

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of Rocky Mountain Power for Authority to Revise Rates in Tariff Schedule 98, Renewable Energy Credits Balancing Account	<u>DOCKET NO. 17-035-14</u> <u>ORDER ESTABLISHING FINAL RATES</u>
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ISSUED: August 31, 2017

PROCEDURAL HISTORY

On March 15, 2017, PacifiCorp, doing business as Rocky Mountain Power ("PacifiCorp"), filed an application ("Application") requesting approval to revise the collection rates for the Renewable Energy Credits ("REC") Balancing Account ("RBA") in its P.S.C.U. No. 50 Electric Service Schedule No. 98, "REC Revenue Adjustment" ("Schedule 98"). PacifiCorp's Application sought a revenue decrease of approximately \$8.1 million, or 0.4 percent, which is the difference between the (then) current Schedule 98 RBA collection level of \$7.1 million and the Application's proposed credit amount of \$0.968 million with an effective date of June 1, 2017.¹

After a publicly noticed period for comment, the Public Service Commission's ("PSC") designated Presiding Officer conducted a hearing on the Application on May 16, 2017. PacifiCorp, the Division of Public Utilities ("DPU") and the Office of Consumer Services ("OCS") participated in the hearing. The PSC issued an order on May 31, 2017 ("May Order"), approving the Application and the attendant rates on an interim basis, effective June 1, 2017, subject to the PSC's power to order a refund or surcharge following final review of the DPU's audit and any associated comments.

¹ See the PSC's May 31, 2017 Order on interim rates for the full derivation of the \$0.968 million credit given the \$8.1 million revenue decrease.

On July 6, 2017, the DPU filed its audit report ("Audit Report"), wherein the DPU represents it found no discrepancies in PacifiCorp's records of the 2016 REC transactions. On July 17, 2017, the DPU filed comments correcting information in paragraph two on page four of the report, but made no changes to the Audit Report's recommendations or conclusions. The DPU represents PacifiCorp "appears to be in compliance with regulatory and reporting requirements and the interim rates appear to be in the public interest and should be made final."² In its April 27, 2017 comments, filed during the interim rate approval phase of this docket, the DPU recommended the review and likely cancellation of the RBA during PacifiCorp's next general rate case.

On August 4, 2017, the OCS filed comments on the Audit Report. The OCS represents "a few minor variances were identified, however these variances were adequately explained by the Company in response to discovery."³ Accordingly, the OCS recommends the PSC approve the previously authorized interim rates and rate spread as final. The OCS agrees with the DPU "that if cancellation of the RBA is to be considered it should be in the context of a general rate case; however, given the increase in REC revenues being realized by the Company, coupled with the Company's outstanding proposals to expand its wind resources which would increase the RECs available for sale, the RBA benefits ratepayers by ensuring that they receive the advantage of the increased revenues during the long span between general rate cases."⁴

² Audit Report cover letter at 2, filed July 6, 2017.

³ Comments from the Office of Consumer Services at 2, filed August 4, 2017.

⁴ *Id.* at 3.

ORDER

Based on PacifiCorp's Application, the Audit Report, the DPU and the OCS's respective recommendations, and all of the evidence adduced prior to and in connection with the May Order, the PSC approves as final the interim rates and spread the PSC approved in its May Order.

DATED at Salt Lake City, Utah, August 31, 2017.

/s/ Michael J. Hammer
Presiding Officer

Approved and Confirmed August 31, 2017, as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg
Commission Secretary
DW#296314

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Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the Commission within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the Commission does not grant a request for review or rehearing within 20 days after the filing of the request, it is deemed denied. Judicial review of the Commission's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on August 31, 2017, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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