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## UTAH DEPARTMENT OF COMMERCE

### Division of Public Utilities

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## Status Report — GRID Modernization Collaborative Workgroup

**To:** Public Service Commission of Utah

**From:** Utah Division of Public Utilities

Chris Parker, Director  
Brenda Salter, Assistant Director  
Doug Wheelwright, Utility Technical Consultant Supervisor  
Bob Davis, Utility Technical Consultant

**Date:** July 27, 2023

**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 to the Public Service Commission of Utah (Commission) its collaborative process status report (Report) for the first half of 2023, along with the Division's conclusions about the Collaborative, a request for the Commission to end the Collaborative, and issue a request for comments.<sup>1</sup>

During the first half of 2023, the Collaborative Stakeholders (Collaborative) discussed the remainder of the topics of concern outlined by the Stakeholders in Rocky Mountain Power's (RMP) most recent general rate case and the reason for this collaborative workgroup. The Department of Energy (DOE) Technical Assistance Program (TA) sponsored National Renewable Energy Laboratory (NREL) Cohort is ongoing at the time of this filing but does not affect the recommendations. The various presentations by RMP and other Stakeholders provided the Collaborative with useful information that might be of value to parties in future discussions on grid modernization and rate design. The Collaborative presentations and the NREL sponsored Cohort discussion are included separately as Attachment A to this report.<sup>2</sup>

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<sup>1</sup> Docket No. 21-035-16, *Second Scheduling Order*, June 14, 2021, <https://pscdocs.utah.gov/electric/21docs/2103516/3190922103516sso6-14-2021.pdf>.

<sup>2</sup> Docket No. 21-035-16, 21-035-16\_GRID Mod Status Report-Collaborative Process\_DPU Attachment A\_7-27-23, July 27, 2023.

## 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 discussions by July 30, 2021.<sup>3</sup> The Commission directed the Division to file its first status report by January 31, 2022, and succeeding status reports every six months thereafter.

## Background

The Commission initiated this docket on March 17, 2021. The purpose of the docket was to establish a collaborative stakeholder process related to grid modernization and rate design.<sup>4</sup>

The Commission's Initial Notice asked RMP to submit an informational filing to initiate the collaborative stakeholder process and answer Stakeholder questions during a technical conference on May 10, 2021. After receiving additional comments from Stakeholders during the technical conference, the Commission held a second scheduling conference on June 2, 2021.<sup>5</sup>

The Commission conducted the second 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).<sup>6</sup> RMP agreed to provide all intervenors in this docket with appropriate notice and instructions for participation in the informal workgroup discussions. The Division agreed to file a preliminary report, including the anticipated topics to be discussed during the workgroup discussions. The Division agreed to file a status

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<sup>3</sup> Docket No. 21-035-16, *Supra* note 1, at 2.

<sup>4</sup> Docket No. 21-035-16, *Scheduling Order and Notices of Technical Conference, Comment Period, and Scheduling Conference*, March 17, 2021, <https://pscdocs.utah.gov/electric/21docs/2103516/3178682103516soanotccpasc3-17-2021.pdf>.

<sup>5</sup> Docket No. 21-035-16, *Supra* Note 1.

<sup>6</sup> *Id.*

report every six months to advise the Commission on the status of its efforts and a final report at the end of the Stakeholders' collaboration.<sup>7</sup>

## Discussion

The Stakeholders began their collaborative workgroup discussions on July 13, 2021, with a presentation from RMP on the fundamentals of rate unbundling. The Stakeholders determined that discussing specific topics and sub-topics in turn would develop a foundation to help the collaborative workgroup progress forward. The Stakeholders agreed to several general topics of discussion with sub-topics for further discussion during the initial scoping meeting held on July 13, 2021.<sup>8</sup> The Stakeholders have followed that same format for this reporting period, building on the previous discussions.

The DOE offered technical assistance to states to further grid modernization efforts during the third quarter of 2021. The Collaborative discussed potential scoping topics and filed its application on behalf of the Commission on or around September 27, 2021.<sup>9</sup> The application was accepted and awarded in two separate parts. The first part combined Utah with four other states: Arkansas, Kentucky, Massachusetts, and New Jersey (collectively, Cohort), that share the same general topics of interest.<sup>10</sup> The second part was specific to Utah's main topics of interest - smart inverters and demand response.<sup>11</sup> The Division has participated in several discussions with NREL staff for both the Cohort and Utah's state-specific goals leading up to and after the December 9, 2021, presentations.

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<sup>7</sup> *Id.* Note that the Division, consulting with RMP, decided it was easier for the Division to send out the Agenda for forthcoming workgroups.

