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To: The Public Service Commission of Utah

From: The Office of Consumer Services

Michele Beck, Director
Alyson Anderson, Utility Analyst

Date: February 16, 2021

Subject: Docket 20-035-04 Comments

In the Matter of: Working Groups, Task Forces and Collaborative Processes stemming from Rocky Mountain Power's General Rate Case.

INTRODUCTION

In testimony presented in Docket No. 20-035-04, various parties proposed working groups, or other collaborative processes in connection with certain issues, and adjustments Rocky Mountain Power (RMP) discussed in testimony. Such issues included the Advanced Meter Infrastructure (AMI) Project, residential rates, a multi-site commercial rate, Schedule 32 rate design, Schedule 6A time of use (TOU) rates, electric vehicle specific rates, critical peak pricing, class cost of service and rate unbundling. In the Order dated December 30, 2020 the Utah Public Service Commission (PSC) requested comments on or before February 16, 2021 and reply comments on or before March 2, 2021. The PSC directed the comments to address the potential scope of such processes, whether the process should be a PSC docket or informal process, whether any reporting is appropriate and who should take the lead in the process.

In accordance with the PSC's Order, the OCS submits these comments and recommendations.

BACKGROUND

In Docket No. 20-035-04, RMP proposed to implement a program called the Utah Advanced Meter Infrastructure Project (AMI Project) that consisted of “the construction of an AMI field area network to enable remote reading of 790,000 existing residential automatic meter reading (AMR) meters, and on-site replacement of 175,000 existing meters to smart meters.”¹ RMP asserted that upon completion, the AMI Project would fully automate and retrieve hourly meter reading data on a daily basis, allowing Utah customers to access their usage data on RMP’s website . . . and improve outage management.² RMP claimed the AMI Project would lay the foundation for future smart grid investments including distribution automation systems, more advanced outage management and customer facing energy efficiency applications and rate design.³

The OCS opposed RMP’s AMI Project as proposed as it was not used and useful during the test year and RMP had narrowly focused the benefits of the project being meter reading savings thus foregoing any discussions of a comprehensive and transparent grid modernization strategy that leverages demand-side resources, allows for new energy services and improves load flexibility.⁴ In the recent rate case testimony, the OCS outlined the importance of developing an advanced rate design (ARD) roadmap. A comprehensive and cohesive strategy is critical because grid modernization investments are significant and technologically complex.⁵ Thus, the sequence and pace of infrastructure and technologies is important to the overall success of ARD.

DISCUSSION

To keep the scope of the current effort reasonable, the OCS proposal focuses on a subset of the original recommendations in testimony as an important first step. The OCS feels the best use of the stakeholders’ time and resources is spent focused first on grid modernization, including AMI, and how it will then lead to future discussions of the appropriate ARD. The only way for stakeholders to help shape the implementation of grid modernization and ARD is to first understand RMP’s timeline for investments and functional capabilities. Thus any collaboration must begin with a filing by RMP.

¹ Docket No. 20-035-04 Direct Testimony of Curtis B. Mansfield, Rocky Mountain Power, lines 22-25.

² Ibid, lines 513-516.

³ Ibid, lines 519-521.

⁴ Docket No. 20-035-04 Direct Testimony of Donna J Ramas, OCS, lines 1125-1126, Direct Testimony Ron Nelson, OCS, lines 1938-1943.

⁵ Docket No. 20-035-04 OCS Direct Testimony Ron Nelson, lines 1955-1958.

To provide a baseline understanding of technical capabilities, which is necessary for any collaboration on grid modernization or ARD topics, the OCS asserts that the process must begin with a requirement that RMP provide specific information to stakeholders that it is uniquely qualified to provide. The filing by RMP should include at a minimum the following components:

- Timeline and rollout of AMI.
- Timeline for functionality of related ARD concepts (i.e. when specifically, could they be considered to be implemented given both AMI and other systems that would need to be in place.)
 - Time of use rates (TOU) by customer class.
 - Critical peak pricing (CPP) to incent flexible load through price signals.
 - More targeted Demand Response programs
- Related issues:
 - Description of how operational costs will be impacted.
 - Estimate of when DER functionality could be integrated into distribution planning and IRP process.
 - How more granular information will improve distribution system forecasting and planning.

While mindful of the limited time and resources of many stakeholders, the OCS recommends that this process should begin with a formal docket. This will facilitate the informational filing that RMP would need to provide in order for stakeholders to have access to the fundamental information necessary to understand the technical capacities of RMP and subsequently provide input and recommendations for how to move forward with grid modernization and ARD that is in the public interest. A formal docket also allows for technical conferences to keep PSC commissioners and staff informed on this key information. The formal elements of the docket could be augmented with less formal discussions and collaboration among RMP and other parties to the extent such discussions would be more efficient.

The OCS acknowledges that this proposal only covers a small portion of the issues raised in the recent RMP general rate case. However, the public interest is better served to have a meaningful collaborative covering a reasonable scope rather than scheduling multiple discussions covering many topics with no meaningful outcomes. While we don't oppose inclusion of topics such as unbundling and specific cost of service methods and allocators, in our experience it is difficult to reach agreement on such topics and the discussions necessarily end up limited to an exchange of information.

The OCS asserts that its proposed scope could yield concrete benefits and specific outcomes. We propose the following objectives to provide focus to the process and help ensure that the time is used efficiently and productively.

- A shared understanding of RMP's timeline for implementation of specific functions associated with Grid Modernization to facilitate collaboration in the area of ARD and related policies.
- Identification of placeholders in the timeline for future collaboration in advance of rate case filings at which stakeholders can provide input regarding potential new ARD so that rates are designed that reflect customer preferences, system benefits, and public interest goals.
- Identification of ARD that could and should be pursued earlier in the timeline – like EV Charging Station rate required by statute. Potentially establish a sub-group to start work on those.
- A shared understanding of customer access to data at the front end of this timeline with the intent to a) ensure privacy and proper consents for use of data, and b) ensure access to the widest possible set of customer benefits. This portion of the collaborative could result in an update of the relevant rules in advance of implementation of new technology.

PROCESS RECOMMENDATIONS

The OCS recommends the following steps:

- The PSC should open a docket for the collaborative as follows:
 - Include a description of the initial filing RMP should make to begin the process.
 - Set an appropriate date for RMP to make such a filing, allowing adequate time that the filing contents can be robust and meaningful to form the foundation of future discussions.
 - Schedule at least one technical conference for RMP to explain its data and timelines so that PSC staff and commissioners can participate, as well as other interested stakeholders.
- Following the kickoff filing, the collaborative should include periodic informal meetings, possibly every other month.
- After approximately one year, request the Division of Public Utilities to submit a status report on the activity of the group and invite other stakeholders to file recommendations at that time. Allow one round of reply comments to this report and recommendations.

- The OCS also recommends that the PSC consider a requirement that RMP reconvene the collaborative in advance of RMP filing any new rate design or pilot program to ensure that it receives input prior to a formal filing.

cc: Docket 20-035-04 Service List