
Rocky Mountain Power's Application for Authority to Revise Tariff Schedule 98, Renewable Energy Credits Balancing Account	<u>DOCKET NO. 23-035-15</u> <u>ORDER SETTING FINAL RATES</u>
---	---

ISSUED: August 31, 2023

BACKGROUND AND PROCEDURAL HISTORY

On March 16, 2023, Rocky Mountain Power (RMP) filed an application ("Application") with the Public Service Commission (PSC) requesting approval to revise the collection rates for the Renewable Energy Credits (REC) Balancing Account (RBA) in its Electric Service Schedule No. 98, REC Revenue Adjustment ("Schedule 98"). The Application proposed an increase in Schedule 98 rates of approximately \$369,000, or 0.02 percent, effective June 1, 2023.¹

On April 26, 2023, the Division of Public Utilities (DPU) filed comments in support of the Application. On May 30, 2023, the PSC issued an order approving RMP's proposed Schedule 98 rates, effective June 1, 2023, on an interim basis subject to further refund or surcharge contingent on the PSC's review of the final results of DPU's audit of the RBA ("Audit Report").

On July 17, 2023, DPU filed its Audit Report consistent with our March 27, 2023 scheduling order ("Scheduling Order"). The PSC's Scheduling Order set a deadline for

¹ The increase is the difference between the current balance of approximately \$1.5 million set in Docket No. 22-035-07 and this Application's proposed deferral balance of approximately \$1.1 million ("Deferred Balance").

comments and reply comments on the Audit Report, of August 7, and August 22, 2023, respectively. No party filed comments or reply comments.

DISCUSSION, FINDINGS, AND CONCLUSIONS

In its Audit Report, DPU explains it reviewed numerous documents, including direct testimony, RMP's responses to data requests, RMP's REC sales, request for proposals (RFPs), reverse RFPs, REC-related agreements, renewable costs in base rates, the REC budget for 2022 and 2023, REC policies and procedures, and previous RBA filings. Additionally, DPU reviewed and verified the fees RMP billed to Kennecott Utah Copper LLC ("Kennecott") were in accordance with the confidential Non-Generation and REC Supply Agreement between Kennecott and PacifiCorp, dated April 8, 2019.² Based on this review, DPU represents RMP appears to have prudently managed the RBA and followed regulatory and reporting requirements.

DPU adds that RMP's corrections³ to REC resource assignments of \$19,855, and compliance resource allocations to Rolling Hills and River Rock I of \$9,535 for October, November, and December 2021 resulting in an understatement of Utah REC revenue of approximately \$30,000, is immaterial in amount (less than 1 percent), and does not affect the interim rates. DPU represents that RMP will include these

² *Application of Rocky Mountain Power for Approval of the Non-Generation and Renewable Energy Credit Supply Agreement between PacifiCorp and Kennecott Utah Copper LLC*, Docket No. 19-035-20, Order Approving a Non-Generation and Renewable Energy Credit Supply Agreement (August 7, 2019).

³ *See Application of Rocky Mountain Power for Authority to Revise Rates in Tariff Schedule 98, Renewable Energy Credits Balancing Account*, Docket No. 22-035-07, Comments from the DPU, dated July 12, 2022 at 2.

corrections in next year's filing. Therefore, DPU states the interim rates appear to be in the public interest and should be made final.

We find the procedures DPU used to evaluate RMP's records are sufficiently rigorous to justify the conclusion that the interim rates are just and reasonable. Based on our review of the Application, DPU's Audit Report, the reasons provided in DPU's comments, and there being no opposition, we accept and adopt DPU's recommendation. Similarly, and based on reasons set forth above, we find the previously-ordered interim rates for Schedule 98 in this docket are just, reasonable, and in the public interest. Accordingly, we approve the interim rates previously approved in this docket as final.

ORDER

The interim rate changes on RMP's Schedule 98, Sheet No. 98 that the PSC approved in its Order issued May 30, 2023 in this docket are approved as final.

DOCKET NO. 23-035-15

- 4 -

DATED at Salt Lake City, Utah, August 31, 2023.

/s/ Michael J. Hammer
Presiding Officer

Approved and confirmed August 31, 2023 as the Order of the Public Service
Commission of Utah.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#329457

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.

CERTIFICATE OF SERVICE

I CERTIFY that on August 31, 2023, a true and correct copy of the foregoing was served upon the following as indicated below:

By Email:

Data Request Response Center (datareq@pacificorp.com, utahdockets@pacificorp.com)
PacifiCorp

Jana Saba (jana.saba@pacificorp.com)
Zachary Rogala (zachary.rogala@pacificorp.com)
Rocky Mountain Power

Phillip J. Russell (prussell@jdrslaw.com)
Neal Townsend (ntownsend@energystrat.com)
Utah Association of Energy Users

Patricia Schmid (pschmid@agutah.gov)
Patrick Grecu (pgrecu@agutah.gov)
Robert Moore (rmoore@agutah.gov)
Utah Assistant Attorneys General

Madison Galt (mgalt@utah.gov)
Division of Public Utilities

Alyson Anderson (akanderson@utah.gov)
Bela Vastag (bvastag@utah.gov)
Alex Ware (aware@utah.gov)
Jacob Zachary (jzachary@utah.gov)
(ocs@utah.gov)
Office of Consumer Services

Administrative Assistant