- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Rocky Mountain Power's 2019 Avoided Cost Input Changes Quarterly Compliance Filing	DOCKET NO. 19-035-18
Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities	DOCKET NO. 20-035-T04 ORDER

ISSUED: August 20, 2020

SYNOPSIS

The Public Service Commission (PSC): (1) approves Rocky Mountain Power's (RMP) non-routine update to the Proxy/Partial Displacement Differential Revenue Requirement method for determining wind avoided cost pricing; (2) finds RMP's incorporation of unchallenged non-routine updates into avoided cost pricing is consistent with previous PSC orders; (3) approves RMP's geographic proximity enhancement; and (4) approves RMP's proposed revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities, Sheet No. 37.7 filed on April 9, 2020 in Docket No. 20-035-T04.

1. Procedural Background

In these Docket Nos. 19-035-18 ("Schedule 38 Docket") and 20-035-T04 ("Schedule 37 Docket"), RMP seeks to update the methods it uses to calculate avoided cost pricing for qualifying facilities (QFs) under RMP's Electric Service Schedules No. 38, QF Procedures, and No. 37, Avoided Cost Purchases from QFs.

In accordance with the PSC's prior orders,[1] RMP filed its third quarterly compliance filing ("Q3 Filing") for 2019 in the Schedule 38 Docket on January 10, 2020, identifying routine

[1] *See In the Matter of the Application of PacifiCorp for Approval of an IRP-based Avoided Cost Methodology for QF Projects Larger than One Megawatt*, Docket No. 03-035-14, Report and Order issued October 31, 2005 (requiring RMP to notify the PSC and Division of Public Utilities of any updates to the models related to the calculation of avoided cost pricing); *In the Matter of the Review of Electric Service Schedule No. 38, Qualifying Facilities Procedures, and Other Related Procedural Issues*, Docket No. 14-035-140, Order Approving Settlement Agreement on Schedule 38 Procedures issued June 9, 2015 (hereafter "Procedural Order").

updates and a non-routine update related to wind pricing.[2] On January 30, 2020, Utah Clean Energy (UCE) filed a Notice of Challenge and Request for Scheduling Conference. Subsequently, the PSC issued a Scheduling Order that set the docket for hearing in mid-June 2020.

On April 9, 2020, RMP filed its fourth quarterly compliance filing ("Q4 Filing") for 2019 in the Schedule 38 Docket. The same date, RMP filed a supplement styled as Advice No. 20-05 ("Supplemental Filing") in both the Schedule 38 and Schedule 37 Dockets. The Supplemental Filing included (1) direct testimony and workpapers in support of the avoided cost changes presented in the Q3 Filing; and (2) RMP's annual update to Schedule No. 37.[3]

Subsequently, the Division of Public Utilities (DPU) filed comments on RMP's proposed modifications to Schedule 37 and the Q4 Filing. The date it filed the latter, April 29, 2020, the DPU also filed a motion to suspend RMP's proposed updates to Schedule 37 wind pricing pending resolution of the non-routine update in the Schedule 38 Docket and to align the two dockets' adjudication schedules. The PSC granted the DPU's motion on May 6, 2020, setting both dockets for a consolidated hearing on July 1, 2020.

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[2] "A Non-Routine Update may be incorporated into the avoided cost pricing only after it has been identified in a Schedule 38 quarterly compliance filing … and either: i) the Non-Routine Update was unchallenged by any party for a period of three weeks after the filing of the quarterly compliance report, or ii) the Non-Routine Update is challenged by any party and resolution is reached either by settlement or later [PSC] action." Procedural Order at Attached Settlement Agreement, ¶ 19.

[3] Pursuant to the PSC's prior orders, RMP files an annual update to Schedule No. 37. *See In the Matter of the Consideration of Changes to Rocky Mountain Power's Schedule No. 135 – Net Metering Service*, Docket No. 08-035-78, Report and Order Directing Tariff Modifications issued February 12, 2009 and Report and Order Modifying Reporting Requirements issued November 30, 2010.

On May 28, 2020, DPU and UCE filed comments, and on June 25, 2020, RMP, DPU, Office of Consumer Services (OCS), and Salt Lake City Corporation ("SLC Corp")[4] filed reply comments. The PSC held a hearing on July 1, 2020 receiving testimony from witnesses for RMP, DPU, UCE, and SLC Corp. The OCS appeared at the hearing and requested its reply comments be entered into the record as legal argument.

