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Governor
DEIDRE M. HENDERSON
Lieutenant Governor

State of Utah

Department of Commerce Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

Preliminary Report — GRID Modernization Workgroup

To: Public Service Commission of Utah
From: Utah Division of Public Utilities
Chris Parker, Director
Artie Powell, Manager
Doug Wheelwright, Utility Technical Consultant Supervisor
Bob Davis, Utility Technical Consultant
Date: July 29, 2021
Re: **Docket No. 21-035-16**, Collaborative Stakeholder Process for Rocky Mountain Power's Grid Modernization and Rate Design.

The Division of Public Utilities (Division) hereby submits its preliminary report (Report) to the Public Service Commission of Utah (Commission).¹

Issue

On June 14, 2021, the Commission issued its Second Scheduling Order in Docket No. 21-035-16, Collaborative Stakeholder Process. In its Order, the Commission directed the Division to file a preliminary report to include the anticipated topics of the informal workgroup meetings by July 30, 2021. The Commission directed the Division to file its first status report by January 31, 2022 and succeeding status reports every six-months thereafter.

¹ See Public Service Commission of Utah, Second Scheduling Order, Docket No. 21-035-16, June 14, 2021, <https://pscdocs.utah.gov/electric/21docs/2103516/3190922103516sso6-14-2021.pdf>.

Background

The Commission initiated this docket on March 17, 2021, for the purpose of establishing a collaborative stakeholder process related to grid modernization and rate design, issuing a Scheduling Order and Notices of Technical Conference, Comment Period, and Scheduling Conference.²

The Commission's Initial Notice asked Rocky Mountain Power (RMP) to submit an informational filing to initiate the collaborative stakeholder process and set a technical conference on May 10, 2021, for RMP to present its filing and allow questions from stakeholders. Consistent with the Commission's Initial Notice, RMP submitted its informational filing, presented its filing and answered stakeholder questions in the May 10th technical conference. After receiving additional comments from stakeholders, the Commission held a second scheduling conference on June 2, 2021.³

The Commission conducted the Scheduling Conference with representatives from RMP, the Division, the Office of Consumer Services (OCS), Utah Clean Energy (UCE), Utah Association of Energy Users (UAE), Western Resource Advocates (WRA), Kroger, Walmart, and Nucor (collectively, Stakeholders).⁴

RMP agreed to ensure that all intervenors in this docket would be provided with appropriate notice and instructions for participation in the Informal Workgroup Meetings. The Division agreed to file a preliminary report, including the anticipated topics to be discussed during the workgroup meetings. The Division agreed to file a status report every six-months to advise the Commission on the status of their efforts and a final report at the end of the Stakeholders' collaboration.⁵

² Id., at page 1.

³ Id.

⁴ Id.

⁵ Id., page 2.

Discussion

The Stakeholders began their first collaborative workgroup meeting with a presentation from RMP on the fundamentals of rate unbundling. The Stakeholders determined that a path forward discussing specific topics and sub-topics in-turn will develop a foundation to help the collaborative workgroup progress.

The Stakeholders agreed to several general topics of discussion with sub-topics for further discussion during future workgroup meetings in its initial scoping meeting held July 13, 2021.

These general topics and subtopics are:

- Grid Modernization
 - Reliability
 - Billing/Customer Features
- Pricing
 - Residential
 - Non-Residential
 - Large Customers
- Cost of Service
 - Generation and Transmission
 - Distribution
- Review of Cost of Service Study
- Large Customer Interruptible Rates
- Drivers
- Technical Aspects
 - AMI/Grid Modifications
 - Smart Inverters
- Cost of Service/Rate Design Introduction
 - Time of Use Rates
- New Cost of Service Methods

The Stakeholders agreed to discuss these topics in future meetings.

