



State of Utah

Department of Commerce  
Division of Public Utilities

MARGARET W. BUSSE  
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*Director, Division of Public Utilities*

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*Governor*

DIEDRE M. HENDERSON  
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## Action Request Response

**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:** June 1, 2021

**Re:** Approval of Tariff Sheet Changes, Docket No. 21-035-T07 – Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 135, Net Metering Service

### Recommendation (Approval)

The Division of Public Utilities (Division) recommends the Public Service Commission (Commission) approve Rocky Mountain Power's (RMP) proposed revisions to Schedule 135, effective July 1, 2021. The Division determined that RMP's filing complies with the Commission's Order in Docket No. 08-035-78, dated February 12, 2009.

### Issue

On May 18, 2021, RMP filed its proposed revisions to Electric Service Schedule No. 135.4, Net Metering Service, valuing net excess generation credits for large non-residential customers. RMP requests an effective date of July 1, 2021. On May 18, 2021, the Commission issued an action request to the Division requesting it to investigate RMP's filing and make recommendations. The Commission asked the Division to report back by June 1, 2021. On May 19, 2021, the Commission issued its Notice of Filing and Comment Period. Any interested person may submit comments on or before June 1, 2021 and reply comments on or before June 8, 2021.

## Background

The Commission's Order in Docket No. 08-035-78,<sup>1</sup> directed RMP to update tariff Schedule No. 135 annually to reflect the value of net excess generation credits for large non-residential customers based on the average retail rates for the previous year's FERC Form 1.<sup>2</sup>

## Discussion

In compliance with the Commission's Order, RMP filed its First Revision to Sheet No. 135.4 of Electric Service Schedule No. 135.<sup>3</sup> Sheet No. 135.4 contains the updated net excess generation credits for large non-residential customers in Schedule 135. Note that Schedule No. 6B was eliminated in the last general rate case.<sup>4</sup> RMP also provided Exhibit 1, which illustrates the calculations for the average retail credits for large non-residential customers.

The Division reviewed the variance between the numbers in RMP's Exhibit 1 in comparison to its FERC Form 1 filing ending December 31, 2020. In the past, the Division has only compared RMP's filing to Line 4, Small Commercial, on the FERC form. In its analysis this year, the Division could not reasonably reconcile the revenues between the filing and the FERC form. The Division asked RMP to explain the difference in DPU Data Request 1.1. RMP's response to the Division's Data Request provided the necessary data to back up its filing and ties to FERC Form 1.

In discussions with RMP staff, it was discovered that the rates that comprise the 135 Net Metering rates for Schedule Nos. 6, 6A, 8 and 10 can include Residential, Commercial, and Industrial customers. Therefore, the proper method to analyze the annual filing with the FERC Form 1, is allocating the revenues and megawatt hours between these three customer classes.

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<sup>1</sup> See <https://pscdocs.utah.gov/electric/08docs/0803578/0803578ROdtm.pdf>, Section V. Issue 2.b., page 20.

<sup>2</sup> See <https://pscdocs.utah.gov/electric/21docs/2103520/318521RMPUt2020AnlRprt4-30-2021.pdf>.

<sup>3</sup> Note that at the conclusion of RMP's recent general rate case, Docket No. 20-035-04, December 30, 2020, RMP revised all of its Electric Service Schedules to P.S.C.U. 51 make this the first revision.

<sup>4</sup> See Commission Redacted Order, Docket No. 20-035-04, December 30, 2020, page 82, ¶ 4, <https://pscdocs.utah.gov/electric/20docs/2003504/3168662003504ro12-30-2020.pdf>.

The Division concludes there was an increase in revenues of eleven percent year-over-year with the majority of the increases from the Residential and Industrial groups.<sup>5</sup> There is negligible variance between RMP’s filing and FERC Form 1. The small difference in revenue is due to miscellaneous revenues.

	<b>MWh Sales</b>	<b>Revenue</b>	<b>Difference in \$</b>
RMP 21-035-T07 Filing	8,229,449	667,058,637	0.081058
FERC Form 1 - Lines 2, 4, and 5 Allocated	8,229,449	667,058,967	0.081058
<b>Difference</b>	<b>0</b>	<b>(330)</b>	<b>(0.000000)</b>

In total, the proposed change in the rates represents a combined average reduction of less than five percent (2.2%) for customer classes 6, 6A, 8, and 10. The individual year-over-year change is less than five percent except for a six percent reduction for Schedule 10.

	<b>Curent Rate</b>	<b>New Rate</b>	<b>% Change</b>	<b>Avg. Change</b>
Schedule 6	8.1812	8.2250	0.5348%	<b>-2.2117%</b>
Schedule 6A	11.3577	10.9047	-3.9887%	
Schedule 8	7.2298	7.3022	1.0016%	
Schedule 10	7.7058	7.2131	-6.3945%	

In review of RMP’s advice letter for this matter, the Division reviewed Utah Administrative Code R746-405-2(D)(3)(g), which requires a statement that the tariff sheets proposed do not constitute a violation of state law or Commission rule. The filing does not appear to violate statute or rule.

## **Conclusion**

The Division concludes that RMP’s filing complies with the Commission’s Order and is just and reasonable and in the public interest. Therefore, the Division recommends the Commission approve RMP’s filing with an effective date of July 1, 2021. The Division requests that RMP include the same supplemental data provided in DPU Data Request 1.1 in future filings. The

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<sup>5</sup> *Supra*, n2.

additional information will facilitate the reconciliation between the filed information and the FERC Form 1.

cc: Joelle Steward, RMP  
Jana Saba, RMP  
Michele Beck, OCS