2. Discussion, Findings, and Conclusions on Undisputed Issues

a. Routine Updates

RMP's Q3 Filing included the following routine updates: (1) update of the Official Forward Price Curve to prices dated September 30, 2019; (2) updates to incorporate the 2019 Integrated Resource Plan (IRP) assumptions;[5] (3) update of the QF queue to reflect signed contracts and the current potential QFs; and (4) updates relating to the extension of the federal Production Tax Credit. No party has objected to any of these routine updates.

Having reviewed the proposed routine changes in the Q3 Filing and noting an absence of opposition, we find and conclude they are reasonable, appropriate, and consistent with the PSC's prior orders and applicable law.

b. Geographic Proximity Enhancement

In its Supplemental Filing, RMP proposed a change pertaining to resource deferral for solar plus storage resources. RMP explained that because the 2019 IRP preferred portfolio

[4] Both UCE and SLC Corp filed Petitions to Intervene, which the PSC granted.

[5] The updated IRP assumptions included the preferred portfolio, capacity contribution information, regulation reserve requirements (integration cost), energy storage dispatch, and the generation profiles used for the indicative wind and solar QFs.

includes proxy solar and storage resources at five different locations in 2024, it prioritized the resource deferrals in that year based on geographic proximity ("Geographic Proximity Enhancement").[6] RMP represents that "preferentially deferring resources in comparable locations can help maintain the balance of load and resources in the IRP preferred portfolio, which is the least-cost, least-risk outcome."[7]

In its comments, the DPU represents the Geographic Proximity Enhancement is reasonable and affirmed that the DPU does not oppose the change. No other party objected to the proposal.

Having reviewed RMP's testimony regarding the Geographic Proximity Enhancement, acknowledging the DPU's support for the change, and receiving no objection, we find and conclude the Geographic Proximity Enhancement is reasonable, appropriate, and consistent with the PSC's prior orders and applicable law.

3. Discussion, Findings, and Conclusions regarding Non-Routine Change to Wind Pricing

a. Legal Background

As the parties are well aware, the Public Utility Regulatory Policies Act of 1978 ("PURPA") and state law require RMP to purchase electricity from QFs,[8] but the law contains an

[6] RMP explains the Geographic Proximity Enhancement as follows: in the event all of the IRP resources of the QF's type in the QF's location are fully deferred, the next closest IRP resource of that type coming online in that year is deferred until all IRP resources of that type coming online in that year are deferred. The geographic location is only used as a tiebreaker when multiple resources of a given type are added in the same year.

[7] Direct Test. of D. MacNeil at 11:225-231.

[8] 16 U.S.C. § 824a-3(f); *see also* Utah Code Ann. § 54-12-2.

essential caveat: RMP need not pay more for the power than it would to produce the power itself or to purchase it from another party, *i.e.* the law does not require RMP to pay rates in excess of RMP's "avoided costs."[9] The caveat's commonly recognized purpose is to ensure ratepayers are financially unharmed, indifferent to the source of the utility's power. As the Utah Supreme Court has explained, "avoided cost rates are a safe-harbor of reasonableness in advancing the public's interest in protecting ratepayers."[10]

Yet, by necessity, avoided costs are estimates or forecasts of future outcomes. They "cannot be calculated with precision."[11] "They depend on a number of assumptions, data inputs, estimates, and calculations."[12] For many years, stakeholders have worked through proceedings before the PSC to determine a method for calculating avoided costs.[13] In each instance, the PSC's approval of a method reflects the PSC's finding that the method offers the best available

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[9] PURPA requires the Federal Energy Regulatory Commission (FERC) to establish regulations to implement utilities' obligations under PURPA but provides "[n]o such rule … shall provide for a rate which exceeds the incremental cost [*i.e.*, the "avoided cost"] to the electric utility of alternative electric energy." 16 USC § 824a-3(b)(2). The Utah Code similarly directs the PSC to devise a method for establishing rates that "considers the purchasing utility's avoided costs." Utah Code Ann. § 54-12-2(2). FERC's regulations reiterate that nothing in its applicable regulations "requires any electric utility to pay more than the avoided costs for purchases." 18 C.F.R. § 292.304(a)(2).

[10] *Ellis-Hall Consultants, LLC v. PSC*, 2014 UT 52, P.25.

[11] *Hopewell Cogeneration Ltd. Partnership v. State Corp. Comm'n*, 453 S.E.2d 277, 279 (Va. 1995).

