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State of Utah
Department of Commerce
Division of Public Utilities

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Interim Executive Director

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Director, Division of Public Utilities

Technical Conference Questions

To: Rocky Mountain Power

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Bob Davis, Utility Technical Consultant

Justin Christensen, Utility Analyst

Date: May 1, 2020

Re: **Docket Nos. 19-035-18 and 20-035-T04** – Avoided Cost Pricing for Schedules 38 and 37.

1. Please explain the difference between the December 31, 2019 OFPC in the Avoided Cost Docket (19-035-18) and the December 31, 2019 OFPC in the Hedging Docket.
2. Please provide a flow chart of how the avoided cost prices are determined (very brief as not to take up much time).
3. Please describe how the proxy resources are chosen?
4. Please explain the concept of effective capacity contribution as it relates to the Commission approved like-for-like deferral and the concept of the proxy resource, which is identified as the next deferrable generating unit in the Company's most recent IRP.
5. In interpreting renewable resources of the same type, you have indicated that the "type" is meant to reflect the operational characteristics of the QF on the Company's system. Please provide a brief description of the difference between the operational characteristics of the Wyoming wind resource and the Utah wind resource?

6. Please explain why is the avoided costs associated with Wyoming wind deferral is greater than that associated with the deferral of Utah wind?
7. Please provide a brief explanation of capacity contribution (ELCC, LOLP, LOLE) theory and calculation.
8. Please explain the difference between the 12x24 and 8760 analysis. How would, which of these profiles you use impact the calculation of capacity contribution?
9. Please explain the interplay between the IRP portfolio selection and the PDDRR methods?
10. Please explain, for Schedule 37, the difference between the wind avoided costs based on the deferral of Wyoming wind and Utah wind and what accounts for that difference?
11. Please provide a brief description of the rationale behind the non-routine update to wind pricing when the Proxy/PDDRR method does not allow deferral on not cost-effective resource.

Cc: Jana Sab, RMP
Michele Beck, OCS