

PUBLIC SERVICE COMMISSION OF UTAH

Docket No. 21-035-26

VIRTUAL HEARING

June 14, 2021

ADVANCED REPORTING SOLUTIONS

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1 BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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3 Application of Rocky)
4 Mountain Power for) Docket No. 21-035-26
5 Approval of the Renewable)
6 Energy Contract between) Hearing Officer:
7 PacifiCorp and IHC Health) Michael Hammer
8 Services, Inc., and the)
9 Related Agreement with)
10 Castle Solar, LLC.)
11)

10 VIRTUAL HEARING

12 Proceedings held: Monday, June 14, 2021
13 10:00 a.m. -- 10:13 a.m.

25 Reported by: Michelle Cerutti, RPR, CSR

A P P E A R A N C E S

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ALSO PRESENT:

Abdinasir Abdulle

Craig Eller

Melissa Paschal

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E X H I B I T S

(None marked)

1 P R O C E E D I N G S

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5 HEARING OFFICER HAMMER: We should all be
6 here for the hearing noticed in the Application of
7 Rocky Mountain Power for approval of the Renewable
8 Energy Contract between PacifiCorp and IHC Health
9 Services and the Related Agreement with Castle
10 Solar; Commission Docket No. 21-035-26.

11 My name is Michael Hammer. I am the
12 Commission's designated Presiding Officer for the
13 hearing.

14 Let's take appearances, please, beginning
15 with Rocky Mountain Power.

16 MS. WEGENER: This is Emily Wegener for
17 Rocky Mountain Power, and I have with me our vice
18 president of business policy and development,
19 Craig Eller.

20 HEARING OFFICER HAMMER: Thank you. And
21 for the Division of Public Utilities?

22 MR. JETTER: Good morning. I am
23 Justin Jetter of the Utah Attorney General's
24 Office, and I am here today representing the Utah
25 Division of Public Utilities.

1 The Division intends to call one witness
2 today, Dr. Abdinasir Abdulle.

3 HEARING OFFICER HAMMER: Are there any
4 other parties on the line that wish to enter an
5 appearance?

6 MR. BURNETT: This is Brian Burnett. I'm
7 an attorney at Kirton McConkie, and I represent IHC
8 Health Services, Inc.

9 HEARING OFFICER HAMMER: Mr. Burnett, did
10 you file an intervention application in the docket?
11 I don't believe you did.

12 MR. BURNETT: I did not, no.

13 HEARING OFFICER HAMMER: Do you wish to
14 present testimony today, or are you here to --

15 BRIAN BURNETT: I'm just here -- I'm just
16 here to observe and perhaps, if there's a question,
17 to clarify something. I was involved in the
18 negotiations, so I'm just here to help.

19 HEARING OFFICER HAMMER: Okay. Well,
20 welcome. Thank you.

21 All right. Is there anything before
22 Ms. Wegener calls her first witness?

23 Go ahead, Ms. Wegener.

24 MS. WEGENER: The company calls
25 Craig Eller.

1 HEARING OFFICER HAMMER: Mr. Eller, do you
2 swear to tell the truth?

3 MR. ELLER: I do.

4 HEARING OFFICER HAMMER: Thank you.

5
6 DIRECT EXAMINATION OF CRAIG ELLER

7 BY MS. WEGENER:

8 Q. Good morning. Can you please state and
9 spell your name and business address for the
10 record?

11 A. Yes. Craig Eller. C-R-A-I-G E-L-L-E-R.
12 My business address is 1407 West North Temple, Salt
13 Lake City.

14 Q. And what's your position with the company?

15 A. Vice president, business policy and
16 development.

17 Q. And in the scope of your duties, did you
18 oversee the execution of the Schedule 32 Contract
19 with Intermountain Healthcare and the Renewable
20 Energy Supply Contract with Castle Solar?

21 A. Yes, I did.

22 Q. Did you file testimony supporting approval
23 of the contract on April 22, 2021?

24 A. Yes.

25 Q. Do you have any corrections to that

1 **testimony?**

2 A. I do not.

3 **Q. If I asked you the same questions today**
4 **that are included in that pre-filed testimony,**
5 **would your answers be the same?**

6 A. They would.

7 MS. WEGENER: I move to admit the
8 testimony of Craig Eller.

9 HEARING OFFICER HAMMER: It's admitted.

10 BY MS. WEGENER:

11 **Q. Mr. Eller, can you please provide a**
12 **summary of your testimony?**

13 A. Sure. I present today for Commission
14 approval a Renewable Energy Contract, which I'll
15 refer to as the "Schedule 32 Contract," between
16 PacifiCorp, doing business as Rocky Mountain
17 Power -- or, the "Company" -- and IHC Health
18 Services, or, "Intermountain"; as well as a
19 Renewable Resource Contract between the Company and
20 Castle Solar, LLC, under Schedule 32 of the
21 Company's Utah tariff, and as filed in an
22 application dated April 22, 2021.

