

Mitch M. Longson
MANNING CURTIS BRADSHAW & BEDNAR PLLC
136 East South Temple, Suite 1300
Salt Lake City, Utah 84111
Telephone: (801) 363-5678
Facsimile: (801) 364-5678
mlongson@mc2b.com
Counsel for the Interwest Energy Alliance

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain)
Power for Approval of Solicitation Process of Wind) Docket No. 17-035-23
Resources)

INITIAL COMMENTS OF THE INTERWEST ENERGY ALLIANCE

The Interwest Energy Alliance (“Interwest”, or “Petitioner”) hereby submits its initial comments on the draft request for proposals (“RFP”) submitted by Rocky Mountain Power for approval to acquire wind projects to be located in Wyoming.

1. Interwest Energy Alliance is a 501(c)(6) nonprofit trade association of renewable energy project developers and equipment manufacturers working with the non-governmental conservation community to promote renewable energy in Utah, Colorado, Wyoming, Nevada, Arizona and New Mexico. Interwest has been actively engaged in the PacifiCorp 2017 IRP public input process and has submitted written comments in that process. Interwest’s members will be substantially affected by the proceedings and results of this docket, because they will likely submit bids for review in the RFP issued by Rocky Mountain Power. This docket was opened for review and approval of the RFP for acquisition of hundreds of megawatts of new wind resources to be located in Wyoming.

2. At the outset, Interwest emphasizes that it fully supports the new transmission line and the new wind procurement. These plans will provide substantial savings for Utah ratepayers and all PacifiCorp electricity consumers. Prompt action is required to benefit from the 100% PTC levels which PacifiCorp is seeking to achieve. Therefore, Interwest does not support delay of these proceedings. However, it is important that the most efficient projects be acquired which will provide to customers the most savings and other benefits renewable energy can provide. To achieve this result Interwest recommends that the Commission require a fair, open and transparent, fully competitive RFP and bid review process.

3. It is important to consider the context when reviewing the proposed RFP. This RFP requires wind projects which can be interconnected to a transmission line which does not yet exist. The transmission line and associated new wind procurement is not yet part of an approved IRP, and Rocky Mountain Power has not yet been granted certificate(s) authorizing completion. The completion of Segment D of the Energy Gateway was proposed to be prioritized and accelerated only at the very end of the IRP public input process, at the public input meeting held in early March 2017. While Energy Gateway has been planned for years, prior to that March 2017 meeting there had been no public announcement which would have alerted developers to this new expedited timeline for development of the transmission line until the March public meeting and then Rocky Mountain Power's applications filed after March 2017. There was certainly no public notice that the new projects would require an interconnection request be submitted prior to submission of a bid due in the Fall of 2017 for this nonexistent line, and therefore a requirement that a system impact study be submitted *along with the bid* is not reasonable, is anti-competitive, and should be extended as described herein.

Appendix B, Section 6 of the 2017 RFP states as follows:

Section 6 – Interconnection & Transmission - Each Proposal must include a description of the location of its proposed interconnection facilities, distribution or transmission facilities, including proposed delivery points, and must specify the interconnection and transmission provider and identify all applicable costs. Copies of all completed interconnection and transmission studies must be provided, and bidder is expected to have completed at least a system impact study (SIS) for the proposed interconnection at the time of submittal of the bid.

Sec.6, App. B, p. 7 (underlining added for clarity). There is no commercial or regulatory basis for this requirement for early completion of a system impact study by mid-October when bids are due. This date is 3 years before the requirement for the project to be commercially operating. The commercial operation date is to be no later than December 31, 2020 by the terms of the RFP, which is the placed-in-service deadline to obtain 100% production tax credit eligibility. *See* Appendix D, p. 4. Interwest suggests replacing the deadline with a requirement that the bidder provide proof that all interconnection requirements may be completed prior to commercial operation, with completion of a system impact study no later than January of 2018, a date which does not delay this proceeding. The Commission could reasonably expect an interconnection request to be submitted by a bidder by August 1, 2017 (less than 4 months after this Application with the proposed RFP was filed with the Commission on April 17, 2017). Notwithstanding when the interconnection agreement is submitted and funded, Interwest recommends that the system impact study deadline be revised to January 5, 2018. If a bidder submits the interconnection request with the required funding by August 1, 2017 and waives the feasibility study, a system impact study could be completed, allowing the transmission operator sufficient time to process the request under the OATT guidelines. Under such circumstances, Interwest further recommends that if the transmission operator fails to meet the deadline required by the OATT for processing a timely submitted request (“timely” being filed by August 1, 2017), the bid would be considered to be conforming and PacifiCorp would score the bid as if the system

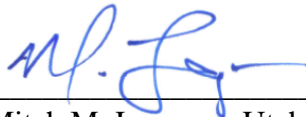
impact study criteria were met. This would enable confirmation of progress towards completion of all system impact studies for short-listed bidders by March of 2018 before final decisions are made by the Commission.