<sup>8</sup> Docket No. 21-035-16, *Division Preliminary Report* filed July 29, 2021, at 3, <https://pscdocs.utah.gov/electric/21docs/2103516/319750DPUPrImnryRprt7-29-2021.pdf>.

<sup>9</sup> Docket No. 21-035-16, *Division Status Update* filed July 19, 2022, Attachment 1, Technical Assistance to State Public Utility Commissions Application Form. In its application to the DOE TA, the Stakeholders requested information on topics including Regulation and Utility Business Models, Rate Design and Ratemaking, Integrated Planning, Resilience Planning, Technology Application, and Evaluation, and Cross-Jurisdictional Coordination, <https://pscdocs.utah.gov/electric/21docs/2103516/324887DPUSsRprt7-19-2022.pdf>.

<sup>10</sup> *Id.*, Interconnection Cohort, Attachments 2, General Topics of Interest include: Improving the Interconnection Process, Modern DER Capabilities and Deployment Concerns, IEEE 1547, and Bulk Power System Considerations and Coordination.

<sup>11</sup> *Id.*, Attachment 3, "Utah Only" Smart Inverters and Demand Response.

The Cohort discussions began with the first discussion on December 15, 2022, focusing on interconnection issues relating to distributed generation resources (DERs). Since the initial Cohort discussion, NREL has hosted two more interconnection discussions on March 8, 2023, and June 15, 2023. NREL has not scheduled any future Cohort discussion. The Division updated the Collaborative during workgroup discussions regarding the Cohort discussions and provided links to information and presentations as they became available on NREL's site.

The discussions and presenters since the last status report update are as follows:

**January 25, 2023 – WG 15**

CFAN/IVVO, IIJA Funding, IRP Topics, Electrification Forecast, and Oregon Distribution Planning

*Presenters:*

Rocky Mountain Power

**March 7, 2023 – WG 16**

Schedule Future Work Groups: (Non-Residential/Residential Load Management Programs Enabled by AMI/Special Contracts, IIJA Programs, RMP Time of Use Settlement — 21-035-70, Paragraph 17), Collaborative Outcomes, How to Present Work Group Findings to Commission)

Multi-Site Aggregation

*Presenters:*

Courtney Higgins – Energy Strategies/Kroger

**May 22, 2023 – WG 17**

Time of Use Settlement (Docket No. 21-035-70, Paragraph 17), Non-Residential/Residential Load Management Programs Enabled by AMI

*Presenters:*

Rocky Mountain Power

**June 21, 2023 – WG 18**

Workgroup Closure and Final Report to Commission  
Schedule No. 32 – Service from Renewable Energy Facilities

*Presenters:*

UAE Schedule No. 32 Presentation

RMP covered the majority of the remaining topics in the January 25, 2023, discussion. The workgroup included a robust discussion on Cellular Field Area Network (CFAN), Interactive Volt-VAR Optimization (IVVO), and although not outlined as part of the collaborative process, the Infrastructure Investment and Jobs Act (IIJA) and how RMP might use funding

to further its roadmap. The discussions centered around distributed energy resources (DER) considering FERC Orders 2222, and 719, access to wholesale energy markets and demand responses, respectively. In addition, the discussion included RMP's distribution system planning (DSP) and hosting capacity analysis (HCA). Finally, RMP discussed its CFAN/IVVO progress with implementation of load tap changers (LTC) and intelligent electronic devices (IED) to help system reliability.

The remainder of the workgroups were centered around system load management, customer billing strategies for all customers, and the need for advanced metering infrastructure (AMI/AMR).

The Division concludes that while no agreements were reached, the collaborative process and discussions on the specific topics were informative and robust. The TA assistance by NREL and LBNL provided the Stakeholders with valuable information to help form opinions going forward as parties grapple with the implementation of DER on RMP's system. The Division notes that the non-achievement of consensus between the Stakeholders on any of the topics was not necessarily due to impasse, but more towards understanding the dynamics of new technologies, system requirements, and regulations to allow for integration of DERs while keeping the system reliable to all customers. The Division concludes that the Collaborative process was helpful and could help Stakeholders address those same potential topics with better information should the topics arise in specific regulatory matters.

## **Conclusion**

The Collaborative has completed its discussions of the topics agreed upon by the parties. The Division concludes that the Collaborative was useful and informative but offered no real solutions to the topics that arose from RMP's most recent rate case. The Division requests that the Commission end the Collaborative and issue a request for comments so all parties involved with the Collaborative will have an opportunity to present their conclusions to the Commission.

cc: Service List