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State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI CHRIS PARKER
Executive Director *Director, Division of Public Utilities*

ACTION REQUEST RESPONSE

To: Public Service Commission

From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Abdinasir M. Abdulle, Technical Consultant
Charles Peterson, Technical Consultant

Date: May 15, 2019

Re: 19-035-T07, Schedule 37 Avoided Cost Purchases from QFs

RECOMMENDATION (Acknowledge)

The Division of Public Utilities (“Division”) has reviewed Rocky Mountain Power’s (“RMP”) proposed update to Schedule 37 for qualifying facilities that was filed with the Public Service Commission (“Commission”) on April 30, 2019. The Division recommends that the Commission acknowledge RMP’s filing as complying with the Commission Orders in Docket Nos. 08-035-78 and 12-035-T10.

ISSUE

On April 30, 2019, in compliance with previous Commission Orders, RMP filed its Advice Filing 19-08, in which it requested tariff changes to Schedule 37 – Avoided cost purchases from small qualifying facilities. On May 1, 2019, the Commission issued a Notice of Filing and Comment Period in which it asked any interested party to submit comments on or before Wednesday, May 15, 2019 and reply comment on or before Wednesday, May 22, 2012. This

memorandum represents the Division's comments on RMP's filing. Rocky Mountain Power is asking for an effective date of June 3, 2019.

DISCUSSION

In its Order, dated February 12, 2009, in Docket No. 08-035-78, the Commission directed RMP to annually update the avoided cost pricing in Schedule 37 in order to establish the value or credit for net excess generation of large commercial customers under Schedule 135 Net Metering Service. In its Order, dated November 28, 2012, in Docket No. 12-035-T10, the Commission directed RMP to file future annual filings within 30 days of filing its Integrated Resource Plan ("IRP") or by April 30 of each year, whichever comes first. In compliance with these Orders, RMP filed its updated avoided cost pricing for Schedule 37 on April 30, 2019.

Rocky Mountain Power's filing updated the GRID scenario study period to January 1, 2020 through December 2034. The QF queue was updated to reflect resources not included in the 2017 IRP Update. The filing also updated the Official Forward Price Curve (OFPC) to the curve dated March 29, 2019. These updates are the routine updates made to RMP's Schedule 38 avoided cost inputs contained in RMP's April 30, 2019 quarterly avoided cost input change compliance filing (2019.Q1 Filing).

The Division reviewed this filing in light of the relevant Commission Orders. The Division concludes that RMP made its filing in compliance with the Commission Orders. The Division also concludes the avoided cost calculations are made consistent with the approved method. Therefore, the Division recommends that the Commission acknowledge the updates to Schedule 37 effective July 1, 2018.

CC: Jana Saba, RMP
Michele Beck, OCS