

January 22, 2024

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

Re: Docket No. 24-035-T01
Proposed Tariff Changes to Electric Service Regulation No. 7 (Metering)

Enclosed for filing by PacifiCorp, d.b.a Rocky Mountain Power (“the Company”) is a proposed tariff sheet associated with Tariff P. S. C. No. 51, applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405-2(D), the Company states that the proposed tariff sheet does not constitute a violation of state law or Public Service Commission of Utah (“Commission”) rule. The Company respectfully requests an effective date of April 15, 2024.

First Revision of Sheet No. 7R.5	Electric Service Regulation No. 7	Metering
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The proposed change to Electric Service Regulation No. 7 – Metering (“Regulation 7”) is a policy change to submetering under master metering. The Company seeks to address a barrier to accurate and transparent billing of tenants in limited circumstances where a customer has met the qualifications for master metering under Commission Rule R746-210.

Overview of Master Metering and Submetering

The Public Utility Regulatory Policy Act (“PURPA”) is a federal statute that encourages the conservation of energy supplied by electric utilities and equitable rates to electric customers.¹ In particular, PURPA required each state regulatory authority to consider the adoption of standards prohibiting or limiting new master-metered multiple tenancy dwellings.² Commission Rule R746-210 provides standards restricting master metering for new buildings and describes potential exemptions to the restrictions. Exemptions are classified as automatic, requiring a cost-effective test, or exemption by appeal. R746-210-5 states there are no circumstances, other than exemptions, where submetering is an acceptable alternative to individual metering under the constraints of PURPA.

¹ 16 U.S.C. §2601(1).

² 16 U.S.C. §2623(b)(1).

Rocky Mountain Power's Regulation 7 contains the master metering standard consistent with R746-210 and PURPA. Submetering is defined under this section as the metering of the various customers that are served from a master metered account. With the exception of grandfathered accounts submetering is currently not allowed.

Requested Submetering Modifications

Rocky Mountain Power is experiencing an increasing number of customers in the data center sector, primarily in large-scale data center campuses. Data center development has shifted from small, distributed centers to large data center campuses, in part to address what the industry identified as the gross electric energy inefficiencies of distributed data centers. There are three primary types of data center campus models: hyperscale, co-location, and government. Hyperscale data centers take service at voltages at or greater than 46 kilovolts through a customer-owned substation (transmission voltage delivery). This is the most cost effective way to deliver significant contracted loads to a single site. Recent new load requests have been for greater than one hundred megawatts.

Co-location data centers have a single owner who leases space inside the facility for data processing racks. Co-location data centers have smaller clients in one building and the clients can change over time. Additionally, a single client might expand or contract within the data center. If individually metered, this would require RMP to continually re-work the metering in the building on a frequent and inefficient basis. Metering at the distribution level increases costs to customers and poses technical and physical barriers to accurate billing and service.

Currently, a customer with an exemption for master metering can pass on the costs of energy to tenants.³ However, due to the language in Regulation 7, customers granted a master metering exemption are not able to submeter to ensure accurate distribution of costs without mark-up. At the scale of a large co-location data center, estimating usage or assigning the utility bill on some other basis like square footage is not appropriate because of the level of energy usage needed for high-powered computing and the need for accuracy for these types of customers to have a viable business model. Data centers have a high level of telemetry from the thousands of metering points that enables them to optimize building systems (including mechanical systems), reduce overall site power usage, and accurately bill data center tenants.

The Company proposes to allow sub-metering for customers who have met the qualifications for master metering under R746-210. The proposed policy change is consistent with the spirit of PURPA and associated Commission rules because it promotes efficiency, is limited to large customers with the means to enter into custom, tailored agreements with their landlord, and it prevents the master metered customer from becoming its own utility by selling energy it generates to its tenants. The proposed tariff changes include the following specific restrictions on this exception:

1. The sub-metered electricity users must be greater than 1,000 kVA,
2. The sub-metered electricity users must be charged using an equitable and transparent method, with no costs added to the total amount billed through the master meter, and

³ Electric Service Regulation No. 4 – Supply and Use of Service, paragraph 3 Service to Tenants

3. No on-site generation is permitted with the exception of backup energy storage or generation for reliability purposes.

