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# Office of Consumer Services

UTAH DEPARTMENT OF COMMERCE

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Executive Director

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To: Utah Public Service Commission

From: Office of Consumer Services  
Michele Beck, Director  
Béla Vastag, Utility Analyst

Date: August 10, 2023

Re: **Docket No. 16-035-27**  
**Rocky Mountain Power's Application for Approval of a Renewable Energy Service Contract (Schedule 34) between Rocky Mountain Power and Stadion LLC (Facebook)**

OCS Comments on Rocky Mountain Power's First Compliance Filing

**REDACTED**

## Background

On June 30, 2023, Rocky Mountain Power (RMP) filed with the Utah Public Service Commission (PSC) its first compliance filing on the Renewable Energy Service Contract (RESC) with Stadion LLC (aka Facebook). The PSC originally approved RMP's Schedule 34 contract with Facebook in its order in this docket on August 29, 2016. The August 2016 Order also required RMP to file biennial reports on the performance of the Facebook RESC beginning after the second full year of operation of the RESC. The Order required three reports to be filed with the last one being filed after the sixth full year of service under the RESC. In Docket No. 22-035-30, regarding the third amendment to Facebook's RESC, RMP agreed to file the first report "by the end of the second quarter of 2023" and the PSC memorialized RMP's filing commitment in its September 22, 2022 Order in that docket.

After RMP filed its first report on June 30, 2023, the PSC issued a Notice of Filing and Comment Period on June 22, 2022 setting a schedule for comments on RMP's First Compliance Report (Report), with initial comments due August 10, 2023 and reply comments due August 25, 2023. Per the schedule set by the PSC, the Office of Consumer Services (OCS) submits the following comments on RMP's first Facebook Schedule 34 RESC Report.

## OCS Comments

The reporting requirements that were approved by the PSC in its August 29, 2016 Order on the Facebook RESC are as follows:<sup>1</sup>

1. [REDACTED]
2. [REDACTED]
3. [REDACTED]
4. [REDACTED]
5. [REDACTED]
6. [REDACTED]
7. [REDACTED]

The filing of these reporting requirements includes numerous large, complex spreadsheets. It appears to the OCS that RMP has provided items matching all seven reporting requirements listed above, but due to the quantity and complexity of the data and calculations provided, we were not able to review and verify all of their contents in time for these initial comments.

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<sup>1</sup> Proprietary Rebuttal Testimony of Paul H. Clements, Docket No. 16-035-27, August 11, 2016, line 88 – 93.

However, the OCS has reviewed reporting requirement number 6 listed above. This report compares the [REDACTED]

[REDACTED]. Below is a comparison of the two scenarios:<sup>2</sup>

	<u>CY 2022</u>
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

Because Facebook's [REDACTED], it appears that the design of this contract and the related tariff may have allowed for the shifting of some costs for providing electric service under this RESC to other ratepayers. When Facebook's RESC was first evaluated in 2016, a major focus for the OCS was to design the RESC in such a way that it provided protections which should have prevented Facebook from shifting costs to other ratepayers when taking service under this Schedule 34 special contract. It appears that Facebook's RESC design may have fallen short on that important goal.

The OCS requests that RMP provide some additional information and analysis regarding this potential cost-shifting issue for the Facebook RESC. If RMP does not provide this information and is not able to show that costs have not been shifted, it will call into question whether these Schedule 34 contracts are in the public interest and it may jeopardize the existence of any future Schedule 34 contracts.

### **OCS Recommendation**

The OCS has no specific recommendations at this time, but reiterates its policy concern that special tariffs and contracts put in place to facilitate individual customer sustainability goals must not be done at the expense of non-participating customers. The OCS looks forward to ongoing collaboration with RMP and other parties to work toward equitable solutions for any future Schedule 34 contracts.

CC: Chris Parker, Division of Public Utilities  
Jana Saba, Rocky Mountain Power  
Distribution List

<sup>2</sup> Amounts taken from RMP Attachment 6 – Comparison to Rate 9 [HIGHLY CONFIDENTIAL], Column P, rows 48 and 57.