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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
Energy Section
Artie Powell, Manager
Abdinasir Abdulle, Utility Analyst
Charles Peterson, Technical Consultant

Date: August, 1, 2016

Re: Docket No. 16-035-31. Rocky Mountain Power Major Event Report – May 19-20, 2016.

Recommendation (Approve)

The Division of Public Utilities (“Division”) recommends that the Public Service Commission (“Commission”) approve Rocky Mountain Power’s (“Company”) application for Major Event exclusion for the event that took place on May 19-20, 2016. The System Average Interruption Duration Index (SAIDI) value for the event exceeded the threshold that defines a major event under the Institute of Electrical and Electronic Engineers’ (IEEE) 2.5 Beta methodology adopted by the Commission in 2005 in Docket No. 98-2035-04.

Issue

On July 1, 2016, the Company filed with the Commission its Major Event Report for the event that took place on May 19-20, 2016 requesting that this event be excluded from its network

performance reporting and customer guarantee failure payments. On the same day the Commission issued an Action Request to the Division asking the Division to review the request for agency action and to make recommendations. The Commission asked the Division to report its findings and recommendations by August 1, 2016. This memorandum represents the Division's comments on the Company's request for major event exclusion.

Event Description

On May 19, a storm with wind and lightning went through northern Utah. The storm caused substantial damage to the Company's distribution and transmission facilities and hence affected the Company's reliability performance from May 19 through 20, 2016.

The event resulted in 9,896,845 customer minutes lost and 100,592 customers experiencing sustained interruptions. According to the Company, the damage to the Company's facilities was extensive and included replacement of 3,297 feet of conductor, 9 distribution poles, 1 transmission pole, 2 transformers, and 2 crossarms.

Discussion

The Division reviewed the Company's calculations of the threshold that defines a major event under IEEE 2.5 Beta methodology adopted by the Commission in 2005 in Docket No. 98-2035-04. Based on the data the Company provided to the Division, the Division determined that the threshold for the Daily SAIDI value for the year calculated by the Company, 6.06 minutes, is correct. For this event, the Company calculated the daily SAIDI value for Utah to be 11.29 minutes. Based on the above discussion, the Division concludes that the May 19-20, 2016 event exceeded the daily SAIDI value threshold.

The Company's Network Performance Standard No. 4 states that "*The Company will restore power outages due to loss of supply or damage to the distribution system within three hours to 80% of customers on average.*" The Division understands this standard to be applicable to normal conditions. In the case of a Major Event, the Division would determine whether a

satisfactory level of effort was expended by the Company to restore power to comply with this standard.

Restoration Effort

In reviewing the Company's restoration efforts, the Division noted that the Company used, in addition to its local crews, company crews borrowed from other operating areas, contract crews, substation crews, and vegetation crews. These crews succeeded in restoring power to about 90 percent of the customers who experienced sustained outage within three hours and 100 percent of customers were restored within 24. Based on this performance, the Division concludes that the Company's restoration efforts were adequate.

Conclusion

Therefore, since the Utah SAIDI value for this event, 11.29 minutes, exceeded the daily SAIDI value threshold limit of 6.06 minutes, and the restoration effort was adequate, the Division concludes that this event was a Major Event and should be excluded from the network performance reporting.

CC: Bob Lively, RMP
Michele Beck, OCS