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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

APPLICATION OF ROCKY MOUNTAIN
POWER FOR AUTHORITY TO INCREASE
ITS RETAIL ELECTRIC UTILITY
SERVICE RATES IN UTAH AND FOR
APPROVAL OF ITS PROPOSED
ELECTRIC SERVICE SCHEDULES AND
ELECTRIC SERVICE REGULATIONS

**Docket No. 20-035-04
Phase II Cost of Service / Pricing
Surrebuttal Testimony**

**SURREBUTTAL TESTIMONY OF
CHRISTOPHER THOMAS**

Salt Lake City Corporation ("SLC Corp") hereby submits this Surrebuttal Testimony of Christopher Thomas in this docket.

DATED this 6th day of November, 2020.

Salt Lake City Corporation

By: _____

Megan J. DePaulis
Attorney for Salt Lake City Corporation

CERTIFICATE OF SERVICE
Docket No. 20-035-04

I hereby certify that a true and correct copy of the foregoing was served by email this 6th day of November, 2020 on the following:

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/s/ Christopher Thomas

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Application of Rocky Mountain Power for Authority to Increase its Retail Electric Utility Service Rates in Utah and for Approval of its Proposed Electric Service Schedules and Electric Service Regulations

Docket No. 20-035-04
Phase II Cost of Service / Pricing
Surrebuttal Testimony

Surrebuttal Testimony of Christopher Thomas

On Behalf of Salt Lake City Corporation

November 6, 2020

1 **I. INTRODUCTION AND SUMMARY**

2 **Q. Please state your name and business address.**

3 A. My name is Christopher Thomas. My business address is the Salt Lake City & County
4 Building at 451 S. State Street, Salt Lake City, Room 404, Salt Lake City, UT 84114-
5 5467.

6 **Q. By whom are you employed and in what capacity?**

7 A. I am employed by the Salt Lake City Sustainability Department. My title is Senior
8 Energy and Climate Program Manager.

9 **Q. On whose behalf do you offer this testimony?**

10 A. My testimony is on behalf of Salt Lake City Corporation (“SLC Corp”).

11 **Q. Please provide your qualifications.**

12 A. I have a bachelor’s degree in biology and English from Grinnell College. I hold a Master
13 of Science in Information Systems degree from the David Eccles School of Business at
14 the University of Utah.

15 **Q. What duties and responsibilities do you have as Senior Energy and Climate
16 Program Manager?**

17 A. A big part of my job is working to fulfill renewable energy goals set forth in joint
18 Mayoral and City Council resolutions. One of these goals has to do with sourcing SLC
19 Corp’s electricity from renewable generation resources, and the other has to do with
20 implementing the Community Renewable Program (CRP) as enabled in Utah law and
21 administrative rules. I submit this testimony in the hope that I can provide the perspective
22 of a local government on some of the issues raised in this docket. We have appreciated

23 collaborating with Rocky Mountain Power (“RMP”), the Utah Public Service
24 Commission (“Commission”), the Office of Consumer Services (“Office”), the Division
25 of Public Utilities (“Division”), Utah Clean Energy (“UCE”), and other stakeholders as
26 we work to accomplish our renewable energy goals.

27 **Q. Have you previously testified before the Public Service Commission of Utah?**

28 A. Yes. I provided comments, later adopted as testimony, in docket 19-035-18 before the
29 Commission. I also provided testimony in docket 17-035-61.

30 **Q. Have you testified previously before any other state utility regulatory commissions?**

31 A. No.

32 **Q. What is the purpose of your surrebuttal testimony?**

33 A. My testimony addresses rebuttal testimony filed by other parties. In Section II of this
34 surrebuttal testimony I address rebuttal testimony filed by the Office and RMP. There are
35 several complex issues in the general rate case that I do not address in my testimony. On
36 those issues, my lack of testimony does not signal agreement.

37 **Q. How would you summarize your recommendations to the Commission?**

38 A. I hope the Commission considers the following recommendations:

- 39 • Do not adopt RMP’s proposed subfunctionalization and unbundling methodology at this
40 time.
- 41 • Recommend that a working group be established to consider an unbundling methodology
42 applicable to future rate designs, including the CRP rate design.

43 **II. SUBFUNCTIONALIZATION AND UNBUNDLING**

44 **Q. With regard to subfunctionalization and unbundling, how do you respond to Mr.**
45 **Nelson’s comment that “RMP’s unprecedented proposal removes a link between its**
46 **cost study and its rate designs and is not well understood by stakeholders”?**

47 A. I am not able to offer an expert opinion on RMP’s subfunctionalization methodology.
48 However, I agree with Mr. Nelson that aspects of RMP’s proposal appear to be
49 unprecedented. I do not sufficiently understand RMP’s proposal to support it at this time.

50 **Q. Conceptually, do you oppose unbundled rates?**

51 A. No, I do not oppose unbundled rates.

52 **Q. Do you agree with Mr. Meredith from RMP that “unbundling rates provides**
53 **stakeholders with useful information on how rates recover different aspects of**
54 **utility service”?**

55 A. Yes, I agree that unbundling can provide stakeholders with useful information. However,
56 in the present case, I do not sufficiently understand RMP’s rationale or methodology and
57 do not support RMP’s unbundling proposal at this time.

58 **Q. Do you agree with Mr. Meredith that unbundling retail rates “can be useful for**
59 **developing new programs, such as the Community Renewable Energy Program”?**

60 A. Salt Lake City is one of the 23 Utah communities who are eligible to participate in the
61 Community Renewable Program (CRP) cited by Mr. Meredith and SLC Corp actively
62 participated with other stakeholders in the legislative and rulemaking processes

63 associated with this still developing program. While I agree that unbundling retail rates
64 could simplify aspects of designing a rate specifically for customers who participate in
65 the CRP, I do not believe it is strictly necessary. SLC Corp has not yet held detailed rate
66 design conversations with RMP concerning the CRP, and SLC Corp was not specifically
67 consulted when RMP developed its proposed subfunctionalization and unbundling
68 methodology. At this point, I believe it is premature to assume that unbundled rates, in
69 the form currently proposed by RMP, will benefit the CRP.

70 **Q. What do you recommend regarding unbundling retail rates and designing a rate for**
71 **the CRP?**

72 A. I recommend that the Commission not adopt RMP's proposed retail rate unbundling at
73 this time. Instead, I hope the Commission will recommend that a work group be
74 convened to both establish a retail rate unbundling methodology and examine the
75 interplay between that methodology and an eventual CRP rate design.

76 **V. SUMMARY AND CONCLUSION**

77 **Q. Please summarize your recommendations.**

78 A. I hope the Commission considers the following recommendations:

- 79 • Do not adopt RMP's proposed subfunctionalization and unbundling methodology at this
80 time.
- 81 • Recommend that a working group be established to consider an unbundling methodology
82 applicable to future rate designs, including the CRP rate design.

83 **Q. Does this conclude your direct testimony?**

84 A. Yes, it does.