[12] *Id.*

[13] *See, e.g., In the Matter of the Application of PacifiCorp for Approval of an IRP-Based Avoided Cost Methodology For QF Projects Larger Than One Megawatt*, Docket No. 03-035-14, Report and Order issued Oct. 31, 2005.

means at the time, and based on the evidence and information in the record, to most accurately forecast avoided costs.

As circumstances change, these imperfect methods are, of course, subject to revision and updates. While we have endeavored to preserve consistency in the method,[14] the PSC's "fundamental role" in regulating RMP's compliance with PURPA "is to ensure QFs have the opportunity to sell to RMP and that RMP pays no more than its avoided cost."[15] Therefore, whenever evidence shows an approved method will result in RMP paying more than avoided costs, the method must yield to the evidence. No process the PSC adopts or order it issues can "alter our role or the underlying law."[16]

b. RMP's Request to Use a Substitute Proxy

The PSC-approved method for RMP's calculation of avoided costs in Utah is referred to as the "Proxy/Partial Displacement Differential Revenue Requirement" or "Proxy/PDDRR" method.[17] The method uses a proxy resource to forecast avoided capacity costs and forecasts energy costs by simulating the hourly operation of RMP's system using its "GRID" model. The controversy here concerns only the former "capacity component" of avoided costs.

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[14] For example, our decision in the 2018 Order, discussed *infra* at 9-10, was predicated, in the absence of compelling evidence to change the method, on keeping the method consistent.

[15] *Application of RMP for Approval of Power Purchase Agreement between PacifiCorp and Monticello Wind Farm, LLC*, Docket No. 17-035-68, Order issued May 7, 2018 at 12.

[16] *Id.*

[17] The Proxy/PDDRR methodology forecasts avoided fixed costs (which include avoided capital costs) from a proxy resource and avoided energy costs associated with incremental generation from a particular QF project.

To select a proxy, the Proxy/PDDRR method currently identifies the next deferrable generating unit in the preferred portfolio of RMP's most recent IRP of "like type." Here, we refer to this proxy as the "Preferred Portfolio Proxy" or "PPP." Importantly, resources that are not "cost effective" are ineligible to be selected as the PPP, reflecting the reasonable assumption that using an ineffectively costly resource as proxy will result in a price that exceeds true avoided costs.[18]

Here, RMP's 2019 IRP Preferred Portfolio includes 69 MW of Utah wind resources in 2023 ("Utah Wind") and 1,920 MW of Wyoming wind resources in 2024 ("Wyoming Wind"). Based on RMP's sensitivity analysis, the Utah Wind is not cost effective, meaning it "is expected to cost more than the capacity and energy benefits it provides."[19]

Even though the Utah Wind is not cost effective, RMP attests that it is a more accurate and appropriate proxy than the Preferred Portfolio Proxy, *i.e.* Wyoming Wind ("Wyoming Proxy"), which yields prices far higher. To illustrate, RMP testified that the Wyoming Proxy will yield nominalized avoided cost prices of $73.20/MWh by 2023 whereas using the Utah Wind as

[18] *See In the Matter of the Application of RMP for Approval of Changes to Renewable Avoided Cost Methodology for QF Projects Larger than Three Megawatts*, Docket No. 12-035-100, Order issued August 16, 2013 at 43.

[19] That is, when RMP runs its sensitivity analysis, system costs decrease in the absence of the Utah Wind. *See, e.g.,* Direct Test. of D. MacNeil at 24:495-25:514. The preferred portfolio nevertheless includes the Utah Wind in order to meet RMP's obligation to satisfy certain customers' preference for renewable resources. Consistent with Utah Code Ann. § 54-17-806 and Schedule 34, certain qualified customers have entered into contracts with RMP to meet all or a portion of their load through renewable generation. RMP's preferred portfolio reflects resources it requires to meet its obligation to these customers (the statute and tariff contemplate the customers will bear the additional costs).

proxy ("Utah Proxy") will result in $36.62/MWh that year.[20] RMP's testimony shows similarly significant disparities through 2038.[21] RMP attributes most of the disparity to significant new transmission costs associated with wheeling the Wyoming Wind rather than the generation itself.[22]

Because the Utah Wind is "expected to cost more than the capacity and energy benefits it provides [*i.e.*, it is not cost-effective]," RMP argues it "should represent an upper bound on what it is reasonable for customers to incur for comparable capacity and energy."[23]