23 Schedule 32 implements Utah law that
24 allows a customer to receive electricity and
25 renewable attributes from a particular renewable

1 energy facility if the customer pays all the costs
2 associated with the purchase and delivery of that
3 renewable energy. To date, the Company has entered
4 into one other Schedule 32 Contract with the
5 University of Utah, as approved by the Commission
6 May 22, 2018.

7 The two agreements associated with
8 Schedule 32 service to Intermountain are both dated
9 March 30, 2021, and will become effective when
10 final and non-appealable Commission orders have
11 been entered, approving, without material
12 modification, all the terms of the agreements.

13 The Schedule 32 format establishes certain
14 terms by which the Company will sell electricity to
15 Intermountain. Intermountain qualifies for service
16 under Schedule 32 as Intermountain is an existing
17 customer of the Company, taking service under
18 Schedules 6 and 8, and has contracted for
19 20 megawatts of electricity under a renewable
20 energy contract on an annual peak-load basis.

21 The Renewable Resource Contract governs
22 the terms of purchase of the renewable energy
23 produced by the planned Castle Solar generation
24 facility, which I'll refer to as the "Facility."
25 The Facility meets the requirements for a renewable

1 energy facility under Schedule 32, as it will
2 produce renewable energy via solar photovoltaic
3 panels and will be located in Emery County, Utah.

4 The anticipated delivery start date of the
5 Facility is June 30, 2022, at which point
6 Intermountain will begin taking service under the
7 Schedule 32 Contract.

8 The Company represents the terms and
9 conditions in the Schedule 32 Contract and
10 Renewable Resource Contract are just and
11 reasonable, and in the public interest. Therefore,
12 the Company recommends and requests the Commission
13 approve the Schedule 32 Contract and Renewable
14 Resource Contract.

15 **Q. Thank you.**

16 MS. WEGENER: I have no further questions
17 for this witness, and he is available for questions
18 from the hearing officer and cross-examination.

19 HEARING OFFICER HAMMER: Mr. Jetter?

20 MR. JETTER: I have no questions. Thank
21 you.

22 HEARING OFFICER HAMMER: And neither do
23 I. Thank you, Mr. Eller.

24 If we have no other --

25 MR. BURNETT: I did have one clarifying --

1 if I might just ask a clarifying question.

2 HEARING OFFICER HAMMER: Is there any
3 objection to Mr. Burnett asking a question?

4 MS. WEGENER: No objection.

5 HEARING OFFICER HAMMER: I only ask
6 because there's no intervention filed. If the
7 parties are -- consent to it, of course, I'm fine
8 with it; but I should ask.

9 MR. BURNETT: Okay, yeah.

10 MR. JETTER: I don't have any problem with
11 it.

12 HEARING OFFICER HAMMER: Thank you.

13

14 CROSS-EXAMINATION OF CRAIG ELLER

15 BY MR. BURNETT:

16 Q. Yeah. In your testimony, you talked about
17 that Intermountain takes the majority of its
18 service under Schedules 6 and 8. There is one
19 customer that Schedule -- a Schedule 9 customer
20 that's showed in the Renewable Energy Contract, so
21 it would be -- this would be applicable to that
22 customer, also. That's what -- the clarifying
23 question I wanted to ask.

24 Is it your understanding it could also --
25 it's the McKay-Dee facility that's listed in

1 **Attachment 2 of the Renewable Resource Appendix,**
2 **No. 1 to the Renewable Energy Contract. McKay-Dee**
3 **Hospital is a Schedule 9 customer. So, but this**
4 **contract would also be applicable to that**
5 **particular location, wouldn't it?**

6 A. Yeah. Schedule 32 is also applicable to
7 Schedule 9 customers.

8 MR. BURNETT: That's all I had.

9 HEARING OFFICER HAMMER: Ms. Wegener, is
10 there anything else from you?

11 MS. WEGENER: Nothing from me. Thank you.

12 HEARING OFFICER HAMMER: Thank you.

13 Mr. Jetter?

14 MR. JETTER: Thank you. The Division
15 would like to call and have sworn in Dr. Abdinasir
16 Abdulle.

17 HEARING OFFICER HAMMER: Dr. Abdulle, do
18 you swear to tell the truth?

19 DR. ABDULLE: I do.

20
21 DIRECT EXAMINATION OF ABDINASIR ABDULLE
22 BY MR. JETTER:

23 **Q. Dr. Abdulle, would you please state your**
24 **name and occupation for the record.**

25 A. My name is Abdinasir Abdulle, and I work

1 for the Division of Public Utilities as a technical
2 consultant. And my business address is
3 160 East 300 South, in Salt Lake.

