power Compliance Filing – Final Forms for Schedules 37 and 38** In the Matter of the Application of Rocky Mountain Power for Modification of Contract Term of PURPA Power Purchase Agreements with Qualifying Facilities.

RECOMMENDATION - (APPROVAL)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (Company) Compliance Filing (Filing) for Schedules 37 and 38. The Division has reviewed Schedules 37 and 38, and have determined that the Company has complied with the Commission's January 7, 2016, Order.

ISSUE

On January 15, 2016, the Company filed its Filing in compliance with the Commission's January 7, 2016 Order limiting the length of QF contracts to 15 years. The Filing consists of a cover letter, tariff pages 37.3 through 37.7 and tariff page 38.5. The Company proposes an effective tariff date of January 7, 2016. On January 20, 2016, the Commission issued an action request to the Division to review the Filing for compliance and to make recommendations. The Commission requests that the Division completes its review by February 16, 2016.

DISCUSSION

In compliance with the Commission's Order, the Company submitted its Filing with the ordered revisions on January 15, 2016. The Division has reviewed the Filing in light of the Commission's Order, and determined that the language and form contained within the Filing is compliant. In accordance to the Commission's January 7, 2016 Order, the tariff pages that the Company filed included language reflecting the maximum duration of the contracts to be 15 years. The Division determined that the Company recalculated the levelized prices for 15 years as ordered by the Commission.

The Division noted that the Company did not comply with Commission Rule R746-405-2(D) and asked the Company to revise its original cover letter. The Company refiled its cover letter on February 8, 2016 to make an affirmative statement that "the proposed tariff sheets do not constitute a violation of state law or Commission rule" per R746-405-2(D) and to outline the corrected tariff schedules. In addition to requiring an explicit affirmation, the rule states that, "The filing of proposed tariff sheets shall of itself constitute the representation of the filing utility that it, in good faith, believes the proposed sheets or revised sheets to be consistent with applicable statutes, rules and orders."

CONCLUSION

The Division concludes that the Filing accurately implements the Commission's Order, and recommends approval.

CC: Jeffrey K. Larsen, RMP
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Michele Beck, OCS