5. Any earlier deadline would effectively eliminate bidders which are able to meet the 2020 deadline for delivering power but did not have prior notice of the timing for submission of the application for approval of the transmission line and plans for hundreds of megawatts of new wind projects in Wyoming which would interconnect to the line. Elimination of these bidders would necessarily limit options available to the utility and may eliminate the most efficient projects which would fully qualify absent this arbitrarily-imposed deadline. If the deadline is extended, the bidder response would undoubtedly be more robust and competitive, motivating bidders to “sharpen their pencils” and provide additional savings where available. Additional time would allow the utility and bidders to consider alternative ways to provide for any specialized interconnection requirements, enabling further cost-cutting measures. Most importantly, it would eliminate the inherent unfairness of the very constrained time limits imposed by the RFP as written.

6. This RFP is unusual as to the acceleration of the transmission line and wind projects proposed under an as-yet unapproved IRP. This RFP arose in the context of an IRP which has not yet been fully considered or approved in any state within PacifiCorp’s service area. This is contrasted with the usual pattern, where RFPs are issued to implement approved resource plans around the West, and which generally anticipate interconnection to full-built and operating transmission facilities. Developers often will have projects at various levels of advancement in the interconnection queue prior to issuance of an RFP. For this RFP, there is significant time in the schedule for the utility to process projects that have submitted an

interconnection request by August 1, 2017 and for the utility to complete the interconnection studies in the time frame required by the relevant Open Access Transmission Tariff. Completed impact studies are often not required for comparative bid review, although they are ordinarily required as part of final negotiations. Therefore, Interwest recommends that the Commission eliminate the fundamentally unfair early deadline for completion of a system impact study. Specifically, Interwest recommends that this term be amended to leave the system impact study requirement open, instead requiring a bidder to provide evidence that the system impact study will be completed so that all interconnection requirements and upgrades could be completed prior to final interconnection to accommodate commercial operation by December 31, 2020.

Respectfully submitted this 4th day of August, 2017.



Mitch M. Longson, Utah Bar No. 15661
MANNING CURTIS BRADSHAW & BEDNAR PLLC
136 East South Temple, Suite 1300
Salt Lake City, Utah 84111
Telephone: (801) 363-5678
Facsimile: (801) 364-5678
mlongson@mc2b.com

On Behalf of Interwest Energy Alliance

Interwest Energy Alliance
Sarah Cottrell Propst, Executive Director
P.O. Box 8526
341 East Alameda
Santa Fe, NM 87504-8526
propst@interwest.org

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing was filed and served by email this 4th day of August, 2017, on the following:

By Electronic-Mail:

psc@utah.gov

Utah Public Service Commission

ROCKY MOUNTAIN POWER

Jeff Richards (Robert.richards@pacificorp.com)

Robert C. Lively (bob.lively@pacificorp.com)

Yvonne Hogle (Yvonne.hogle@pacificorp.com)

Data Request Response Center (datarequest@pacificorp.com)

DIVISION OF PUBLIC UTILITIES

Assistant Utah Attorneys General

Patricia Schmid (pschmid@agutah.gov)

Justin Jetter (jjetter@agutah.gov)

Chris Parker (chrisparker@utah.gov)

William Powell (wpowell@utah.gov)

OFFICE OF CONSUMER SERVICES

Steven Snarr (stevensnarr@agutah.gov)

Robert Moore (rmoore@agutah.gov)

Rex Olsen (rolsen@utah.gov)

Michele Beck (mbeck@utah.gov)

Cheryl Murray (cmurray@utah.gov)

Bela Vastag (bvastag@utah.gov)

UTAH ASSOCIATION OF ENERGY USERS

Gary Dodge (gdodge@hjdllaw.com)

Phillip J. Russell (prussell@hjdllaw.com)



On Behalf of Interwest Energy Alliance

Interwest Energy Alliance
Sarah Cottrell Propst, Executive Director
P.O. Box 8526
341 East Alameda
Santa Fe, NM 87504-8526
propst@interwest.org