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**BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH**

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**In the Matter of a Request for Agency  
Action to Review the Carrying Charges  
Applied to Various Rocky Mountain  
Power Account Balances**

**DOCKET NO. 15-035-**

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**REQUEST FOR AGENCY ACTION**

1. The Utah Division of Public Utilities (Division) pursuant to Utah Code Ann. §§ 54-4a-1, 63G-4-201 and Utah Admin. Code R746-100-3 respectfully requests that the Public Service Commission of Utah (Commission) open a docket and issue a Notice of Scheduling Conference to address the review and possible modification of the annual carrying charge on various Rocky Mountain Power (Company or RMP) accounts as found in various Company tariffs.

**I. JURISDICTION**

2. Pursuant to Utah Code Ann. § 54-4-1, the Commission is “vested with power and jurisdiction to supervise and regulate every public utility in this state, and to supervise all of the business of every such public utility in this state, and to do all things,

whether herein specifically designated or in addition thereto, which are necessary or convenient in the exercise of such power and jurisdiction . . .”

3. The Commission has authority to determine and order “just, reasonable, or sufficient rates, fares, tolls, rentals, charges, classifications, rules, regulations, practices, or contracts” if it finds that any of the above is “unjust, unreasonable, discriminatory, preferential, or otherwise in violation of any provisions of law.” See Utah Code Ann. § 54-4-4.

4. In furtherance thereof, pursuant to Utah Code Ann. § 54-4-2(1), the Commission may “conduct an investigation if [it] determines an investigation:

- (i) is necessary to secure compliance with this title or with an order of the commission;
- (ii) is in the public interest; or
- (iii) ...of any schedule, classification, rate, price, charge, fare, toll, rental, rule, regulation, service, or facility of any public utility.”

5. In addition, the Commission, “may, with respect to any matter within its jurisdiction, order the director of the Division of Public Utilities to . . . conduct research, studies, and investigations . . .” Utah Code Ann. § 54-4-1.5.

6. The Division may “commence original proceedings, before the Public Service Commission, and engage in all other activities consistent with its statutory responsibilities” and may “investigate or study, upon complaint, upon order of the Public Service Commission, or upon its own initiative, any matter within the jurisdiction of the commission.” Utah Code Ann. § 54-4a-1(a) and (c).

## **II. BACKGROUND**

7. PacifiCorp, a multi-jurisdictional utility subject to regulation in six states as well as by FERC, is headquartered in Portland, Oregon. PacifiCorp serves approximately 1.8 million electricity customers in California, Idaho, Oregon, Utah, Washington, and Wyoming. The Utah Division operates as Rocky Mountain Power (formerly known as Utah Power) and the Utah jurisdiction represents approximately 43% of PacifiCorp's system energy sales. Its Utah public utility activities are regulated by the Commission, and the Company's rates, charges, and general conditions for electricity service in Utah are set forth in multiple Commission approved tariffs.

8. Pursuant to multiple tariffs, the Company's current Commission approved carrying charge for various accounts is as follows.

<b>Account Description</b>	<b>Interest rate tied to</b>	<b>Current Interest Rate</b>
Energy Efficiency (DSM)	AFUDC	7.76%
Renewable Energy Balancing Account	Cost of Debt	5.20%
Energy Balancing Account	PSC Order	6.00%
Customer Security Deposits	Tariff Schedule 300	6.00%
Home Energy Lifeline	Cost of Debt	5.20%
Solar Incentive	PSC Order	6.00%
Blue Sky	Return on Rate Base	7.57%
Customer Overpayments	Tariff Schedule 300	6.00%

9. Recently in Docket No. 14-057-32, the Division reviewed the applicable carrying charges set forth in the tariffs of Questar Gas Company. The Commission issued its order in that docket on April 29, 2015. Generally, Questar Gas Company carrying charges are now tied to Baa/Aaa bond rates and are adjusted annually.

Similarly, the Division believes that the carrying charges approved for PacifiCorp are in need of review to determine whether they reflect current market rates with respect to their risk and time horizon characteristics, whether they are conveying the proper incentives to PacifiCorp and its customers, and generally whether they continue to be just and reasonable as required by public policy.

### **III. REQUEST**

10. The Division respectfully requests that the Commission open a docket in this matter and hold a scheduling conference as soon as practicable to allow interested parties a chance to address modifying the carrying charge.

RESPECTFULLY SUBMITTED: August 11th, 2015

/s/ Justin C. Jetter  
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