
Application of Rocky Mountain Power for Authority to Revise Rates in Tariff Schedule 98, Renewable Energy Credits Balancing Account	<u>DOCKET NO. 20-035-13</u> <u>ORDER SETTING FINAL RATES</u>
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ISSUED: August 27, 2020

BACKGROUND AND PROCEDURAL HISTORY

On March 16, 2020, Rocky Mountain Power (RMP) filed an application (“Application”) with the Public Service Commission (PSC) requesting approval to revise the collection rates for the Renewable Energy Credits (REC) Balancing Account (RBA) in its Electric Service Schedule No. 98, “REC Revenue Adjustment” (“Schedule 98”). The Application, based on a deferral period of January through December 2019, proposed a decrease of approximately \$1.9 million, or 0.1 percent, which is the difference between the previous collection level of approximately \$0.8 million and the Application’s proposed refund of approximately \$1.03 million. The Application included proposed revisions to Schedule 98 reflecting this decrease.

On April 24, 2020, the Division of Public Utilities (DPU) recommended the PSC approve the Application on an interim basis, effective June 1, 2020. On May 29, 2020, the PSC issued an order approving RMP’s proposed Schedule 98 rates, effective June 1, 2020, on an interim basis subject to further refund or surcharge contingent on the PSC’s review of the final results of DPU’s audit of the RBA (“Audit Report”).

On July 2, 2020, DPU filed its Audit Report consistent with our March 31, 2020 scheduling order. No comments were filed.

DISCUSSION, FINDINGS, AND CONCLUSIONS

In its Audit Report, DPU explains that it reviewed numerous documents, including RMP's REC sales, request for proposals, reverse request for proposals, REC revenue contracts, renewable costs in base rates, the REC budget for 2019 and 2020, REC policies and procedures, and previous RBA filings. Additionally, DPU reviewed and verified that the fees billed by RMP to Kennecott were in accordance with the confidential Non-Generation and REC Supply Agreement between Kennecott Utah Copper LLC and PacifiCorp dated April 8, 2019.¹ Based on this review, DPU states it appears the RBA is prudently managed and follows regulatory and reporting requirements. Further, DPU states its Audit revealed no discrepancies in RMP's records regarding the 2019 REC transactions.

Based on its review of Schedule 98, and related 2019 filings with the PSC, DPU states RMP appears to comply with regulatory and reporting requirements and the interim rates appear to be just and reasonable and in the public interest and should be made final.

We find the procedures used by DPU to evaluate RMP's records are sufficiently rigorous to justify the conclusion that the interim rates are just and reasonable. Based on our review of the Application, DPU's Audit Report, the reasons provided in DPU's comments, and in the absence of any opposition, we accept and adopt DPU's recommendation. Similarly, and based on reasons set forth above, we find the previously-ordered interim rates for Schedule 98 in this docket are

¹ See *Application of Rocky Mountain Power for Approval of the Non-Generation and Renewable Energy Credit Supply Agreement between PacifiCorp and Kennecott Utah Copper LLC* (Order Approving a Non-Generation and Renewable Energy Credit Supply Agreement issued August 7, 2019); Docket No. 19-035-20.

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just, reasonable, and in the public interest. Accordingly, we approve the interim rates in Docket No. 20-035-13 as final.

ORDER

The interim rate changes previously ordered by the PSC in Docket No. 20-035-13 are final.

DATED at Salt Lake City, Utah, August 27, 2020.

/s/ Michael J. Hammer
Presiding Officer

Approved and confirmed August 27, 2020 as the Order of the Public Service Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#315163

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on August 27, 2020, a true and correct copy of the foregoing was served upon the following as indicated below:

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