Accordingly, RMP asks the PSC to approve the Utah Wind as a substitute proxy to calculate the capacity component of wind QFs' pricing, arguing "[i]n this instance, the capacity-equivalent displacement of Wyoming wind and transmission does not result in avoided cost prices that are consistent with the costs retail customers would otherwise incur to acquire capacity and energy equivalent to a Utah wind QF."[24]

More specifically, RMP requests the PSC adopt the Utah Proxy for these dockets, requiring RMP: (1) assume that Utah wind QFs will first displace the Utah Wind; and (2) in the

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[20] *Id.* at 19-20, Figure 2. The table shows slightly narrower but still large disparities in nominal, levelized pricing beginning in 2021 ($30.07/MWh as opposed to $57.73/MWh) and 2022 ($65.19/MWh as opposed to $33.26/MWh).

[21] Owing to a significant uptick in the Utah Proxy's price in 2032, the price disparity narrows in 2033 after which the Wyoming Proxy price explodes again by more than $50/MWh. *Id.*

[22] *See, e.g.,* Direct Test. of D. MacNeil at 21:419-421.

[23] *Id.* at 25:512-514.

[24] *Id.* at 23:472-24:475.

event the Utah Wind becomes fully displaced, continue to use the costs and characteristics of the Utah Wind to calculate avoided costs.[25]

c. RMP's Prior Request to Substitute a Proxy and the 2018 Order

The parties raise a question as to whether the PSC has already rejected RMP's arguments in a prior docket. Specifically, in 2018, the PSC issued an order ("2018 Order") [26] in two dockets ("Prior Dockets") addressing RMP's request to substitute a proxy in the avoided cost calculation for wind QFs. At the time, the 2017 preferred portfolio identified RMP's proposed acquisition of 1,100 MW of wind resources in Wyoming ("2017 Wyoming Wind"). As here, RMP argued the 2017 Wyoming Wind and associated transmission costs were not deferrable and should not be used as a proxy for avoided cost calculation.

Significantly, in these Prior Dockets, RMP made its arguments in primarily conceptual terms and did not present quantified evidence showing a substitution was necessary.[27] Unlike here, the DPU and OCS were largely agnostic but agreed with intervenors that, if the 2017 Wyoming Wind were deferrable, QFs should be credited with the associated transmission

[25] April 9, 2020 Supplemental Filing at 24 and 36.

[26] *Rocky Mountain Power's 2017 Avoided Cost Input Changes Quarterly Compliance Filing*, Docket No. 17-035-37, Order issued January 23, 2018; *Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities*, Docket No. 17-035-T07, Order issued January 23, 2018.

[27] For example, RMP argued the significant transmission upgrades associated with the 2017 Wind Resources could not be incrementally adjusted to a small size and would provide additional benefits to PacifiCorp's transmission system beyond those associated with new Wyoming wind. *See e.g.,* Prior Dockets, Direct Test. of D. MacNeil at 18:366-19:380. RMP also argued that the 2017 Wyoming Wind and associated transmission would provide "all-in economic benefits" and were not partially deferrable. *Id.* at 17:352-357.

costs.[28] Ultimately, in the absence of any compelling quantifiable evidence showing a substitution was necessary to preserve the method's accuracy, the PSC declined RMP's request and did so expressly "[t]o ensure consistency with the approved Proxy/PDDRR methodology."[29]

d. Findings and Conclusions Regarding RMP's Request to Use the Utah Proxy

Unlike the Prior Dockets, RMP has presented evidence to quantify and substantiate its assertion that the Wyoming Proxy will result in customers paying more than avoided cost. As discussed *supra* at 7, RMP presented evidence showing the Wyoming Proxy will yield nominal levelized prices of $73.20/MWh by 2023 whereas the Utah Proxy will result in $36.62/MWh.[30] RMP's evidence further shows such disparities persist in the modeling through 2038.[31] Because the Utah Wind is *not cost effective* and included in the preferred portfolio only to satisfy certain customer preference requirements, it is a useful upper bound reference point. Another indicator,

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[28] Prior Dockets, Rebuttal Test. of C. Murray at 1:12-2:46 (testifying that the "absence of [OCS's] comment … should not be taken as an indication of the [OCS's] support or disagreement" on any of intervenors' recommendations, noting intervenors' recommendation to use 2017 Wyoming Wind as a proxy resource, and recommending only that "[i]f the [PSC] allows" the 2017 Wyoming Wind as a proxy, it should immediately be removed in the event RMP declines to pursue the project); Prior Dockets, Rebuttal Test. of A. Abdulle at 4:73-84 (noting DPU was "not convinced" intervenors' recommendation to use 2017 Wyoming Wind as a proxy were "well established" and that it "*may* be premature to include them in avoided cost calculations") (emphasis added).

