

July 18, 2019

***VIA ELECTRONIC FILING***

Public Service Commission of Utah  
Heber M. Wells Building, 4<sup>th</sup> Floor  
160 East 300 South  
Salt Lake City, UT 84114

Attention: Gary Widerburg  
Commission Administrator

**Re: Docket No. 19-035-T11**  
**Docket No. 19-035-01 - Application of Rocky Mountain Power to Increase the Deferred EBA Rate through the Energy Balancing Account Mechanism**

In accordance with Utah Code Ann. § 54-4-4 and Public Service Commission Administrative Procedures Act Rule 746-405(E)(2), enclosed for filing are Rocky Mountain Power's proposed changes to its Electric Service Schedule No. 94 (Energy Balancing Account (EBA) Pilot Program) ("Schedule 94"). Rocky Mountain Power's filing responds to the request made by the Public Service Commission of Utah (the "Commission") in its Notice of Status and Scheduling Conference ("Notice") in Dockets No. 17-035-01 ("2017 EBA docket"), No. 18-035-01 ("2018 EBA docket") and No. 19-035-01 ("2019 EBA docket"), as described in more detail below.

Background

Utah Code Ann. § 54-7-13.5, Energy Balancing Account, was passed by the Utah Legislature in 2009 ("EBA statute"). The Commission subsequently approved the EBA as a pilot program. During the 2011 through 2017 period, the Commission first allowed, then revoked, the use of interim rates through the EBA. The Commission then reversed its decision that revoked interim rates and set forth a process for implementing interim rates in its February 16, 2017 order in Docket No. 09-035-15 ("February 2017 Order"). Consistent with the February 2017 Order, the Company initially sought approval of interim rates in its EBA in its 2017 EBA docket<sup>1</sup>.

The Office of Consumer Services ("OCS") and the Utah Association of Energy Users ("UAE") challenged the use of an interim rate process through the EBA and filed a petition for reconsideration of the February 2017 Order, which the Commission denied. The OCS and UAE subsequently appealed the February 2017 Order with the Utah Supreme Court pursuant to Utah Office of Consumer Services and Utah Association of Energy Users v.

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<sup>1</sup> *In the Matter of the Application of Rocky Mountain Power to Decrease the Deferred EBA Rate through the Energy Balancing Account Mechanism.*

Utah Public Service Commission, Case No. 20170364-CA. On June 27, 2019, the Supreme Court issued its opinion in that case and in the second appeal dealing with the Commission’s order in the 2018 EBA docket which presented the same overriding issue as appeal number 20170364-SC – whether the Commission has the statutory authority to impose interim rates into the EBA statute (“Opinion”).

Rocky Mountain Power’s Proposal Effectuating Opinion

On June 28, 2019, the Commission issued its Notice to discuss a process for determining and implementing the Opinion’s effects (“Scheduling Conference”). At the Scheduling Conference, the Company, the Division of Public Utilities, the OCS, UAE and Utah Industrial Energy Consumers, referred to collectively as the (“Parties”), agreed that the current interim rates being collected under Schedule 94 should be reset to zero, effective August 1, 2019, to effectuate the Opinion with regards to the interim rate currently being collected under the 2019 EBA.

Accordingly, enclosed is the proposed revised tariff page associated with Tariff P.S.C.U No. 50, applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405-2(D), the Company states that the proposed tariff sheet does not constitute a violation of state law or Commission rule. The tariff sheet reflects an effective date of August 1, 2019.

Second Revision of Sheet No. 94.11	Electric Service Schedule No. 94	Energy Balancing Account (EBA) Pilot Program
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The Company estimates that the interim rates associated with the 2019 EBA that went into effect May 1, 2019 will have collected \$4,841,956 from customers subject to the 2019 EBA (“2019 EBA Interim Collections”). Table 1 below compares the 2019 EBA Interim Collections to the amounts included in the Company’s 2019 EBA request for items with prior regulatory approval.

**Table 1**

<b><u>Calendar Year 2018 EBA Deferral</u></b>	
EBA Deferrable*	\$ -
Incremental Non-Fuel FAS 106 Savings*	(2,921,597)
Special Contract Customer Adjustment*	-
Utah Situs Resource Adjustment*	-
Total Deferrable	<u>\$ (2,921,597)</u>
2018 EBA Order	\$ (218,375)
Deer Creek Amortization Costs	7,635,599
Interest Accrued through December 31, 2018	(98,096)
Interest Jan. 1, 2019 through July 31, 2019	146,729
Over-Collection of Prior Year 2018 EBA	<u>\$ (631,045)</u>
<b>Requested EBA Recovery of items with Regulatory Approval</b>	<b><u>\$ 3,913,214</u></b>
Actual/Forecasted Revenue Collection for the period May 1, 2019 through July 31, 2019	4,841,956
<b>Net (under)/over collection for the period May 1, 2019 through July 31, 2019</b>	<b><u>\$ 928,742.23</u></b>
<i>* Calculated monthly</i>	

As shown in the table, the 2019 EBA Interim Collections sufficiently cover the amounts included in the 2019 EBA for items with prior regulatory approval, with an over-collection of approximately \$928k. Absent further action on this matter, the balance will remain as part of the overall EBA balancing account (as an offset to the remaining balance) and will accrue carrying charges as specified in Schedule 94 pending final resolution of the 2019 EBA.

