



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, Manager
Bob Davis, Utility Technical Consultant

Date: September 24, 2019

Re: Conditional Acknowledgement, Docket No. 16-035-36 – Rocky Mountain Power’s Compliance Filing. Application of Rocky Mountain Power to Implement Programs Authorized by the Sustainable Transportation and Energy Plan Act.

Recommendation: (Conditional Acknowledgement)

The Division of Public Utilities (“Division”) recommends the Utah Public Service Commission (“Commission”) conditionally acknowledge Rocky Mountain Power’s (“RMP”) compliance filing in regards to the Battery DR Project (“Soleil”). The Division’s review determined that RMP’s filing complies, in part, with the Commission’s June 28, 2019 Report and Order. The Commission also directed RMP to add language to the contract with Wasatch Development indemnifying RMP and its ratepayers from any legal actions resulting from the Soleil batteries.

Background and Issue

On June 28, 2019, the Commission issued its Order in Docket No. 16-035-36 (“Order”) for Phase Five of the Sustainable Transportation and Energy Plan Act (“STEP”) Program directing RMP to provide an approved building permit for the Soleil project and a revised contract indemnifying RMP and its ratepayers from any legal actions resulting from the batteries.

On August 28, 2019, RMP filed a confidential copy of the approved building permit issued by the City of Herriman where the Soleil project is located. On August 29, 2019, the Commission issued an action request to the Division asking it to review RMP's filing for compliance and make recommendations by September 27, 2019. This memorandum represents the Division's response to the Commission's request.

Discussion

In its Order, the Commission directed RMP to provide proof of approval or permitting for the residential battery installations and add language to the contract with Wasatch Development indemnifying RMP and its ratepayers from any legal actions resulting from the Soleil batteries.

(iv) with respect to the Battery DR Project, RMP will provide the approval or permitting for the residential battery installations once it is available, will add language to the contract with Wasatch Development indemnifying RMP and its ratepayers from any legal actions resulting from the batteries...¹

The Division understands that at the time of this filing, RMP had not concluded the required changes to the contract language with Wasatch Development. RMP anticipates that the revised contract is near completion and will file it separately with the Commission. The Division's approval of the Battery DR Project was conditioned upon these two criteria. The Division, therefore, recommends conditional acknowledgement of RMP's compliance filing here, with full or final acknowledgement of compliance dependent upon the contract language indemnifying RMP and its ratepayers from legal actions as a result of the batteries.

The Commission also directed RMP to meet with the Division and other interested parties to establish a process and timeline to develop a STEP Act program exit strategy plan or process and include a summary of discussions related to exit strategy in future STEP Annual Reports.² The Division notes that RMP has scheduled an exit strategy discussion with the Division and interested parties on November 12, 2019. RMP has scheduled its first quarterly update for the Phase Five projects with interested parties on October 21, 2019.³

¹ Utah Public Service Commission, Report and Order, Docket No. 16-035-36, June 28, 2019, pg. 9.

² *Id.*, pg. 11, Section V, ¶ 5.

³ *Id.*, ¶ 4.

Conclusion

The Division reviewed RMP's filing and concludes that it complies, in part, with the Commission's Order issued on June 28, 2019. RMP provided the Division with the confidential building permit from the City of Herriman approving the electrical plan for the Soleil Project. The Division understands that RMP is working with Wasatch Development on the contract language indemnifying RMP and its rate payers from any legal actions resulting from the batteries, which it will provide in the near future. Therefore, the Division recommends the Commission conditionally acknowledge RMP's compliance filing at this time.

Cc: Joelle Steward, RMP
Jana Saba, RMP
Michele Beck, OCS