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State of Utah  
DEPARTMENT OF COMMERCE  
Office of Consumer Services

MICHELE BECK  
Director

To: Utah Public Service Commission

From: Office of Consumer Services  
Michele Beck, Director  
Alex Ware, Utility Analyst

Date: July 15, 2020

Re: In the Matter of the Application of Rocky Mountain Power to Implement Programs Authorized by the Sustainable Transportation and Energy Plan Act (STEP) in Docket No. 16-035-36.

## Background

On May 6, 2020, the Public Service Commission (PSC) issued a Request for Comments in this docket, explaining that the five-year pilot program for the Sustainable Transportation and Energy Plan (STEP) for large scale electric utilities (of which Rocky Mountain Power or RMP is the only one in Utah to which it applies) is set to end on December 31, 2021. Comments from interested parties are due July 15, 2020 and reply comments are due August 17, 2020.

In March 2016, STEP was enacted as now codified in Utah Code 54-7-12.8 and 54-20-101. Utah Code 54-20-106, Extension of pilot program, states:

“Before the first day of the legislative session in the final year of the pilot program period, the commission shall submit a report and recommendation to the Legislature regarding whether, in the discretion of the commission, the Legislature should, for the sustainable transportation and energy plan:

- (1) extend the plan or a portion of the plan as a ratepayer funded program;
- (2) implement the plan or a portion of the plan as a state funded program; or
- (3) discontinue the plan or a portion of the plan.”

### **Discussion regarding the upcoming expiration of the STEP program**

At this time, OCS sees no reason to extend or continue the STEP pilot program. Ratepayers have contributed nearly \$50 Million and are now faced with many other drivers of rate increases including approval of all or part of the increase requested in RMP's general rate case, potential additional costs resulting from the current pandemic, and new legislatively authorized costs associated with the 2020 General Session's HB 396: Electric Vehicle (EV) Charging Infrastructure Amendments. In fact, RMP has publicly stated that instead of continuing the STEP program as currently organized, it would be replaced with the EV infrastructure program. RMP has claimed that using the funding in this way going forward will result in new EV programs that have no impact on ratepayer bills. It would not be in the public interest to burden ratepayers with an extension of the STEP program along with the implementation of the EV program.

### **Recommendation**

OCS recommends that the PSC recommend to the legislature that it should discontinue the Sustainable Transportation and Energy Plan.

Copies to:

Rocky Mountain Power  
Jana Saba, Regulatory Affairs Manager  
Division of Public Utilities  
Artie Powell, Director