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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

<p>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</p>	<p>Docket No. 20-035-04 UCE Reply Comments on Collaborative Stakeholder Process</p>
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On December 30, 2020, the Public Service Commission (“Commission”) issued an Order in Rocky Mountain Power’s (“RMP”) 2020 General Rate Case, Docket 20-035-04 (“Rate Case”) inviting interested parties to provide comments regarding a potential collaborative stakeholder process. In response to the Commission’s request for comments, several parties filed comments recommending a scope and process for this collaborative.

Kroger submitted brief comments recommending that the collaborative process consider a multi-site commercial rate for schedule 6 customers.

The Division of Public Utilities (“DPU”) also submitted brief comments recommending that the Commission open a new docket and hold a scheduling conference for parties to further define the scope of the collaborative process. The DPU also recommended that the collaborative potentially break up into subgroups to focus on specific issues.

Rocky Mountain Power submitted comments recommending a series of informal meetings at which parties may present on a spectrum of issues. RMP recommends that the issues

be limited to pricing and cost of service (“COS”), and may include unbundling, residential and non-residential rate design paired with advanced metering infrastructure (“AMI”), conjunctive billing for large customers, and other COS issues. These meetings would culminate with a final report to the Commission, and “if consensus is achieved on particular cost of service /rate design principles through the collaborative process, a settlement could also be filed in a future proceeding at that time.”¹

The Office of Consumer Services (“Office”) filed comments recommending that the focus of the collaborative should be “on grid modernization, including AMI, and developing a shared understanding and foundation to help facilitate future discussions of the appropriate [advanced rate design (“ARD”)].”² The Office believes that the best way to ensure efficiency and success for this stakeholder collaborative is to begin with an initial filing from RMP containing key pieces of information.³ The Office recommends a new formal docket with technical conferences that will afford the Commission and its staff the opportunity to stay informed on these issues.

Western Resource Advocates (“WRA”) also recommends that the collaborative process should “achieve more transparency and a common understanding about the functionality and opportunities of PacifiCorp’s AMI deployment, and to evaluate opportunities for achieving both customer and utility benefits of AMI in a reasonable timeframe.”⁴ WRA additionally recommends that the collaborative address rate design for electric vehicle charging in Utah.⁵

¹ Docket 20-035-04, RMP Comments, Page 2.

² Docket 20-035-04, Office of Consumer Services Comments, Page 2.

³ Docket 20-035-04, Office of Consumer Services Comments, Page 3. “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.” *Id.*

⁴ Docket 20-035-04, Western Resource Advocates Comments, Page 4.

⁵ Docket 20-035-04, Western Resource Advocates Comments, Page 2.

Like the Office and Utah Clean Energy (“UCE”), WRA believes that all stakeholders will benefit from an initial filing from RMP providing “foundational information” related to different ARD options and their coincident benefits, the necessary steps to implement these options paired with AMI, and the projected timeline for implementation.⁶ In terms of process, WRA recommends creating a new docket (or using the Rate Case docket so long as the public may participate) that is lead by the DPU or Commission, with the option for parties to present to the group on certain issues.

UCE responds to the recommendations proposed by all the parties. The absence of discussion of any issue does not indicate UCE’s agreement or disagreement with that issue.

The primary objective of the collaborative should be to develop a stakeholder-informed pathway towards Advanced Rate Designs that leverage Advanced Metering Infrastructure.

RMP, the Office, WRA, and UCE all agree that Advanced Rate Designs and Advanced Metering Infrastructure should be a point of discussion if not the primary focus of the collaborative. RMP recommends including residential and non-residential rate design paired with AMI as issues in its proposed collaborative schedule, although RMP recommends limiting the scope of discussion to pricing and COS issues. The Office, WRA, and UCE recommend that this should be the primary focus of the group’s efforts because this kind of grid modernization is approaching fast, can create substantial benefits for customers and the grid, and is ripe for collaboration. Kroeger’s recommendation that the collaborative focus on a multi-site commercial rate could be weaved into the larger conversation on developing ARDs, as could many of RMP’s other suggested topics. Exploration of Advanced Rate Design on its own is likely to require a

⁶ Docket 20-035-04, Western Resource Advocates Comments, Page 5.

substantial investment of time from collaborative participants. To ensure that the process generates meaningful results, we recommend that the Commission order the collaborative to primarily focus on topics related to grid modernization through ARD paired with AMI, with the option to discuss alternative topics such as multi-site commercial and electric vehicle rates.

An initial filing is necessary to provide stakeholders with a common understanding of steps necessary to implement AMI paired with ARD.

The Office, WRA, and UCE all agree that an initial filing from RMP is necessary for all stakeholders to begin the process on the same page and to maximize the possibility of a successful outcome at the end of this process. The Office said “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.”⁷ WRA also said that stakeholders require additional information such as the types and benefits of different rates enabled by ARD, and system and process investments to enable meaningful collaboration on these issues. There is no way to understand the capabilities for AMI and ARD—and the potential for these technologies and rate structures to provide benefits to customers—without an understanding of current system functionality and capability.

We agree with the Office and WRA that the collaborative should begin with an initial filing from RMP that includes at least the following information:

- Any necessary hardware, software, or process enhancements required to implement AMI.
- Any necessary hardware, software, or process enhancements required to implement ARDs, including time of use rates and critical peak pricing.

⁷ Docket 20-035-04, Office of Consumer Services Comments, Page 2.

- Any necessary enhancements required to implement new demand response and customer use programs enabled by AMI and ARDs, including data security measures, that allow customers access to a full range of benefits that flow from AMI paired with ARDs.
- Any necessary enhancements for integrated resource planning and distribution system planning once AMI and ARDs are deployed.
- A forecasted timeline for implementing each of the above items.