4 **Q. Thank you. And would you please just**
5 **spell your name for the court reporter.**

6 A. Abdinasir is A-B-D-I-N-A-S-I-R. Abdulle
7 is A-B-D-U-L-L-E.

8 **Q. Thank you. And in the course of your**
9 **employment with the Division, have you had the**
10 **opportunity to review the proposed Schedule 32**
11 **Contract that is before the Commission for**
12 **approval?**

13 A. Yes, I did.

14 **Q. And after reviewing that, did you create**
15 **and cause to be filed with the Commission, comments**
16 **from the Division of Public Utilities dated**
17 **June 2, 2021?**

18 A. Yes, I did.

19 **Q. And do those comments accurately reflect**
20 **the opinion of the Division of Public Utilities and**
21 **your opinion?**

22 A. Yes.

23 MR. JETTER: I'd like to move to enter
24 into the record of the hearing the Division's
25 comments from June 2, 2021.

1 HEARING OFFICER HAMMER: They're admitted.

2 MR. JETTER: Thank you.

3 BY MR. JETTER:

4 **Q. Have you prepared a brief summary of the**
5 **Division's position?**

6 A. Yes, I did.

7 **Q. Please, go ahead.**

8 A. Thank you for the opportunity to represent
9 the Division and speak before you.

10 PacifiCorp filed for approval under
11 Schedule 32 a Renewable Energy Contract between
12 PacifiCorp and IHC, and a Renewable Resource
13 Contract between PacifiCorp and Castle Solar. It
14 also filed, for informational purpose, a Renewable
15 Energy Supply Agreement between IHC and Castle
16 Solar. The Division reviewed these contracts in
17 light of the requirements of Schedule 32 and the
18 applicable Utah Code 54-17-801 through -805.

19 The Division understands that Castle Solar
20 will develop a solar generation facility;
21 PacifiCorp will receive power from Castle in its
22 transmission system, with a delivery -- with
23 delivery to IHC. PacifiCorp will pay Castle Solar
24 the contract price for the energy received; and IHC
25 will pay PacifiCorp the same contract price for the

1 power it delivered, plus additional applicable
2 charges and fees set forth by the Schedule 32.
3 This contract price is set through negotiations
4 between IHC and Castle Solar. Hence, it may
5 deviate from the Company's costs. However, since
6 IHC will reimburse the Company for the power at the
7 contract price, the contracts will not harm the
8 Company's other rate payers. Furthermore, the
9 Division determined that the contracts are in
10 accordance with the applicable code and
11 Schedule 32.

12 Therefore, the Division recommends that
13 the Commission approve the Renewable Energy
14 Contract between PacifiCorp and IHC, and the
15 Renewable Resource Purchase Contract between
16 PacifiCorp and Castle Solar. These agreements are
17 in accordance with the Utah Code and Schedule 32,
18 and are just and reasonable and in the public
19 interest.

20 And that concludes my summary.

21 **Q. Thank you.**

22 MR. JETTER: I have no further questions,
23 and Dr. Abdulle is available for questions from the
24 Commission or cross-examination.

25 HEARING OFFICER HAMMER: Ms. Wegener?

1 MS. WEGENER: I have no questions.

2 HEARING OFFICER HAMMER: And I see you
3 shaking your head, Mr. Burnett.

4 MR. BURNETT: I have no questions.

5 HEARING OFFICER HAMMER: Thank you.

6 All right. Thank you, Dr. Abdulle.

7 Is there anything else before we adjourn
8 from any party?

9 All right. Everyone have an excellent
10 day. We're adjourning.

11 (This hearing was
12 adjourned at 10:13 a.m.)

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REPORTER'S CERTIFICATE

STATE OF UTAH)
)
COUNTY OF SALT LAKE)

I, MICHELLE CERUTTI, a Registered Professional Reporter and Certified Shorthand Reporter, hereby certify:

THAT the foregoing proceedings were taken before me at the time and place therein set forth, at which time the witnesses were placed under oath to tell the truth; that the proceedings were taken down by me in shorthand, and thereafter my notes were transcribed through computer-aided transcription; and the foregoing transcript constitutes a full, true, and accurate record of such testimony adduced and oral proceedings had, and of the whole thereof.

I further certify that I am not a relative or employee of any attorney of the parties, nor do I have a financial interest in the action.

I have subscribed my name on this 26th day of June, 2021.



MICHELLE CERUTTI, RPR, CSR

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