[29] 2018 Order at 19.

[30] Direct Test. of D. MacNeil at 20, Table 2.

[31] *See supra* at 8, n.21.

last year's Schedule 37 annual pricing update, reflects illustrative avoided cost pricing of $29.17/MWh starting in 2020, [32] nearly half the price the Wyoming Proxy yields for 2021.[33]

Significantly, no party presented evidence or otherwise challenged the accuracy of RMP's described pricing disparity. In fact, the DPU and OCS strongly support RMP's request to use the Utah Proxy. The DPU urges the substitution is necessary to protect ratepayers from unnecessarily high, unreasonable costs.[34] The OCS has similarly argued the "excessively high avoided costs" the Wyoming Proxy yields indicate an "anomaly in the modeling" that, if followed, would require customers to pay significantly more than they would otherwise and violate the "indifference standard."[35]

This clear and uncontroverted evidence that the Wyoming Proxy will require RMP to pay more than its avoided cost is alone sufficient to require a substitution, but other unique factors distinguish this case from other dockets and suggest the Preferred Portfolio Proxy is unsuitable under these specific circumstances. As the DPU and OCS emphasize, the PSC declined to acknowledge the 2019 IRP's Action Plan because it failed to "model the Preferred Portfolio without the yet-to-be built" Gateway South transmission line ("GWS") "as a presumed component" and "excluded from its modeling a potential alternative transmission expansion …

[32] This is the nominal levelized 15 year price starting in 2020. *See* OCS Reply Comments at 5 (citing *RMP's Proposed Tariff Revisions to Schedule No. 37*, Docket No. 19-035-T07, April 30, 2019 Tariff Filing at Workpaper "QF Pricing Detail –Wind."

[33] Direct Test. of D. MacNeil at 19-20, Figure 2 (showing a 15 year nominal levelized price of $57.73 using the Wyoming Proxy starting in 2021).

[34] DPU Comments at 5.

[35] OCS Reply Comments at 9.

that demonstrated sufficient merit to warrant PacifiCorp's further study."[36] That is, the PSC declined to acknowledge the Action Plan because RMP failed to consider alternatives to the GWS.

Relatedly, the evidence in this docket isolates and identifies these very same costs (*i.e.*, GWS) as the primary cause of the disparity in pricing between the Wyoming and Utah Proxies.[37] In fact, no party refutes RMP's testimony that "[t]he capital and fixed costs associated with [GWS] are a significant amount of the total price, amounting to approximately $23/(MWh) in 2024."[38] We need not and do not conclude that our declination to acknowledge the Action Plan is alone a sufficient basis to substitute proxies, but it is certainly relevant to the consideration and favors placing the Wyoming Wind and associated GWS under careful scrutiny.

Indeed, while the approved Proxy/PDDRR method has historically used the Preferred Portfolio Proxy, we must remember this practice is *in service of identifying the most suitable, accurate proxy* for determining actual avoided costs. There is an inescapable illogic in regarding the Utah Wind as an unsuitable proxy because it is "not cost effective" only to use a "cost-effective" resource that costs twice as much. Though the Preferred Portfolio Proxy may have

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[36] *PacifiCorp's 2019 Integrated Resource Plan*, Docket No. 19-035-02, Order issued May 13, 2020 at 22-24.

[37] The DPU and OCS emphasize that fixed capital costs associated with the proposed GWS constitute a "major part" of the avoided costs associated with deferring the Wyoming Wind and that those costs are not "partially displaceable." DPU May 28, 2020 Comments at 5; *see also* OCS Reply Comments at 7 ("The driving force behind the significant difference in avoided cost between [the Utah Proxy] and [Wyoming Proxy] approaches is the cost of deferring the GWS transmission upgrades.").

[38] Direct Test. of D. MacNeil at 21:419-421.

functioned well in prior years, the evidence here is entirely one-sided and demonstrates it will grossly exaggerate avoided costs under present conditions, owing largely to costs associated with RMP's proposed GWS project.