To help ensure that stakeholders and the Commission understand the information in RMP's initial filing we also recommend holding a technical conference on the information within the filing. This technical conference should be scheduled after a reasonable period to allow parties the opportunity to review the information in RMP's initial filing and submit questions to RMP in advance.

Without this filing, stakeholders will not be working with a common understanding of the practical limitations or timeline for AMI and ARD deployment. It is inefficient for stakeholders to discuss solutions or opportunities that leverage AMI if the solutions cannot practically be completed within the realistic timeline, or if they are not possible without prohibitive system upgrades. In essence, we cannot collaborate to build a useful, actionable framework for developing AMI paired with ARD until all stakeholders understand the practical challenges associated with implementing them.

The Commission should open a new docket in which RMP may make the initial filing discussed above, technical conferences may be held, and in which any updates or final reports may be filed.

The Office, WRA, and the DPU recommend opening a new docket to house this process. UCE recommended either using the existing 2020 Rate Case docket or creating a new docket. We would like to amend our recommendation to support opening a new docket to house RMP's initial filing, technical conference materials, and other updates to the Commission. Creating a new docket with its own schedule and purpose is the most transparent option for stakeholders who might be interested in the collaborative process but were not actively engaged in the rate case proceeding.

The stakeholder collaborative should not be broken up into subgroups, and meeting topics should be published in advance.

The DPU recommends that the collaborative agree to a scope of topics or develop subgroups to handle specific issues. UCE respectfully disagrees that subgroups will promote the most efficient use of stakeholders' time and we recommend that the collaborative remain in one large group. Most of the topics that stakeholders proposed for discussion in this collaborative focus on a relatively narrow scope of issues: AMI and ARD for residential and non-residential customers. Discussion of these issues will likely overlap, so breaking the group up into subgroups would result in redundant conversations and inefficiency.

While UCE is not opposed to discussing a wide array of topics and issues, we agree with the Office that "the public interest is better served [with] a meaningful collaborative covering a reasonable scope rather than scheduling multiple discussions covering many topics with no

meaningful outcomes.”⁸ To that end we continue to recommend that the Commission order the collaborative to primarily focus on developing a common understanding of issues necessary to design and implement ARD paired with AMI in a manner that maximizes the benefits to customers and the grid.

Further, any single issue that parties may wish to raise could be heard and discussed on an as-needed, or as-requested basis parallel with the larger discussions on AMI and ARD. Combined with scheduling the meetings and topics in advance, as RMP and WRA have suggested, this will allow stakeholders to attend meetings when the collaborative is discussing the topics that are relevant to their interests.

The collaborative process should focus on reaching meaningful objectives, instead of consisting of a series of conversations or presentations that do not yield progress on building consensus around AMI and ARD proposals.

The Office, WRA, RMP, and UCE all portend that this collaborative could result in a meaningful agreement between parties that supports a stipulated position on issues such as ARD and AMI proposals in Utah. This is a unique opportunity to collaborate on these important issues, which will very likely come up again during the next general rate case. The 2020 rate case showed how fragmented parties can be on issues that are developed without meaningful cooperation, and when parties must seek information independently through data requests within such a complicated docket. The fact that so many parties recommended holding a stakeholder process, and several parties highlighted the benefits associated with collaboration in rate design suggests that this process should produce an actionable agreement between the participants. We

⁸ Docket 20-035-04, Office of Consumer Services Comments, Page 3.

should use this opportunity to create a foundational agreement on an AMI and ARD proposal that a diverse group of stakeholders can support during the next general rate case.

UCE originally recommended that the group work towards an actual rate design during this collaborative process that could be implemented during the next general rate case. The Office and WRA each recommend that the outcome of this process should be a shared understanding, or a roadmap that will help guide stakeholders during a future collaboration that takes place closer to the next rate case. RMP similarly suggests that “If consensus is achieved on particular cost of service /rate design principles through the collaborative process, a settlement could also be filed in a future proceeding at that time.”⁹ The Office and WRA also recommend that a focus of the collaborative could and should be to identify any ARDs or programs that could be designed and implemented prior to full deployment of AMI.

UCE still believes that the collaborative should work towards agreement on one or more new ARDs paired with AMI. However, given the complexity of these issues we recognize that that outcome may be more of a reach goal for this collaborative. Nonetheless, it is valuable and achievable for this collaborative to develop a shared understanding of the following: what steps are necessary to implement ARD paired with AMI and the timeline for implementation; any changes that need to be made to resource and distribution system planning; and the benefits that customers should expect to derive from these new rates. We recommend that the Commission order the collaborative to work towards these goals, identifying specific rate designs for future implementation if possible. Further, the Commission should order the collaborative to discuss

⁹ Docket 20-035-04, RMP Comments, Page 2.

any pilot ARDs or programs that could leverage the benefits of any early AMI enrollment before full AMI deployment is reached.

Conclusion

We recommend that the collaborative focus on grid modernization through developing a common understanding of the steps necessary to implement ARDs paired with AMI, and any rates or programs that could be implemented before the next general rate case. The collaborative should work together as one group, with pre-scheduled meeting topics that allow for parties to present on alternative issues if desired. The collaborative needs to begin with an informational filing from RMP so all stakeholders share a common understanding of the practical obstacles and timeline for implementation, and the consequences for IRP and distribution system planning. This filing should be in a new docket and followed by at least one technical conference. Finally, this collaborative needs to be focused on producing a meaningful and actionable framework or agreement that will help develop ARD and AMI programs with diverse stakeholder support in the next general rate case.

RESPECTFULLY SUBMITTED on March 2, 2021.

Utah Clean Energy
/s/ Hunter Holman _____
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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 2nd day of March 2021, on the following:

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