



State of Utah
Department of Commerce
Division of Public Utilities

FRANCINE GIANI
Executive Director

THOMAS BRADY
Deputy Director

CHRIS PARKER
Director, Division of Public Utilities

GARY HEBERT
Governor
GREG BELL
Lieutenant Governor

ACTION REQUEST RESPONSE

To: Utah Public Service Commission
From: Division of Public Utilities
Chris Parker, Director
Energy Section
Artie Powell, Manager
Abdinasir M. Abdulle, Technical Consultant
Charles Peterson, Technical Consultant
Date: January 31, 2013
Re: 12-999-01, Rocky Mountain Power's June 2012 Service Quality Review Report

RECOMMENDATION (Acknowledge)

The Division of Public Utilities ("Division") recommends that the Public Service Commission ("Commission") acknowledge that Rocky Mountain Power's ("Company") June 2012 Service Quality Review Report complies with the Commission's June 11, 2009 order in Docket No. 08-035-55. The Division also recommends that the Commission hold a Technical Conference to discuss the appropriateness of the use of the average performance of the five worst performing circuits to determine whether or not the improvement goal has been attained. Finally, the Division recommends that the Commission direct the Company to re-file the Service Quality Review report correcting the titles of the Graphs under Sections 2.1 and 2.2 so that they do not suggest that the Company currently has an approved plan.

ISSUE

On December 10, 2012, in compliance with the Commission's June 11, 2009 Order, the Company filed with the Commission its June 2012 Service Quality Review Report. On December 13, 2012, the Commission issued an Action Request to the Division requesting a

review for compliance and make recommendations. The Commission also asked the Division to report back by January 31, 2013. This memorandum represents the Division's response to the Commission's Action Request.

DISCUSSION

The Service Quality Review Report is a report that the Company develops in collaboration with interested parties. The Company holds meetings seeking comments from all parties and incorporates those comments into the Report. The Division reviewed the Service Quality Review Report and concludes that its comments are included in this Report.

However, the Division is concerned about the improvements of the Worst Performing Circuits. Specifically, the Division is concerned about the interpretation of reducing the CPI by 20 percent. In Docket No. 98-2035-04, the Company committed and the Commission approved that

The 5 worst performing circuits in each State will be selected annually on the basis of the Circuit Performance Indication (CPI), and corrective measures will be taken within 2 years of implementation of the performance targets to reduce the CPI by 20%.

In the Direct Testimony of Bob Moir in this Docket, the Company also indicated that "Improving the five worst performing circuits is designed to address the immediate problems of those groups of customers that suffer the poorest quality of supply." The Division interprets this as that each circuit will be improved by 20 percent.

However, in Docket No. 08-035-55, the Company changed the wording of this commitment as follows

The Company will select a maximum of five under-performing circuits in Utah on an annual basis and will undertake corrective measures to reduce the average circuit performance indicator (CPI) by 20% within five years.

This means that, to comply with the Commitment, the average performance of the five worst performing circuits has to meet the standard.

Based on this last interpretation, in this Service Quality Review, the Company is reporting that the circuit improvement goals were met for program years 1 through 10 (Calendar years 2000 through 2009). However, the Division notes, as is shown in table below, that for each of the program years 6, 8, 9, and 10 the performance of one circuit had deteriorated, Black Mountain 11, Brian Head 11, Eden 12, and Mathis 12, respectively. The Division is concerned that the quality of supply for those customers served by those circuits has deteriorated. Consequently, the Division questions the usefulness of reducing the average circuit performance rather than the performance of each circuit by 20 percent. Therefore, the Division recommends that Commission set up a technical conference to discuss this issue.

Circuit Improvements as CPI Improvement Goals are Met

Program Year 6 = Fiscal Year 2005

	Cudahy 11	Garden City 12	Black Mountain 11	Uinta 13	West Roy 14	AVERAG E
Baseline	908	521	406	367	354	511.2
Performance 12/31/2007	192	449	664	165	259	345.8
Target Score					Goal Met	409
% Improvement	79%	14%	-64%	55%	27%	

Program Year 7 = Fiscal Year 2008

	Tooele 12	Box Elder 12	Oakley 11	Brighton 12	Timber Lakes 11	AVERAG E
Baseline	228	319	367	608	309	366
Performance 12/31/2007	196	293	218	511	245	293
Target Score					Goal Met	293
% Improvement	14%	8%	41%	16%	21%	

Program Year 8 = Fiscal Year 2007

	Brian Head 11	McClelland 12	Union 16	Enoch 12	Quail Creek 12	AVERAG E
Baseline	412	220	128	186	1094	408
Performance 12/31/2007	500	203	73	121	250	229
Target Score					TARGET MET	326
% Improvement	-21%	8%	43%	35%	77%	

Program Year 9 = Fiscal Year 2008

	Cottonwood 14	Holladay 12	Mountain Dell 11	Eden 12	West Ogden 14	AVERAG E
Baseline	312	138	930	456	707	509
Performance 12/31/2007	139	61	793	514	55	312
Target Score					Goal Met	407
% Improvement	55%	56%	15%	-13%	92%	

Program Year 10 = Fiscal Year 2009

	Fruit Heights 12	Mathis 12	Parrish 11	Valley Center 11	Hammer 15	AVERAG E
Baseline	191	237	202	236	191	211
Performance 12/31/2007	113	334	78	92	89	141
Target Score					Goal Met	169
% Improvement	41%	-41%	61%	61%	53%	

In reviewing the Report, the Division also notes that the titles of the Graphs under Sections 2.1 and 2.2, “Utah SAIDI Comparison to Plan” and “Utah SAIFI Comparison to Plan,” respectively, need to be replaced to make them reflect the fact that there is no plan to compare the results with.

CC: Dave Taylor, RMP
Michele Beck, OCS