Accordingly, we find and conclude use of the Utah Proxy, beginning in the Q3 Filing, will provide a materially more accurate estimate of RMP's avoided costs than the Wyoming Proxy. We do not conclude the facts warrant a permanent deviation from our long-standing practice of identifying cost-effective, deferrable resources by reference to the Preferred Portfolio Proxy. Instead, we find the specific circumstances and evidence show the substitution is necessary in this instance to ensure compliance with the law's mandate that precludes us from compelling RMP to pay more than its avoided cost.

4. Discussion, Findings, and Conclusions regarding the Request that RMP Publish Pricing for Solar Plus Storage QFs

UCE and SLC Corp recommend the PSC require RMP to include published prices ("Solar Plus Storage Prices") for solar QFs with storage ("Solar Plus QFs") in Schedule 37 and to include a generic Solar Plus QF in the quarterly compliance reports for Schedule 38. UCE argues the PSC should not allow RMP to use a Solar Plus QF as the proxy resource for solar QFs while simultaneously denying QFs the opportunity to invest in storage and obtain an avoided cost price consistent with their contribution.[39] UCE argues inclusion of Solar Plus Storage Prices would send an appropriate "price signal to QF developers that solar paired with storage is a much more valuable generation resource."[40] SLC Corp supports the request, representing it would

[39] UCE May 28, 2020 Comments at 6.

[40] *Id.*

assist "Schedule 34 customers [to] determine whether they should pursue a solar-plus-storage project before incurring significant procurement costs."[41] SLC Corp nevertheless "recognizes that there are myriad ways solar-plus-storage systems can be configured" and volunteers "to collaborate with the [PSC] and RMP to determine reasonable project configuration parameters to support published solar-plus-storage pricing."[42]

The OCS did not weigh in on this recommendation, but RMP and the DPU oppose it. RMP "does not dispute that solar with storage resources can qualify as QFs," and agrees these resources can offer greater value than standalone solar.[43] However, RMP explains the addition of storage adds a number of factors that impact avoided costs,[44] such that published prices for a generic solar with storage QF would only be applicable to a very narrow set of resource proposals, defeating the purpose of a standard, published rate.[45] RMP further represents that any developer can request QF pricing for a proposed solar with storage project, and RMP will provide indicative pricing specific to its proposal.[46]

DPU maintains UCE has failed to present sufficient evidence in this docket for the DPU to evaluate it and make a recommendation. The DPU maintains a separate, new docket would be

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[41] SLC Corp Reply Comments at 3.

[42] *Id.* at 4.

[43] RMP Reply Comments at 6.

[44] These factors include the storage size relative to the renewable nameplate, hours of storage capability, degradation over time, and charge and discharge patterns. *See, e.g.,* RMP Reply Comments at 6.

[45] *Id.*

[46] *Id.*

necessary to adjudicate the merits of creating an additional category of QF pricing (*e.g.,* Solar Plus QFs).

Having reviewed the parties' recommendations and testimony, we find and conclude the evidence is insufficient to direct RMP to adopt this significant change. RMP's commitment to provide Solar Plus QFs pricing specific to their particular proposal should alleviate UCE's concern they can obtain a fair and accurate avoided cost price, reflective of their true contribution. We appreciate the published prices may provide referential value to stakeholders, including Schedule 34 customers, but the evidence does not show such benefits are commensurate with the cost and confusion that may result from granting the request. If UCE or SLC Corp believe additional action is warranted, they may, of course, file a request for agency action such that the parties may present a proposal sufficiently detailed to be implemented and substantial evidence to support an order from the PSC directing RMP to adopt it.

5. Order

Pursuant to the foregoing discussion, findings, and conclusions, the PSC:

1. Approves RMP's non-routine update and request to use the Utah Wind, rather than the Preferred Portfolio Proxy (*i.e.*, the Wyoming Wind), as the proxy for determining avoided cost pricing for wind QFs.
2. Approves RMP's Geographic Proximity Enhancement.
3. Approves RMP's proposed changes to Electric Service Schedule No. 37, Sheet No. 37.7 filed on April 9, 2020, effective the date of this order. RMP shall file an updated tariff sheet reflecting this decision.

DATED at Salt Lake City, Utah, August 20, 2020.

/s/ Michael J. Hammer
Presiding Officer

Approved and confirmed August 20, 2020, as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#315069

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the 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 fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, 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 Utah Code Ann. §§ 63G4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on August 20, 2020, a true and correct copy of the foregoing was delivered upon the following as indicated below:

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