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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Approval of a Significant Energy Resource Decision and Request to Construct Wind Resource and Transmission Facilities	Docket No. 17-035-40 UAE's REPLY COMMENTS IN SUPPORT OF MOTION TO VACATE REMAINING SCHEDULE
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Pursuant to the Commission's January 19, 2018 order in this docket, the Utah Association of Energy Users ("UAE") submits these reply comments in support of the Motion to Vacate Remaining Schedule filed by the Division of Public Utilities ("Division") and the Office of Consumer Services ("Office") on January 19, 2018. UAE filed comments in support of the Motion to Vacate on January 24, 2018. The Utah Industrial Energy Consumers ("UIEC") and Rocky Mountain Power ("RMP") also filed comments in response to the Motion. UIEC's comments reflect many of the same concerns expressed by the Division and the Office in the Motion and by UAE in its comments. As such, UAE focuses this reply on the comments submitted by RMP.

As noted in UAE’s January 24 comments in support of the Motion to Vacate, UAE and others are reviewing the January 16, 2018 filing to determine if it is a complete filing. In its comments, RMP asserts that provisions of the Energy Resource Procurement Act (“Act”) set statutory deadlines for Commission rulings on the resource decisions at issue in this docket.¹ Specifically, RMP asserts that Utah Code § 54-17-302(5)(a) sets a 120-day target for the Commission to rule on RMP’s application for a approval of a significant energy resource decision related to the new wind projects, and that Utah Code § 54-17-402(6) sets a 180-day target for the Commission to rule on RMP’s application for approval of a voluntary resource decision related to the transmission projects, and notes that both target dates can be extended if the Commission determines that additional time to analyze the resource decision is warranted and is in the public interest. The underlying premise of RMP’s comments citing these provisions is that the parties in this docket—including the Division, the Office, UIEC, and UAE—have had and will have all of the time permitted by statute to review RMP’s application, and then some. This underlying premise is based on the false notion that the application RMP filed in June 2017 was complete and/or that the supplement to that application filed six months later in January 2018 renders that application complete. RMP’s application was not complete when it was filed in June 2017 and is not complete even now after RMP filed 642 pages of supplemental and rebuttal testimony and more than 15 GB of additional data.

The target dates for Commission rulings on applications for resource decisions set forth in the Act do not begin to run until the utility submits a complete “request for approval” of the

¹ See 1/24/2018 RMP Comments at 3 & n.2

energy resource decisions at issue, including all information required by Commission rule.² As the Commission is aware, RMP filed its application in June 2017 before it had received approval of its solicitation process or selected any wind resources for the wind projects that would comprise the energy resource decision for which RMP sought approval. Instead, RMP's June 2017 filing identified "benchmark" wind resources to serve as proxies for wind resources to be selected later in the solicitation process. RMP's June 2017 filing also included an economic justification for the transmission projects using hypothetical revenue requirement numbers from the hypothetical wind resources. Because the solicitation process was not complete when RMP filed its application in June 2017, that filing did not include, among other things:

- Any of the "[i]nformation regarding the solicitation process" required by R746-430-2(c);
- "Identification of all information, data, models and analyses used by the Affected Utility . . . to evaluate and rank bids and the selected resource," as required by R746-430-2(d);
- "Contracts proposed for execution or use in connection with the acquisition of the Significant Energy Resource and identification of matters for which contracts are being negotiated or remain to be negotiated," as required by R746-430-2(e);

This lack of required information was a byproduct of RMP's efforts to seek approval of its significant energy resource decision on the wind projects without first completing the solicitation process and selecting resources from that process. By including projected costs for certain benchmark resources, RMP's June 2017 filing sought to provide the estimated cost

² See Utah Code §§ 54-17-302(2)(a) & 54-17-402(2)(a) (requiring utility seeking Commission approval of resource decision to file "request for approval"). See also Utah Code §§ 54-17-302(2)(b) & 54-17-402(2)(b) (stating that "request for approval required by this section shall include any information required by the commission by rule."). See also Utah Code § 54-17-302(5)(a) (setting target date for Commission ruling "within 120 days of the day on which the applicable utility files a request for approval.") & Utah Code § 54-17-402(6) (setting target date for Commission ruling "within 180 days of the day on which the energy utility files a request for approval.").

information and information on the estimated effects on revenue requirement as required by R746-430-2(f) & (g), respectively. Unfortunately, as the January 2018 filing demonstrates, economic projections based on hypothetical “benchmark” resources are an inadequate substitute for projections based on actual bids that have been accepted and selected by the utility.

RMP’s January 2018 filing eschews the “benchmark” bids and replaces them with actual bids that comprise the final shortlist from RMP’s solicitation process. The January 2018 filing remains incomplete for some of the same reasons that the June 2017 filing was incomplete. The January 2018 filing does not include certain of the “[i]nformation regarding the solicitation process” required by R746-430-2(c), including, among other things, “[c]opies of all reports relating to the solicitation process made by an independent evaluator who may have been involved with the solicitation process” as required by R746-430-2(c)(iii). Because the report of the independent evaluator (“IE”) has not yet been submitted, the parties cannot begin to conduct an analysis of the solicitation process and how it has been carried out. It is unknown (to UAE, at least) when the IE’s report will be finalized. UAE requests that the Commission grant the Motion to Vacate and set a new schedule either once the IE’s report has been filed or when a date can be established for the IE to file his report.


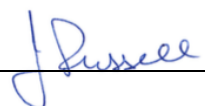
In addition, the economic projections that RMP has presented for the Combined Projects have been a moving target throughout this docket and it is not clear from the January 2018 filing that those economic projections have stopped moving. For example, RMP asserts that the contracts for the final shortlist wind projects are still being negotiated and will not be completed until April 16, 2018. When those contracts are finalized, the parties will require time to analyze them to determine if new or changed terms affect the analysis of the Combined Projects. RMP

proposes a hearing date of April 18, 2017 or April 24, 2018. Such a hearing date would give the parties insufficient time to conduct a necessary review of the final shortlist contracts. Moreover, RMP admits in its comments to the Motion to Vacate that RMP has not yet completed interconnection studies for the final shortlist wind projects and that it will update “any resulting changes to the final shortlist” when those interconnection studies are complete. As with the IE’s report, it is unknown when the interconnection studies will be completed. The parties will require time to analyze the interconnection studies to determine if interconnection costs (among other things) are materially different than the estimated interconnection costs contained in the economic projections set forth in RMP’s January 2018 filing. The parties should not be required to respond to RMP’s most recent filing until those studies are completed. UAE requests that the Commission grant the Motion to Vacate and set a new schedule that provides the parties sufficient opportunity to review the completed final shortlist projects and consider the completed interconnection studies.

UAE recommends that the Commission vacate the remaining schedule in this docket and convene another scheduling conference, at which parties can address the completeness of the filing, the time that will be required to review and respond to it, and other appropriate deadlines.

DATED this 26th day of January 2018.

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Certificate of Service
Docket No. 17-035-40

I hereby certify that a true and correct copy of the foregoing was served by email this day 26th day of January 2018, on the following:

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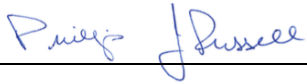
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