

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

In the Matter of Rocky Mountain Power's
Proposed Tariff Revisions to Electric Service
Schedule No. 91, Surcharge to Fund Low
Income Residential Lifeline Program

DOCKET NO. 17-035-T03
ORDER APPROVING PROPOSED
REVISIONS TO SCHEDULE NO. 91

ISSUED: March 23, 2017

SYNOPSIS

The PSC approves PacifiCorp's request to decrease Schedule No. 91 rates, effective May 1, 2017.

BACKGROUND AND PROCEDURAL HISTORY

This matter is before the Public Service Commission of Utah (PSC) to address the February 24, 2017 application of PacifiCorp, doing business in Utah as Rocky Mountain Power (PacifiCorp), proposing a decrease to the Electric Service Schedule No. 91, Surcharge to Fund Low Income Residential Lifeline Program as follows:

| <u>Schedule No.</u> | <u>Current Schedule 91 Monthly Surcharge</u> | <u>Proposed Schedule 91 Monthly Surcharge</u> |
|----------------------------|---|--|
| Schedules 1 & 2 | \$0.20 | \$0.16 |
| Schedule 6, 6A & 6B | \$7.57 | \$5.60 |
| Schedule 7 | \$0.08 | \$0.06 |
| Schedule 8 | \$50.00 | \$50.00 |
| Schedule 9 & 9A | \$50.00 | \$50.00 |
| Schedule 10 | \$1.05 | \$0.97 |
| Schedule 11 | \$1.37 | \$0.99 |
| Schedule 12 | \$1.10 | \$0.63 |
| Schedule 15 | \$0.14 | \$0.10 |
| Schedule 21 | \$20.86 | \$12.97 |
| Schedule 23 | \$0.37 | \$0.26 |
| Schedule 31 | \$50.00 | \$50.00 |
| Schedule 32 | * | * |

* The rate for Schedule 32 shall be the same as the applicable general service schedule.

The PSC asked interested parties to file comments and reply comments.¹ In addition, the PSC issued a supplemental action request asking the Division of Public Utilities (DPU) to clarify whether the interest rate represented in certain cells contained in PacifiCorp's spreadsheet is consistent with an earlier PSC order.²

On March 16, 2017, the DPU and the Office of Consumer Services (OCS) both filed comments supporting the proposed Schedule 91 Surcharge decrease and responding to the supplemental action request. No one opposed. The comments of the parties are briefly summarized below.

DISCUSSION, FINDINGS, AND CONCLUSIONS

PacifiCorp proposes to decrease the Low Income Residential Lifeline Program monthly surcharge to balance collections and payments. Consequently, PacifiCorp proposes to reduce the Elective Service Schedule No. 91 surcharge rates that are not subject to the \$50 per month cap, effective May 1, 2017.

The DPU explains the reduction in surcharge proposed by PacifiCorp will, if adopted, establish a path to eliminate the excess ending balance. Additionally, in response to the supplemental action request, the DPU explains PacifiCorp inadvertently used an interest rate of 7.57% instead of 5.20% and provided a corrected spreadsheet prepared by PacifiCorp.³ According to the DPU, the change in the ending account balance resulting from the use of the

¹ See Notice of Filing and Comment Period, issued February 28, 2017.

² See Supplemental Action Request, issued March 8, 2017.

³ See DPU's response to Supplemental Action Request at 3, filed March 16, 2017.

correct interest rate is insufficient to revise the proposed surcharges.⁴ Accordingly, the DPU recommends the PSC approve the proposed tariff revision.

The OCS agrees the current balance in the Schedule No. 91 Surcharge fund is excessive and should be reduced either through an immediate refund to customers who have paid into the fund or, as the Company suggests, by reducing the amount collected from customers. The OCS asserts the latter option is better. The OCS notes PacifiCorp's proposal will maintain a balance of approximately \$600,000.

Regarding the PSC's supplemental action request, the OCS notes the PSC-approved cost of debt, in Docket No. 13-035-184, was 5.20% for the period in question. The OCS concludes the PSC should approve the Application and order PacifiCorp to amend its filing, correcting the interest rate at issue. In response to this request, PacifiCorp filed an amended spreadsheet on March 21, 2017.⁵ The OCS asserts the lower ending account balance resulting from use of the correct interest rate is within a reasonable planning range and a reduction to Schedule 91 surcharge rates, as proposed by PacifiCorp, is in order.

Findings and Conclusions

Based on the filing, which has been corrected through information provided to the DPU to reflect the 5.20% interest rate required in the PSC's prior order, and which has also been corrected through an amended spreadsheet filed by PacifiCorp with the PSC, the comments filed in the docket, and the lack of opposition, we find granting the proposed decrease to the

⁴ *See id.*

⁵ *See* PacifiCorp's reply comments, filed March 21, 2017.

DOCKET NO. 17-035-T03

- 4 -

Surcharge to Fund Low Income Residential Lifeline Program is just and reasonable, and in the public interest.

ORDER

Pursuant to the foregoing discussion, findings and conclusions, we order:

1. PacifiCorp's Proposed Revisions to Schedule No. 91 are approved, effective May 1, 2017.
2. The tariff sheets filed in this docket are approved.

DATED at Salt Lake City, Utah, March 23, 2017.

/s/ Melanie A. Reif
Presiding Officer

Approved and confirmed March 23, 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#292455

DOCKET NO. 17-035-T03

- 5 -

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 written Order by filing a written request with the PSC 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 PSC 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 PSC'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 March 23, 2017, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

Data Request Response Center (datarequest@pacificorp.com)
PacifiCorp

Bob Lively (bob.lively@pacificorp.com)
Rocky Mountain Power

Patricia Schmid (pschmid@utah.gov)
Justin Jetter (jjetter@utah.gov)
Robert Moore (rmoore@utah.gov)
Steven Snarr (ssnarr@utah.gov)
Assistant Utah Attorneys General

Erika Tedder (etedder@utah.gov)
Division of Public Utilities

By Hand-Delivery:

Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, Utah 84111

Administrative Assistant