

Public Service Commission

DAVID R. CLARK Commissioner

JOHN S. HARVEY, Ph.D. Commissioner

State of Utah

SPENCER J. COX Governor

DEIDRE M. HENDERSON Lieutenant Governor

February 26, 2024

Ms. Jana Saba Rocky Mountain Power 1407 W North Temple, Suite 330 Salt Lake City, UT 84116 Data Request Response Center PacifiCorp 825 NE Multnomah St., Suite 2000 Portland, OR 97232

Re: Rocky Mountain Power's Proposed Tariff Changes to Electric Service Schedule No. 137, Net Billing Service; Docket No. 24-035-T03 Rocky Mountain Power's Notice of Intent to Use Export Credit Rate Input; Docket No. 23-035-55

Dear Ms. Saba:

The Public Service Commission (PSC) reviewed Rocky Mountain Power's (RMP) December 1, 2023 Notice of Intent to Use Export Credit Rate Inputs ("Notice") and its January 29, 2024 tariff filing proposing revisions to Tariff P.S.C.U. No. 51, Electric Service Schedule No. 137 – Net Billing Service, Sheet No. 137.3 ("Schedule 137 Revisions"), effective March 1, 2024.

Schedule 137 provides the terms and conditions, including the exported customer-generated energy credit rates ("ECR"), associated with customers' exported energy to RMP. The Schedule 137 Revisions increase the ECR that customers will receive for exported energy from 5.636 cents per kWh to 7.715 cents per kWh for June through September inclusive, and 4.745 cents per kWh to 6.372 cents per kWh for October through May inclusive. RMP states the Schedule 137 Revisions are filed in accordance with the PSC's orders issued in Docket No. 17-035-61 on October 30, 2020, December 23, 2020, and August 11, 2021 ("ECR Orders"). RMP comments the updated ECR is 37% higher for the months of June through September inclusive, and 34% higher October through May, primarily due to higher energy values, as well as a lower solar integration cost.

The Division of Public Utilities (DPU) filed comments regarding the Notice on December 19, 2023 and corrected comments regarding the Schedule 137 Revisions on February 14, 2024. DPU comments the component explanations, and accompanying Workpaper A, and Confidential Workpaper B in the Notice fulfill the requirements set Docket Nos. 24-035-T03 and 23-035-55 Tariff Approval Letter from the PSC February 26, 2024 Page 2

forth in the ECR Orders. DPU additionally recommends the PSC approve the proposed Schedule 137 Revisions. DPU notes that the hourly data collected from Schedule 136 meters was properly adjusted for the ending and beginning of daylight savings time on November 6, 2022, and March 12, 2023, respectively. DPU states it reviewed RMP's annual ECR update adjustments approved by the PSC in Docket No. 21-035-64 and those proposed in the Notice. DPU determined the annual and routine adjustments made by RMP are as intended, and indicated that it reached a result similar to the Schedule 137 Revisions in its own analysis.

DPU also illustrates its year-over-year analysis of changes to the ECR components since 2021. It explains that while three years of data does not establish material trends, it is monitoring the large changes in capacity contribution and value events. DPU also explains that in its August 4, 2023 comments responding to RMP's 2023 Net Metering Report,¹ it reported a 223% increase in Schedule No. 137 excess net metering generation by kWh. DPU states that the excess generation was based on a 116% increase in the number of Schedule No. 137 customers. And that while the excess generation historical trend had been declining for Schedule Nos. 135 and 136, the trend for Schedule Nos. 135, 136, and 137 is beginning to reverse. DPU states that it has no way of knowing the trends' root cause but that it plans to monitor "these trends for potential issues between a fair and reasonable export credit rate to the prior net metering billing scheme of kWh to kWh compensation that was retired in Docket No. 17-035-61." DPU concludes that the adjustments to the ECR are routine, reasonable, comply with PSC orders and, therefore, are just and reasonable and in the public interest. DPU recommends the PSC approve the Schedule 137 Revisions, effective March 1, 2024.

Based on the PSC's review of the Notice, the Schedule 137 Revisions, as well as DPU's comments and recommendations, the PSC: (1) acknowledges the Notice complies with the ECR Orders, and (2) finds that the Schedule 137 Revisions comply with the calculation methodology approved in the ECR Orders. The PSC therefore approves the Schedule 137 Revisions as filed, effective March 1, 2024.

Sincerely,

<u>/s/ Gary L. Widerburg</u> PSC Secretary DW#332594

¹ Rocky Mountain Power's 2023 Net Metering and Interconnection Report, Docket No. 23-035-32, Comments from the DPU (filed August 4, 2023, at 8). <u>https://pscdocs.utah.gov/electric/23docs/2303532/329047DPUCmnts8-4-2023.pdf</u>.