Conclusion

For the reasons outlined in this filing, the proposed changes to Regulation No. 7 address a barrier to accurate and transparent billing of tenants in limited circumstances where a customer has met the qualifications for master metering. The Company requests the Commission approve the Company's requested changes as just and reasonable.

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com
Jana.saba@pacificorp.com

By Regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Blvd., Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Jana Saba, Manager, State Regulatory Affairs, at (801) 220-2823.

Sincerely,



Joelle Steward

Senior Vice President, Regulation and Customer/Community Solutions

CC: DPU, OCS

Enclosures

Proposed Tariff Sheets

ELECTRIC SERVICE REGULATION NO. 7 - Continued

5. MASTER METERING (continued)

- (2) Residential unit space in multiple occupancy buildings where all space heating, water heating, ventilation and cooling are provided through central systems and where the electric load within each unit that is controlled by the tenant is projected to be 250 kWh or less per month and where the utility has been provided reasonable substantiation of the load projection;
- (3) Common building areas such as hallways, elevators, reception and or washroom, security lighting areas;
- (4) Commercial unit space which is
 - (a) subject to alteration with change in tenants as evidenced by temporary as distinguished from permanent type of load bearing wall and floor construction separating the commercial unit spaces, and
 - (b) non-energy intensive as evidenced by connected loads other than space heating, water heating, and air-conditioning of five (5) watts or less per square foot of occupied space;
- (5) Other units where the long run benefits to the electric consumers exceed the costs of purchasing and installing separate meters in the building. This determination is made by applying the cost effectiveness test guidelines described in the Utah Administrative Code R746-210-3.

The burden of proof rests with the customer who seeks an exemption.

(de) Sub-metering

Sub-metering is the metering of the various customers that are served from a master metered account. ~~With the exception of grandfathered accounts~~ Sub-metering is not allowed, except for;

(1) Grandfathered accounts; or

(2) Customers that have received a master metering exemption and:

ELECTRIC SERVICE REGULATION NO. 7 - Continued

- (a) All sub-metered electricity users on the Customer's premises have anticipated load sizes of 1,000 kVA or greater; and
- (b) The Customer has agreed to charge sub-metered energy users using a fair and transparent method, with no costs added to the total amount billed through the master meter; and

The Customer shall not utilize on-site generation to meet its energy requirements, excluding backup energy storage and generation used for reliability purposes.;

ELECTRIC SERVICE REGULATION NO. 7 - Continued

5. MASTER METERING (continued)

- (2) Residential unit space in multiple occupancy buildings where all space heating, water heating, ventilation and cooling are provided through central systems and where the electric load within each unit that is controlled by the tenant is projected to be 250 kWh or less per month and where the utility has been provided reasonable substantiation of the load projection;
- (3) Common building areas such as hallways, elevators, reception and or washroom, security lighting areas;
- (4) Commercial unit space which is
 - (a) subject to alteration with change in tenants as evidenced by temporary as distinguished from permanent type of load bearing wall and floor construction separating the commercial unit spaces, and
 - (b) non-energy intensive as evidenced by connected loads other than space heating, water heating, and air-conditioning of five (5) watts or less per square foot of occupied space;
- (5) Other units where the long run benefits to the electric consumers exceed the costs of purchasing and installing separate meters in the building. This determination is made by applying the cost effectiveness test guidelines described in the Utah Administrative Code R746-210-3.

The burden of proof rests with the customer who seeks an exemption.

(d) Sub-metering

Sub-metering is the metering of the various customers that are served from a master metered account. Sub-metering is not allowed, except for;

- (1) Grandfathered accounts; or
- (2) Customers that have received a master metering exemption and:
 - (a) All sub-metered electricity users on the Customer's premises have anticipated load sizes of 1,000 kVA or greater; and

ELECTRIC SERVICE REGULATION NO. 7 - Continued

- (b) The Customer has agreed to charge sub-metered energy users using a fair and transparent method, with no costs added to the total amount billed through the master meter; and

The Customer shall not utilize on-site generation to meet its energy requirements, excluding backup energy storage and generation used for reliability purposes.

CERTIFICATE OF SERVICE

Docket No. 24-035-T01

I hereby certify that on January 22, 2024, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

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Division of Public Utilities

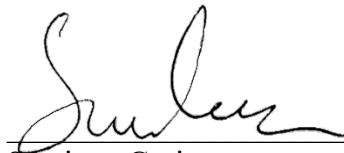
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