



State of Utah  
Department of Commerce  
Division of Public Utilities

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## DPU COMMENTS

To: Public Service Commission of Utah

From: Utah Division of Public Utilities  
Chris Parker, Director  
Energy Section  
Artie Powell, Manager  
Abdinasir Abdulle, Utility Analyst  
Charles Peterson, Technical Consultant

Date: March 17, 2017

Re: RMP's Request for Extension of Deadlines Related to Schedule 38, Removal from QF Pricing Queue. Sections I.B.9 and I.B.10.e.

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## RECOMMENDATION (Approval)

The Division of Public Utilities ("Division") recommends that the Public Service Commission of Utah ("Commission") approve Rocky Mountain Power's ("Company") request for an extension of the deadlines related to Schedule 38, Sections I.B.9 and I.B.10.e. The extenuating circumstance that Company explained qualifies it for an extension.

## ISSUE

On March 9, 2017, the Company filed with the Commission its Notice and Request for Extension of Deadlines Related to Schedule 38, Removal from QF Pricing Queue, Sections I.B.9 and I.B.10.e. On March 10, 2017, the Commission issued a Notice of Filing and Comment Period in which it stated that "Any interested party may submit comments on PacifiCorp's Request on or before Friday, March 17, 2017, and reply comments may be submitted no later

than Friday, March 24, 2017. This memorandum is the Division's comments on the Company's request.

## **DISCUSSION**

Schedule 38 Tariff requires that if a power purchase agreement is not executed within 6 months of the date that the Company provided the developer an indicative price, the Company should recalculate the prices using the most recent available pricing inputs. However, the project's place in the pricing queue should remain unchanged (Section I.B.9). Furthermore, the QF project should be removed from the QF pricing queue if, among other things, the power purchase Agreement is not executed within 5 months from the date that a proposed PPA was provided to the developer by the Company. An exception is if extenuating circumstances delay the Company from performing its part.

Based on a review of the Company's application and a discussion with the Company on March 13, 2017, the Division determined that the negotiations of the PPA between the Company and Sustainable Power Group, the owners of the Glen Canyon A project ("sPower") has been delayed by unforeseen circumstances on the part of the Company. On or around January 31, 2017, sPower requested additional information related to the resource designation of the project, avoided cost pricing, and the interconnection process. The provision of this information required additional time and resources including obtaining information from PacifiCorp Transmission ("Pac Transmission"). Currently, the Company is managing 51 different QF negotiations and pricing requests and some of the employees who are involved in the PPA discussions were tied up with the production of 2017 IRP, which is to be filed with the Commission by March 31, 2017. These unforeseen circumstances that have delayed the Company, qualify the project for an extension of the aforementioned deadlines.

The current Schedule 38 tariff allows for such time extensions. It states that "under extenuating circumstances, the Company or a Developer may request an extension of any deadlines from the Commission." The Company is asking for an extension of 45 days.

Therefore, the Division believes that the Company's request is reasonable and recommends the Commission to approve it.

CC: Bob Lively, RMP  
Michele Beck, OCS