



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, Energy Section Manager

David Thomson, Technical Consultant

Date: April 27, 2017

Re: **RMP – 2017 EBA. Second Revision of Sheet No. 94.10. Schedule 94. Energy Balancing Account (EBA) Pilot Program. Compliance Filing**

Docket No. 17-035-01

RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (RMP or Company) proposed Revised Tariff Sheet for Electric Service Schedule 94.10, Energy Balancing Account (EBA) Pilot Program to be effective May 1, 2017.

ISSUE

On April 26, 2017, the Company filed a revised tariff sheet to Utah Tariff Schedule 94.10 - Energy Balancing Account (EBA) Pilot Program. The Company requested an effective date of May 1, 2017 for the tariff change. On April 27, 2017, the Commission issued an Action Request for the Division to investigate the proposed change to Schedule 94 and report its findings and recommendation to the Commission ASAP. This memorandum represents the Division's response to the Commission's Action Request.

DISCUSSION

In its Order dated April 25, 2017 for Docket No. 07-035-01, the Commission approved PacifiCorp's proposal to apply the interim \$6.5 million credit from its EBA filing to the 2016 EBA balance; and directed PacifiCorp to file revised tariff sheets in that docket to change the interim rates to zero once the 2016 EBA balance was collected.

As the Company evaluated the estimated effective date for compliance with the Commission's order, it was discovered that the customer credit associated with the Deer Creek post-retirement benefits in the 2016 EBA had been accounted for separately from the normal EBA account. The previously estimated June 2017 timeframe for collection of the 2016 EBA balance after netting the interim refund against the 2016 EBA was misstated because it didn't recognize the credit balance for Deer Creek post-retirement benefits. The Company's adjusted analysis projects that the end date for amortization of the 2016 EBA, after netting the interim refund, will be reached in April 2017 rather than June 2017 as previously projected.

In compliance with the Commission's order the Company filed revised tariff sheets changing the interim rates to zero on April 26, 2017. As part of its filing the Company provided workpapers that showed the EBA balance net of the special contract customer balance and the 2017 interim refund.

CONCLUSION

The Division has reviewed the revised tariff sheet and the workpapers provided by the Company in its compliance filing with the Commission dated April 26, 2017. The workpapers project that the amortization of the 2016 EBA, after netting the interim refund, will reach zero in April 2017. The revised tariff sheet 94.10 provided by the Company sets the EBA tariff to zero in accordance with the Commission's order.

Based on its review the Division recommends that the Commission approved the revised tariff sheet provided in the Company's compliance filing effective May 1, 2017.

CC Bob Lively, Rocky Mountain Power
Michele Beck, Office of Consumer Services