



State of Utah
Department of Commerce
Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Comments

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Brenda Salter, Utility Technical Consultant Supervisor

Abdinasir Abdulle, Utility Technical Consultant

Date: June 30, 2021

Re: **Docket No. 21-035-35**, Acknowledge.

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) acknowledge Rocky Mountain Power's (RMP) 2021 Utah Wildland Fire Cost and Compliance Report (Report) as complying with Utah Code §54-24-201(2) and §54-24-201(4).

Issue

Pursuant to Utah Code §54-24-201(2) and §54-24-201(4), on June 1, 2021, Rocky Mountain Power (RMP) filed its 2021 Wildland Fire Cost and Compliance Report (Report). On June 3, 2021, the Commission issued a Notice of Filing and Commenting Period in which any interested person may submit comments on RMP's Report on or before Thursday, July 1, 2021, and a reply comments may be submitted no later than Friday, July 16, 2021. This memorandum represents the Division's comments on RMP's Report.

Discussion

Pursuant to Utah Code 54-24-201(4), on June 1, 2021, RMP filed its 2021 Wildland Fire Cost and Compliance Report (Report). The Report outlines the actual and forecast capital investments and expenses for the years 2020 and 2021, respectively. The Report also contains RMP's mitigation efforts and changes made to the 2020 plan.

The capital expenditure during 2020 was \$11.5 million less than planned. This was mainly due to the impact of Covid-19, which affected the line rebuild projects. The capital spend during 2021 is also expected to be below the original plan by \$16.8 million due to Covid-19. However, the capital spent is expected to increase by \$39.6 over plan in the years 2022 through 2026 as the impact of the Covid-19 subsides. The net impact to the plan is an increase of \$11.3 million. The projected increase is the result of refined estimates from the original planned projects, project scoping and engineering.

Regarding the O&M expenditure, there was a \$609 million decline in 2020 from the original plan. This is mainly due to decline in the distribution line inspections and corrections. In its filing, Rocky Mountain Power stated that, in the longer-term, it is not anticipating any significant changes to the O&M spending forecast in the plan.

Regarding compliance, the Report provides detailed description of the modifications or upgrades to facilities and preventative programs including system hardening, operational practices, inspection and correction program, situational awareness program, and environmental program. The Division reviewed the information RMP provided regarding the performance of these programs. The Division notes that these programs are, generally, progressing according to plan. However, the Division notes that, due to the complexities associated with most of the line rebuild projects and other factors, 2020 served as a major planning and project origination year and greater results are expected to be achieved beginning in 2021. The Division also notes that other factors associated with the Covid-19 brought delays to some of the programs.

Regarding the effectiveness of the wildfire mitigation program included in the plan, a key metric is the outage during the Fire High Consequence Area. Though some projects are completed,

many of the distribution and transmission rebuild projects are yet to be completed. Hence, the benefits have not yet been realized. The Division will keep monitoring this metric as more of the rebuild projects get completed.

In its Order in Docket No. 20-035-28, dated October 13, 2020, the Commission directed RMP “to identify any updates or changes it has incorporated into its wildland fire protection practices during the previous year and the reason for those changes.” In this filing, RMP identified no changes to the original plan.

Therefore, the Division concludes that RMP made progress in implementing its wildland fire protection plan.

Conclusion

Based on its review of RMP’s filing, the Division concludes that RMP made progress in implementing its wildland fire protection plan and recommends the Commission acknowledge RMP’s filing as complying with the Utah Codes.

Cc: Jana Saba, Rocky Mountain Power
Michele Beck, Office of Consumer Services