The Company is authorized to represent that the Parties support the Company’s tariff filing proposing to set the EBA rates to zero, effective August 1, 2019, and further support expedited treatment of this matter to meet the proposed effective date.

The enclosed Tariff Sheet 94.11 was also modified to include Electric Service Schedule No. 22 (“Schedule No. 22”), in compliance with the Commission’s order in Docket No. 19-035-T06 approving the new Schedule No. 22<sup>2</sup>.

<sup>2</sup> Please see Docket No. 19-035-T06, July 10, 2019 Order, p. 7, item 3. Revisions of Schedules 80, 91, 98, 193, 196 and 197 to include Schedule No. 22 will be filed separately.

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It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)  
[Jana.saba@pacificorp.com](mailto:Jana.saba@pacificorp.com)

By Regular mail: Data Request Response Center  
PacifiCorp  
825 NE Multnomah Blvd., Suite 2000  
Portland, OR 97232

Informal inquiries may be directed to Jana Saba, Manager, State Regulatory Affairs, at (801) 220-2823.

Sincerely,

  
Joelle Steward  
Vice President, Regulation

Enclosures

**ELECTRIC SERVICE SCHEDULE NO. 94 – Continued**

**MONTHLY BILL:** In addition to the monthly charges contained in the Customer’s applicable schedule, all monthly bills shall have the following EBA Rate percentage applied to the monthly Power Charge and Energy Charge of the Customer’s applicable electric service schedule. The collection of costs related to an energy balancing account from customers paying contract rates shall be governed by the terms of the contract.

Schedule 1	0.00%
Schedule 2	0.00%
Schedule 2E	0.00%
Schedule 3	0.00%
Schedule 6	0.00%
Schedule 6A	0.00%
Schedule 6B	0.00%
Schedule 7*	0.00%
Schedule 8	0.00%
Schedule 9	0.00%
Schedule 9A	0.00%
Schedule 10	0.00%
Schedule 11*	0.00%
Schedule 12*	0.00%
Schedule 15 (Traffic and Other Signal Systems)	0.00%
Schedule 15 (Metered Outdoor Nighttime Lighting)	0.00%
Schedule 21	0.00%
Schedule 22	0.00%
Schedule 23	0.00%
Schedule 31	**
Schedule 32	**

\* The rate for Schedules 7, 11 and 12 shall be applied to the Charge per Lamp.

\*\* The rate for Schedules 31 and 32 shall be the same as the applicable general service schedule.

**ELECTRIC SERVICE REGULATIONS:** Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the Customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Public Service Commission of the State of Utah, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

**ELECTRIC SERVICE SCHEDULE NO. 94 – Continued**

**MONTHLY BILL:** In addition to the monthly charges contained in the Customer’s applicable schedule, all monthly bills shall have the following EBA Rate percentage applied to the monthly Power Charge and Energy Charge of the Customer’s applicable electric service schedule. The collection of costs related to an energy balancing account from customers paying contract rates shall be governed by the terms of the contract.

Schedule 1	<del>1.070.00%</del>
Schedule 2	<del>1.070.00%</del>
Schedule 2E	<del>1.070.00%</del>
Schedule 3	<del>1.070.00%</del>
Schedule 6	<del>1.420.00%</del>
Schedule 6A	<del>2.160.00%</del>
Schedule 6B	<del>1.420.00%</del>
Schedule 7*	<del>0.670.00%</del>
Schedule 8	<del>1.550.00%</del>
Schedule 9	<del>1.860.00%</del>
Schedule 9A	<del>2.070.00%</del>
Schedule 10	<del>1.380.00%</del>
Schedule 11*	<del>0.670.00%</del>
Schedule 12*	<del>0.670.00%</del>
Schedule 15 (Traffic and Other Signal Systems)	<del>1.210.00%</del>
Schedule 15 (Metered Outdoor Nighttime Lighting)	<del>1.800.00%</del>
Schedule 21	<del>3.760.00%</del>
<u>Schedule 22</u>	<u>0.00%</u>
Schedule 23	<del>1.160.00%</del>
Schedule 31	**
Schedule 32	**

\* The rate for Schedules 7, 11 and 12 shall be applied to the Charge per Lamp.

\*\* The rate for Schedules 31 and 32 shall be the same as the applicable general service schedule.

**ELECTRIC SERVICE REGULATIONS:** Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the Customer and the Company. The Electric Service Regulations of the Company on file with and approved by the Public Service Commission of the State of Utah, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

**CERTIFICATE OF SERVICE**

Docket No. 19-035-01  
Docket No. 19-035-T11

I hereby certify that on July 18, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

**Utah Office of Consumer Services**

Cheryl Murray [cmurray@utah.gov](mailto:cmurray@utah.gov)  
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**Division of Public Utilities**

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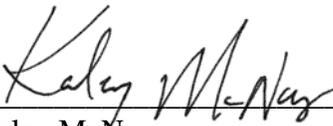
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**Rocky Mountain Power**

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