The topics for the scheduled workgroup meetings are:

August 31st

- Cost of Service Review
- Generation and Transmission Allocation/Classification

October 7th

Customer Features⁶
Third Party Access⁷
Green Button⁸
Home Area Network⁹
Schedule Future Meetings

November 18th

AMI/Grid Modernization
Smart Inverter
Agenda for Future Meetings

January 10th-2022

Cost of Service Distribution

The Stakeholders discussed potential third party presentations at a technical conference during the week of December 6th to present various Cost of Service approaches to the group and Commission based on availability and scheduling. The Division agreed to check with the Regulatory Assistance Program (RAP) for potential availability for the week of December 6, 2021 for a presentation at a technical conference. Finally, the Stakeholders plan to conduct future meetings in person at Heber Wells in Room 401 with remote capabilities.

Conclusion

The Stakeholders' first collaborative workgroup discussed rate unbundling, scoping to determine how to proceed with future meetings, the effective use of time, and addressed topics that support the intent of the collaborative workgroup.

cc: Service List

⁶ **Customer Features** encompasses many aspects of user interfaces that help customers understand their energy consumption through use of smart meters, program applications, and live apps that monitor energy usage. https://www.energy.gov/sites/prod/files/2016/12/f34/AMI%20Summary%20Report_09-26-16.pdf.

⁷ **Third Party Access** is comprised of companies that are not associated with the customer's utility but uses the data collected through the customer features upon consent of the customer to aid in energy usage efficiency in a secure manner. <https://emp.lbl.gov/publications/regulators-privacy-guide-third-party>.

⁸ **Green Button** initiative is an industry-led effort that responds to a White House call-to-action to provide utility customers with easy and secure access to their **energy** usage information in a consumer-friendly and computer-friendly format. <https://www.energy.gov>.

⁹ The **Home Area Network** or **HAN** is a **network** contained within a customer's **home** or business that connects a customer's qualified energy monitoring device to a smart meter. This connection allows the customer to observe his or her real-time energy usage through the energy monitoring device. <https://www.firstenergycorp.com>.

CERTIFICATE OF SERVICE

I certify that on July 29, 2021, I caused a true and correct copy of the foregoing to be filed with the Public Service Commission and served by the Utah Division of Public Utilities to the following in Utah Docket 21-035-16 as indicated below:

BY Electronic-Mail:

Rocky Mountain Power

Jana Saba	jana.saba@pacificorp.com
Emily Wegener	emily.wegener@pacificorp.com
Robert Meredith	robert.meredith@pacificorp.com
Joelle Steward	joelle.steward@pacificorp.com
Stephanie Barber-Renteria	stephanie.barber-renteria@pacificorp.com
Douglas Marx	douglas.marx@pacificorp.com
James Zhang	james.zhang@pacificorp.com
Mitchell Dean	mitchell.dean@pacificorp.com

Walmart, Inc.

Vicki M. Baldwin	vbaldwin@parsonsbehle.com
Stephen W. Chriss	stephen.chriss@walmart.com
Andrew Teague	andrew.teague@walmart.com

Nucor Steel - Utah

Peter J. Mattheis	pjm@smxblaw.com
Eric J. Lacey	ejl@smxblaw.com
Jeremy R. Cook	jcook@cohnkinghorn.com

Western Resource Advocates

Sophie Hayes	sophie.hayes@westernresources.org
Jamie Dalton	jamie.dalton@westernresources.org

Utah Clean Energy

Hunter Holman	hunter@utahcleanenergy.org
Kate Bowman	kate@utahcleanenergy.org

The Kroger Co.

Kurt J. Boehm	kboehm@BKLawfirm.com
Jody Kyler Cohn	jkylercohn@BKLawfirm.com

Utah Association of Energy Users

Phillip Russell	prussell@jdrslaw.com
Kevin Higgins	khiggins@energystrat.com
Justin Bieber	jbieber@energystrat.com

Salt Lake City Corporation

Christopher Thomas	christopher.thomas@slcgov.com
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Office of Consumer Services

Michelle Beck
Alyson Anderson
Alex Ware

mbeck@utah.gov
akanderson@utah.gov
aware@utah.gov

Utah Attorney General's Office

Assistant Attorney Generals

Justin Jetter
Patricia Schmid
Robert Moore

jjetter@agutah.gov
pschmid@agutah.gov
rmoore@agutah.gov

/S/ Madison Galt

Madison Galt, Legal Assistant
Utah Division of Public Utilities