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## Memorandum

**To:** Utah Public Service Commission

**From:** Utah Division of Public Utilities  
Chris Parker, Director  
Artie Powell, Manager  
Charles E. Peterson, Utility Technical Consultant

**Date:** August 1, 2018

**Re:** **Utah Division of Public Utilities Report to the Commission regarding Changes to Rocky Mountain Power Schedule 34 pursuant to the Settlement Stipulation in Docket No. 16-035-T09.**

### Request Establish Process to Amend Tariff

The Utah Division of Public Utilities (Division) requests that the Commission establish a process as soon as practicable to consider approval of the Division's recommended changes to Rocky Mountain Power's (Utility) Schedule 34 as set forth in the attached redlined and clean pages.

### Issue

Pursuant to the Settlement Stipulation (Stipulation) in Docket No. 16-035-T09 that was approved by the Commission,<sup>1</sup> the Division was required to report to the Commission to recommend changes to the Utility's Schedule 34 after consultation with the parties to the Stipulation. This memorandum satisfies this Stipulation requirement.

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<sup>1</sup> See "Order Memorializing Bench Ruling Approving Settlement Stipulation," in Docket No. 16-035-T09, dated August 18, 2016.

## Discussion

The Division recommends that the Commission approve the changes to the Utility's Schedule 34 as set forth in the attached redlined and clean copies of the pages to be amended. The Division recommends these changes based upon concerns raised in the Division's review of Schedule 34 as it currently exists. The following is a discussion of specific items.

1. Monthly Bill: A concern with the original Schedule 34 was the administration fees. Schedule 34 is now two years old and conversations with Rocky Mountain Power indicate that the administration fees may be high. The standard fees would be set in a rate case but the changes to the schedule language are intended to allow the Utility to more accurately and contemporaneously adjust these fees to reflect costs.

Conditions of Service:

2. Paragraph 1.b. The reasons for the elimination of the reference to Schedule 38 are twofold, (1) simplification or convenience (avoid the Schedule 38 process); and (2) recognition that Schedule 37 and Schedule 38 are now calculated using the same methods.

3. Paragraph 1.c.ii. This change is for consistency with the change in the Monthly Bill explained above.

4. Paragraph 1.f. The contract should explain the consequences, if any, if the customer fails to meet the eligibility requirements. This was a change that the Division made several times in the original discussions on Schedule 34 that got lost in the expedited process to approve Schedule 34 in 2016.

5. Paragraph 2. The Division is concerned about the potential for cost shifting or stranded costs of existing resources under this Schedule. The Division believes that the original language is ambiguous as to how these issues would be dealt with and whether it applied to only one of the methods under paragraph 1.c.iii. The intent is that whichever method is used to calculate a rate,

a determination of the public interest in approving the rate will consider these issues.

The Division has consulted with the parties to the Stipulation regarding these changes. The Office of Consumer Services and Rocky Mountain Power have indicated to the Division that they support these changes. Walmart, through its attorney, has indicated that it does not oppose the recommended changes. The Utah Association of Energy Users, through its attorney, has indicated that it does not object to the recommended changes.

## **Conclusion**

Based upon the foregoing, the Division requests that the Commission initiate a process as soon as practicable to consider the approval to amend Schedule 34 as recommended by the Division.

Cc: Michele Beck, Office of Consumer Services  
Jana Saba, Rocky Mountain Power  
Gary Dodge, attorney for the Utah Association of Energy Users  
Vicki Baldwin, attorney for Walmart

Attachments