

# GARY HERBERT Governor SPENCER J. COX

Lieutenant Governor

## State of Utah

# Department of Commerce Division of Public Utilities

CHRIS PARKER
Interim Executive Director

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Director, Division of Public Utilities

## **Action Request Response**

**To:** Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Doug Wheelwright, Utility Technical Consultant Supervisor

Joni S. Zenger, Utility Technical Consultant

**Date:** March 17, 2020

Re: Docket No. 17-035-39, Voluntary Request of Rocky Mountain Power for Approval

of Resource Decision to Repower Wind Facilities.

## Recommendation (No Action)

The Division of Public Utilities (Division) has reviewed the status of PacifiCorp's (the Company) wind repowering projects that have been placed in service and finds that the Company is in compliance with the Public Service Commission's (Commission) May 24, 2018 Report and Order requiring the Company file an accounting of each project's final costs when each of the projects are completed. The final accounting costs are not known at this time. No action is required by the Commission.

#### Issue

This memorandum is in response to the Commission's Action Request dated February 27, 2020, in Docket No. 17-035-39 (wind repowering docket) that directs the Division to conduct an investigation to determine if the Company is in compliance with the Commission's May 24, 2018 Report and Order (Order). The Commission's Order in the wind repowering docket identified the project costs for each of the approved eleven wind repowering projects (Leaning



Juniper was not approved) and required the Company to file an accounting of each project's final costs when each of the projects are completed.

In the Company's recent Application for an Accounting Order to Defer Costs Related to Repowered Wind Plants or for Alternative Relief <sup>1</sup>in Docket No. 19-035-45 (Deferred Accounting Application), the Company states that eight of the repowered wind plants have been completed and placed in service. Hence, the Commission issued its Action Request asking the Division to investigate and determine if the Company is in compliance with the wind repowering Order.

### Discussion

The Division reviewed the Commission's wind repowering Order that states the following:

The PSC approves, on a project-by-project basis, the projects and costs identified in PacifiCorp's voluntary request for approval of a resource decision to repower the Glenrock I, Glenrock III, Rolling Hills, Seven Mile Hill I, Seven Mile Hill II, High Plains, McFadden Ridge, Dunlap, Marengo I, Marengo II, and Goodnoe Hills wind facilities.<sup>2</sup>

The Commission went on to require an accounting of the final project costs for the 11 approved wind repowering projects, as stated below:

When each of the projects we have approved in this order are completed, we direct PacifiCorp to file in this docket an accounting of each project's final costs.<sup>3</sup>

In the Company's recent Application for an Accounting Order to Defer Costs Related to Repowered Wind Plants or for Alternative Relief in Docket No. 19-035-45, the Company states that eight of the 11 approved repowered wind plants have been completed and placed in service.

The Division discussed this matter with the Company on March 4, 2020. The Company explained that after wind turbine generators are commissioned, there is still an additional six to nine months of work that continues as punch list items required as part of construction

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<sup>&</sup>lt;sup>1</sup> Docket No. 19-035-45, Application for an Accounting Order to Defer Costs Related to Repowered Wind Plants or for Alternative Relief, December 19, 2019, p. 8.

<sup>&</sup>lt;sup>2</sup> Docket No. 17-035-39, Report and Order, May 25, 2008, p. 1.

<sup>&</sup>lt;sup>3</sup> Id. at p. 26.

completion. Additionally, the Company provided the following written response to the Division in a March 5, 2020 email from Jana Saba:

PacifiCorp's repowering projects are immediately placed into service when the new turbines are commissioned and can be dispatched normally. However, the work involved in the repowering project does not conclude when the turbines are placed in service and additional activities including site demobilization, reclamation of laydown areas used during construction, crane pad removal, county and site road repairs (if any), site restoration and revegetation, project documentation, job book completion, training, receipt of lien waivers, and permit close-out activities occurs after a project achieves commercial operation.

Additionally, some control system programming follows turbine commissioning to establish curtailment schemes and other necessary turbine monitoring functions to support long-term maintenance. Project management actions such as the resolution of outstanding change order requests and project notices also occurs following commercial operation. Given these project activities (and since some site reclamation/vegetation restoration activities cannot occur in winter), final project closing of the repowering projects is not anticipated until 9 months following commercial operation of the projects.

Given that the Company reported eight of the wind repowering facilities were placed in service, the Company expects to complete final project closing approximately nine months after being placed in service and will notify the Commission at that time of the final project-by-project costs. The Division finds that the Company is in compliance with the Commission's wind repowering Order.

### Conclusion

The Division investigated whether the Company had failed to comply with the Commission's wind repowering Order to provide final project costs at the time the projects are placed in service. The Division determined that final project-by-project costs will not be known until approximately nine months after the in-service date of each wind repowering project. The Company intends to notify the Commission once the final project costs are known. The Division finds no action is required by the Commission.

Cc: Jana Saba, Rocky Mountain Power
Michele Beck, Office of Consumer Services