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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Division Director

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director
Brenda Salter, Division Assistant Director
Doug Wheelwright, Utility Technical Consultant Supervisor
Bob Davis, Utility Technical Consultant

Date: May 31, 2023

Re: **Docket No. 23-035-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 135.4, effective July 1, 2023. The Division determined that RMP's filing complies with the Commission's Order in Docket No. 08-035-78, dated February 12, 2009.¹

Issue

On May 16, 2023, RMP filed its proposed revisions to Electric Service Schedule No. 135.4, Net Metering Service, for large customers taking service under Schedule Nos. 6, 6A, 8, and 10.² RMP requested approval of its revised tariff with an effective date of July 1, 2023. On May 16, 2023, the Commission issued an Action Request to the Division asking it to investigate RMP's filing and report back by May 30, 2023. On May 17, 2023, the Commission issued its Notice of Filing and Comment Period asking any person to submit comments on or before May 31, 2023, and reply comments on or before June 7, 2023.

¹ Docket No. 08-035-78, *Section V. Issue 2.b., at 20*, filed February 12, 2009, <https://pscdocs.utah.gov/electric/08docs/0803578/0803578ROdtm.pdf>,

² Rocky Mountain Power, Electric Service Schedule No. 6, *General Service Distribution Voltage*, Schedule No. 6A, *General Service Energy Time of Day Option*, Schedule No. 8, *Large General Service 1000 kW and Over Distribution Voltage*, and Schedule No. 10, *Irrigation and Soil Drainage Pumping Power Service*.

Background

In Docket No. 08-035-78, the Commission's Order directed RMP to update tariff Schedule No. 135 annually to reflect the value of net excess generation credits for large non-residential customers. The update is based on the average retail rates for the previous year's FERC Form 1.³

Discussion

In compliance with the Commission's Order, RMP filed its third revision to Sheet No. 135.4 of Electric Service Schedule No. 135.⁴ Sheet No. 135.4 contains the updated net excess generation credits for large customers taking service under Schedule 135. Note that Schedule No. 6B was eliminated in the last general rate case.⁵ RMP also provided Exhibit 1, which illustrates the calculations for the average retail credits for large non-residential customers. Exhibit 2 represents the sales of electricity by rate schedule compiled from FERC Form No. 1, for calendar year 2022.⁶

The 135 Net Metering rates for Schedule Nos. 6, 6A, 8, and 10 are composed of Residential, Commercial, and Industrial customers and does not consider Street and Highway Lighting, Irrigation, and Miscellaneous customers. Therefore, the proper method to analyze the annual filing with the FERC Form 1, is to allocate the revenues and mega-watt hours (MWh) between the Residential, Commercial, and Industrial customers.

The Division has reviewed this year's filing for variances between the numbers reported in RMP's Exhibit 1 and Exhibit 2, to those reported in its FERC Form 1 filing ending December 31, 2022. Table 1 illustrates a negative variance of 0.22 percent in MWh sold between RMP's filing and FERC Form 1. The revenue variance is a negative 2.7 percent between RMP's filing and FERC Form 1. The variances in MWh Sales and Revenues are due to the allocation method used to determine the correlation between FERC Form 1 and this year's

³ Docket No. 23-035-12, *Utah Annual Report*, <https://pscdocs.utah.gov/electric/23docs/2303512/327775RMPUT2022AnIRprt4-25-2023.pdf>.

⁴ Docket No. 23-035-T07, *Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 135, Net Metering Service*, filed May 16, 2023, <https://pscdocs.utah.gov/electric/23docs/23035T07/327997Tariff5-16-2023.pdf>.

⁵ Docket No. 20-035-04, *Commission Redacted Order*, December 30, 2020, at 82, ¶ 4, <https://pscdocs.utah.gov/electric/20docs/2003504/3168662003504ro12-30-2020.pdf>.

⁶ Docket No. 23-035-T07, *Exhibit 2*, filed May 16, 2023, <https://psc.utah.gov/2023/05/16/docket-no-23-035-t07/>.

filed data which excludes Street and Highway Lighting, Irrigation, and Miscellaneous revenues and MWh that are not included in the determination of the rates.

Table 1

	MWh Sales	Revenue
RMP 23-035-T07 Filing	25,793,837	2,279,685,238
FERC Form 1 - Lines 2, 4, and 5 Allocated	25,737,430	2,218,186,393
Difference	56,406	61,498,845
% Difference	-0.22%	-2.7%

Table 2 illustrates the proposed changes to the individual rates that represent a combined average increase of 2.53 percent. The individual year-over-year change is less than 5 percent for all Schedules.

Table 2

	Current Rate	New Rate	% Change	Avg. Change
Schedule 6	8.0937	8.2145	1.4925%	2.53%
Schedule 6A	12.5737	13.1205	4.3488%	
Schedule 8	7.1311	7.2320	1.4149%	
Schedule 10	7.1318	7.3349	2.8478%	

The Division concludes that RMP's filing compared to its FERC Form 1 for Utah, year ending December 31, 2022, is accurate and the derived rates are correct.

The Division notes that RMP's filing contains a statement that the tariff sheets proposed do not constitute a violation of state law or Commission rule under Utah Administrative Code R746-405-2(D)(3)(g).

Conclusion

The Division concludes that RMP's filing complies with the Commission's Order and the proposed revisions are just, reasonable, and in the public interest. Therefore, the Division recommends that the Commission approve RMP's filing with an effective date of July 1, 2023.

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