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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Rocky Mountain Power's
Proposed Tariff Revisions to Electric Service
Schedule No. 37, Avoided Cost Purchases
from Qualifying Facilities

DOCKET NO. 25-035-T03

COMMENTS OF WESTERN RESOURCE
ADVOCATES

Western Resource Advocates (WRA) hereby requests that the Public Service Commission of Utah (PSC or Commission) suspend the effectiveness of the fifth revision of tariff sheets for Electric Service Schedule 37, Avoided Costs Purchases from Qualifying Facilities, as proposed in Rocky Mountain Power's April 23, 2025, advice letter. WRA submits this request pursuant to the Commission's April 29, 2025, Notice of Filing and Comment Period and consistent with the timeline required by Commission Rule R746-405-2(E)(4).

I. BACKGROUND

On April 23, 2025, Rocky Mountain Power (RMP or the Company) filed an update to Electric Service Schedule No. 37 within 30 days of the Company's 2025 Integrated Resource Plan (IRP) filing to comply with prior Commission direction linking avoided cost pricing with integrated resource planning.¹ The Company filed its 2025 IRP on March 31, 2025 (initiating

¹ RMP's Proposed Tariff Revisions to Electric Service Schedule No. 37, Avoided Cost Purchases from Qualifying Facilities, Docket No. 25-035-T03 (filed April 23, 2025) at 1 (referencing Docket No. 12-035-T10) [hereinafter *RMP Revisions to Schedule 37*].

Docket No. 25-035-22). The Company's Schedule 37 advice letter and proposed tariff sheets were accompanied by eight non-confidential workpapers and eight confidential workpapers. The Company requested an effective date of June 15, 2025.

The Commission issued its Notice of Filing and Comment Period on April 29, setting an initial comment deadline of May 8 and a reply comment deadline of May 15. On May 7, Salt Lake City Corporation filed comments, noting the "massive and unprecedented drop in Schedule 37 avoided cost prices ... and the impact this reduced pricing could have on electrical energy development in Utah," and requesting: (1) "the Commission open an investigation into the dramatic avoided cost price reductions filed by the Company in docket 25-035-T03 and request that the components of this reduction be explained," and (2) "the Commission consider an alternative avoided cost methodology reflective of the lack of equity investment in the Company by its owners and the unprecedented uncertainty in future power plant capital costs."²

II. COMMENTS

The Commission is authorized to "reject, suspend, alter, or modify the effectiveness of tariff sheets that do not conform to [the Commission's Rules], which have alterations on the face thereof or contain errors, *or for other reasons the Commission determines*."³ WRA recommends that the Commission suspend the effectiveness of RMP's proposed Schedule 37 tariff sheets for the following reasons: (1) to allow interested parties an opportunity to intervene and examine the non-confidential and confidential workpapers associated with the filing and ask discovery, (2) to allow parties an opportunity to evaluate the consequences and reasonableness of jurisdictional modeling changes in the 2025 IRP on avoided cost pricing, and (3) to allow parties to present the

² *Comments of the Salt Lake City Corporation*, Docket No. 25-035-T03 (filed May 7, 2025) at 4 [hereinafter *SLC Corp Comments*].

³ Utah Admin. Code R746-405-2 (emphasis added).

Commission with conclusions and recommendations based on their review and evaluation. WRA requests that the Commission set a schedule allowing reasonable time for review of confidential information and submission of comments following that review. WRA respectfully suggests that a technical conference would also be appropriate, to address the existing Schedule 37 avoided cost pricing methodology and how jurisdictional portfolio modeling, as introduced in the 2025 IRP, may impact the calculation of Schedule 37 avoided costs.

As reflected in the Petition to Intervene that WRA files alongside these comments, WRA is unable to take a position on the proposed tariff sheets, other than to recommend suspension, without more opportunity to review the supporting workpapers, including confidential information, and the 2025 IRP that established the potentially avoidable resource costs. In its advice letter, the Company states that the proposed tariff “updates Schedule 37 rates consistent with the approved methodology.”⁴ However, WRA is aware that PacifiCorp instituted a significant modeling change for the 2025 IRP – initial jurisdictional portfolios⁵ – to support a system plan that accommodates potentially divergent state requirements. Given this modeling change, followed by the significant change in Schedule 37 avoided cost prices, WRA requests an opportunity to review the complete workpapers and to evaluate whether IRP modeling changes, which have not yet been reviewed or acknowledged by the Commission, have appropriately influenced avoided cost pricing.

While Commission Rules allow the Company to file revised tariff sheets “pursuant to Commission order” in an advice letter (Utah Admin. Code R746-405-2(E)(2)), the Company

⁴ *RMP Revisions to Schedule 37*, *supra* note 1, at 1.

⁵ “As discussed above, distinct requirements exist for various jurisdictions, and some of these requires conflict [*sic*]. As a result, initial portfolio modeling is used to separate the requirements as described below, allowing for the development of optimal portfolios of resources to meet jurisdictional needs.” *PacifiCorp 2025 Integrated Resource Plan*, Volume I (filed March 31, 2025) at 206.

may not change tariffs “unless a showing has been made before and a finding has been made by the Commission that the increases or changes are justified” (Utah Admin. Code R746-405-2(E)(1)). At this point, WRA cannot tell whether the Company has appropriately revised Schedule 37 pursuant to Commission order or whether more information is necessary to establish that changes are justified. The Company’s advice letter does not provide information about why Schedule 37 avoided cost prices dropped so dramatically⁶ following the filing of the 2025 IRP. In its advice letter, the Company does not reference the IRP resource portfolio that is the basis of the updated avoided cost calculations, nor does it address whether and to what extent IRP modeling changes, like the addition of jurisdictional portfolios, has impacted avoided cost pricing. WRA would like an opportunity to review the filing and make recommendations to the Commission.

III. CONCLUSION AND RECOMMENDATION

For the foregoing reasons, WRA requests that the Commission suspend the effect of the proposed Schedule 37 tariff to provide WRA and any other interested stakeholders the opportunity to evaluate the analysis underlying the significantly changed pricing. WRA requests that the Commission hold a scheduling conference to establish a reasonable amount of time to review the Company’s analysis and to make recommendations based on that review.

⁶ As calculated by Salt Lake City Corporation, Schedule 37 prices fell between 29% (wind) and 60% (fixed solar). *SLC Corp Comments*, *supra* note 2, at 1.

Dated this 8th day of May 2025.

Respectfully submitted,

WESTERN RESOURCE ADVOCATES

A handwritten signature in black ink, appearing to read 'SH', is positioned above a horizontal line.

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CERTIFICATE OF SERVICE
Docket No. 25-035-T03

I hereby certify that a true and correct copy of the foregoing was served by email this 8th day of May 2025 on the following:

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