

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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Application of Deseret Generation and Transmission Co-Operative for a Certificate of Public Convenience and Necessity Authorizing the Acquisition of Electric Utility Plant and Equipment	<u>DOCKET NO. 22-506-03</u> <u>REPORT AND ORDER</u>
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ISSUED: July 20, 2022

SYNOPSIS

The Public Service Commission (PSC) approves the application of Deseret Generation and Transmission Co-Operative (“Deseret”) for a Certificate of Public Convenience and Necessity (CPCN) authorizing Deseret to acquire up to 15 megawatts of electric generation provided from photovoltaic solar facilities.

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**INTRODUCTION**

On June 9, 2022, Deseret filed an application (Application) pursuant to Utah Code Ann. § 54-4-25 seeking a CPCN to acquire up to 15 MWAC of electric generation provided from the Bonanza Solar Project (“Project”) located adjacent to the Bonanza Power Plant. The Project consists of interconnecting facilities, inverters, and photovoltaic solar panels. Deseret requests the PSC enter an order as expeditiously as possible granting Deseret a CPCN to construct the Project and grant such other authority and authorizations as may be necessary to facilitate its construction. Deseret further requests that the PSC adjudicate Deseret’s application informally under Utah Admin. Code R746-1-104(1)(a) and R746-110-2 because Deseret anticipates its Application will be unopposed and uncontested.

On June 14, 2022, the PSC issued a Notice of Filing and Comment Period setting a comment deadline of July 11, 2022. The Division of Public Utilities (DPU) filed comments on June 24, 2022. No other party submitted comments.

**POSITIONS OF THE PARTIES**

Deseret states that it routinely reviews load requirements, diversity, and useful life of generating facilities, environmental attributes, and aspirational renewable resource objectives. The Project was chosen to diversify Deseret's generation resources and, by inclusion of solar power generation, extend its coal reserves. Additionally, Deseret states that it will access valuable solar credits that will offset federal income tax liability in subsequent years.

DPU recommends the PSC approve the Application and issue Deseret a CPCN for the Project. In support of its recommendation, DPU comments that Deseret has obtained, is currently in the process, or will obtain all required consents, authorizations, and permits and that no existing public utility will be adversely affected by the construction of the Project. Additionally, DPU states that Deseret provided analysis explaining the need for the Project and provided documentation showing it had sufficient financial capacity to undertake the Project. DPU states Deseret determined that the least-risk, least-cost option to fulfill its service obligations and resource objectives is the Project. Based on these observations and its review of the Application, DPU comments that the Project is a viable option for Deseret in its pursuit of serving its customers, and based on the analysis done the Project seems just and reasonable and in the public interest.

In addition, DPU requests the PSC adjudicate the Application informally because it does not expect, based on the history of a filing of this type for an entity of this type, and the information submitted by Deseret, there to be any objections or opposition to the filing.

**FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The PSC finds the Application demonstrates that Deseret is financially able to complete the acquisition of the Project, and that Deseret made reasonable efforts to identify the Project as the least-cost, least-risk approach to meeting its service obligations. In addition, the PSC finds that Deseret filed documentation containing sufficient information to support its Application, and that it has obtained or will obtain the necessary permits for constructing and operating the Bonanza Solar Project. Based on those findings and on DPU's comments and recommendations, the PSC concludes that Deseret has met the statutory requirements set forth in Utah Code Ann. § 54-4-25 for a CPCN.

In addition, the PSC finds that Deseret's Application is unopposed and therefore the PSC will adjudicate the Application informally under Utah Admin. Code R746-1-104(1). The PSC further finds that Deseret's Application demonstrates an opportunity to diversify fuel source, extend the life of the coal reserves dedicated to Bonanza Unit 1, and financially offset federal income tax liability through valuable solar investment tax credits. Based on this finding, the PSC concludes good cause exists to waive the 20-day tentative period described in Utah Admin. Code R746-110-2.

**ORDER**

In light of the PSC's Findings and Conclusions;

1. Deseret is granted the CPCN attached as Exhibit A, incorporated by reference into this Order; and

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2. The 20-day tentative period described in Utah Admin. Code R746-110-2 is waived; this order is final.

DATED at Salt Lake City, Utah, July 20, 2022.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#324906

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a Petition for Review with the Utah Supreme Court within 30 days after final agency action. Any Petition for Review must comply with the requirements of Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

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EXHIBIT A

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Application of Deseret Generation and Transmission Co-Operative for a Certificate of Public Convenience and Necessity Authorizing the Acquisition of Electric Utility Plant and Equipment	<u>DOCKET NO. 22-506-03</u> <u>CERTIFICATE 506</u>
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ISSUED: July 20, 2022

The Public Service Commission of Utah, pursuant to Utah Code Ann. § 54-4-25, issues a Certificate of Public Convenience and Necessity authorizing DESERET GENERATION AND TRANSMISSION CO-OPERATIVE to acquire up to 15 megawatts of generation provided from photovoltaic solar panels as described in Deseret's June 9, 2022 Application in the above referenced docket.

DATED at Salt Lake City, Utah, July 20, 2022.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary

CERTIFICATE OF SERVICE

I CERTIFY that on July 20, 2022, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

Phillip J. Russell ([prussell@jdrsllaw.com](mailto:prussell@jdrsllaw.com))  
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Office of Consumer Services

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Administrative Assistant