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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power to Decrease the Deferred EBA Rate through the Energy Balancing Account Mechanism	Docket No. 17-035-01 REPLY COMMENTS OF THE UTAH ASSOCIATION OF ENERGY USERS
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In accordance with the Scheduling Order issued by the Commission herein on March 23, 2017, the Utah Association of Energy Users (“UAE”) files these Reply Comments in response to the request for interim rates contained in the Application of Rocky Mountain Power (“RMP”) filed herein on March 17, 2017, and the comments and recommendation filed by the Division of Public Utilities (“Division”) herein on March 31, 2017.

UAE respectfully (1) disagrees with the recommendations of RMP and the Division that the Commission should set interim rates in this docket effective May 1, 2017, or amortize the EBA credit over twelve months; (2) opposes, as unlawful, inappropriate, and unnecessary, any use of an interim rate mechanism, both generally in any EBA context, and specifically in this

docket in which a refund is owed; and (3) asks the Commission to order RMP immediately to refund to customers the \$6.5 million EBA over-collection as a credit against the unrecovered EBA balance determined in UPSC Docket 16-035-01.

UAE has had insufficient time to review RMP's Application and supporting testimony and exhibits in any detail, and thus is not yet in a position to determine whether the rates that will result from RMP's Application are just, reasonable or in the public interest. Indeed, no person or entity, including the Division and the Commission, is yet in a position to make such a determination. UAE reasserts the arguments recently presented by UAE, UIEC and the Office of Consumer Services to the Commission¹ that the use of an interim rate mechanism in an EBA context is inappropriate and unlawful. However, because those arguments and objections will likely need to be resolved in another context, UAE will not repeat in detail here, but does not waive, its arguments and positions as to the unlawfulness and inappropriateness of the use of interim rates in this EBA docket.

In addition to its opposition to the use of interim rate mechanisms in an EBA context, UAE also submits that the use of such a mechanism in this docket is unnecessary and inappropriate, given that RMP has proposed a refund to its customers. Under such circumstances, the Commission should rely upon Utah Code Ann. §§ 54-7-12(5)(a) and (6), which allow "any schedule, classification, practice, or rule" filed by a utility that "does not result in any rate increase" to take effect in 30 days, subject to the Commission's ability to modify the same. Because RMP's Application and accompanying schedules implement a rate decrease, such

¹ See Petition of UIEC, Office of Consumer Services and UAE for Reconsideration and Rehearing of Commission Order Issued February 16, 2017, UPSC Docket No. 09-035-15.

decrease can and should be permitted to take effect on April 17, 2017 – 30 days after the filing of RMP’s Application.

However, UAE asks the Commission to exercise its authority under the statutes specified above to modify RMP’s proposed manner of refunding the EBA over-collection. There is no need for interim rates, or for amortization of the refund over twelve months. Such an approach will entail one rate adjustment in May, another adjustment on March 1, 2018, and then another “interim” adjustment on May 1, 2018 -- three separate EBA rate adjustments in just 12 months. Rather, UAE submits that the Commission should direct RMP immediately to credit the entire 2016 over-collection of \$6.5 million to the unrecovered portion of the EBA balance determined in Docket 16-035-16. Once the 2015 EBA balance has been fully recovered by RMP, the EBA collection rate should drop to zero until May of 2018, when the implications of the final Commission order in this docket and any interim 2017 EBA adjustment ordered by the Commission can be reflected in rates. This approach will reduce the number of EBA-driven rate adjustments over the next 12 months from three to two, reducing customer confusion and enhancing customer planning.

Accordingly, UAE requests pursuant to Utah Code Ann. §§ 54-7-12(5)(a) and (6) that the schedules filed by RMP to reduce EBA rates be permitted to become effective on April 17, 2017, with a Commission-ordered modification to those schedules to require that the 2016 \$6.5 million EBA over-collection be applied as a credit against the unrecovered EBA balance determined in UPSC Docket 16-035-01, followed by a reduction of the EBA surcharge to zero once the 2015 EBA balance has been recovered.

Submitted this 13th day of April 2017.

HATCH, JAMES & DODGE

A handwritten signature in blue ink, appearing to read "Gary A. Dodge", written over a horizontal line.

/s/ _____

Gary A. Dodge
Attorney for UAE

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was served by email this 13th day of April 2017 on the following:

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