



Utah Committee of Consumer Services

November 4, 2025



Case Updates



Open and Public Meetings Act

Utah Code 52-4

Annual Training



OPMA: Key Provisions

- Notice for public meetings
- Posting of recordings, minutes
- Electronic meetings
- Closed meetings
- Emergency meetings
- Penalties

For the full text of Utah's Open and Public Meetings Act, please see:
<https://le.utah.gov/xcode/Title52/Chapter4/52-4.html>



Briefing: Enbridge Gas Utah General Rate Case



Enbridge Gas Utah General Rate Case: Summary

- EGU requested a rate increase of \$114.7 M
 - Included a requested ROE of 10.6% and a capital structure of 53% equity, 47% debt.
 - Included increases due to new depreciation rates resulting from the depreciation study conducted approximately every five years
 - OCS decided to focus its case on Cost of Capital/ROE and Depreciation issues as those issues comprised a significant majority of the total request
- Parties agreed on a Phase 1 (revenue requirement) settlement
 - Reduced increase to \$62 M
 - Black box terms (i.e. no specific adjustments listed, just an agreement on the final resulting revenue requirement number)
 - Partial party settlement – included EGU, DPU, OCS, UAE (which was all but one party who filed phase 1 testimony)
- PSC subsequently ordered each settling party to submit,
“The analysis supporting why PSC approval of the terms of the Phase I Settlement Stipulation is (1) in the public interest, and (2) just and reasonable in result.”



Summary of Phase 1 Positions

Adjustment	DPU	UAE	OCS	FEA
Headcount		(8,264,047)		
STIP	(5,183,340)	(3,377,893)		
LTIP	(4,980,440)			
Payroll	(740,026)			
Storage Expense	(167,642)			
Office Space	(2,681,404)			
Depreciation	(18,010,649)	-	(12,535,054)	
Income Tax Rate	(116,000)			
Model Corrections	3,250,746	3,250,746		
378 M&R Stations Balance	(5,407,331)			
Labor Corrections	-	1,539,941	-	
380 Services	(816,890)			
363 LNG	(108,803)			
394 Equipment	(867,542)			
Capitalized Incentive		(1,003,668)		
Cost of Capital				
49% Equity, 51% Debt	-	(12,673,407)	(12,673,407)	
51% Equity, 49% Debt				(5,393,099)
9.50% ROE				(24,984,479)
9.22% ROE	(30,802,562)			
9.00% ROE		(33,758,650)	(33,758,650)	
Total Adjustments	(66,631,883)	(54,286,979)	(58,967,111)	(30,377,578)
Resulting Increase	48,037,866	60,382,770	55,702,638	84,292,171



Phase 2: OCS Cost of Service Issues

- NGV should not be continued as a rate class that requires ongoing subsidies.
- Two specific minor changes to allocation factors should be made, one of which was amended in sur-rebuttal.
- Allocation factor recommendations made by the various stakeholders representing large customers should be denied as the PSC previously ruled against these issues and there haven't been material changes in circumstances.



Phase 2: OCS Rate Design Recommendations

- The Conservation Enabling Tariff should be eliminated (revised in later testimony to support DPU improvements and EGU's intention for an independent review of the effectiveness of DSM programs).
- EGU's proposal to move from a 20-yr average to 10-yr average for Weather Normalization adjustments should be revised to 15 years.
- Tariff language explaining the Energy Assistance program requires edits beyond those proposed by EGU (agreement reached before sur-rebuttal).
- Tariff changes are necessary to protect existing ratepayers from costs associated with new large loads (and additional study is also necessary).



Next Steps

- November 18 – 19: Phase 2 evidentiary hearings
- November 18, 6:00 pm: Phase 2 Public Witness Hearing
(Note: there have been no members of the public in attendance at the three previous public witness hearings held to date in this docket)



Community Renewable Energy Program: Briefing and Discussion



History

- 2019: Utah legislature passes the Community Renewable Energy Act
- 2019 - 2022: Communities negotiate a governance agreement, and 18 Communities join by the participation deadline. (One additional community joins in 2024 after legislative change.)
- 2024: Rocky Mountain Power files request for approval of the solicitation process for the Program (PSC approves in May 2025)
- 2025: Request for approval of program design
 - January: RMP files a partial request for approval including only the elements of program design agreed upon to date
 - June: RMP files Part II of its request with a proposal for the remaining elements of program design
 - July: Communities file testimony with their proposal for the program design elements in dispute
 - October: All other parties file direct testimony



Core Principles of the Program

- The program enables the communities' goal to achieve a power supply that is 100% net renewable energy by 2030
 - Net-100% renewable does not mean that all energy needs are met by renewable energy
 - Netting ensures that the units of renewable energy generation put into the system is equal to the units of energy consumed by the participants.
- Communities opt-in; individual customers may opt out
 - All customers within the borders of participating communities are automatically part of the program.
 - Customers will receive at least two notices about the program, as required by statute and Commission rules, and have a few months to opt out without penalty (specific timeline at dispute in current docket)
 - Program design must ensure that costs and benefits are not shifted from participants to non-participants



Program Elements Agreed Upon

- Provision of required information: participating communities, boundary maps, community ordinance language, number of customers served by RMP within each participating community
- Description of proposed process for periodic rate adjustments (annual report with proposed changes)
- Proposed RMP rate design – customers will pay their standard RMP rates plus an adder (which could be a credit) which aggregates the incremental costs and benefits of the Program
- Utility agreement between PacifiCorp and the eligible community
- Governance agreement among the participating communities
- Proposed low-income programs and assistance
- Proposed solicitation process
- Content of customer notices



Program Elements in Dispute

- Calculation of program rates
 - How will the resources that are procured for the program be valued in comparison to overall system costs?
 - Will all customer classes use the same rate design (i.e. a differential per kWh rate) or will some customer classes pay a flat rate per month?
- Some elements of the noticing and opt-out provisions
 - Will notices be delivered by U.S. Mail or a combination of U.S. Mail and electronic mail?
 - How many months will customers have to opt out without penalty?
- Provisions for ensuring that non-participating ratepayers and RMP will not be subjected to Program costs or liabilities
 - Both RMP and Communities propose two Reserve Funds as protections, but specific details are in dispute.



OCS Initial Position

- No noticing or charging Participants should take place until after there is a specific PPA that has been executed by RMP and approved by the PSC.
- Participants should be required to pay for both a 12.5-year Resource Reserve and 5-year Administrative Reserve fund, with an annual true up.
- All Participants should be charged on a per kWh basis for the program.
- Two opt-out notifications should be sent by U.S. mail with a second notification sent electronically if it is the customer's preferred method of contact.
- Participants should not be required to pay an opt-out fee if the Participants opt-out during the first six-months after the commencement of the Program.
- Participants should be able to opt-out via a clear and simple automated process if they choose to call the dedicated customer service line during the Initial Opt-out period.
- Additional notices should be sent out when future tranches of renewable resources are procured, as the Agency works towards its goal of 100% net renewable energy.



OCS Initial Position – cont'd

- RMP should be required to publish the per kWh charges of the Program Resources, the Resource Reserve and Administrative Reserve funds, and the per month Surcharge to fund Low Income Assistance credits on the Schedule 100 tariff to provide transparency regarding the different elements that comprise the rate.
- RMP should be required to reevaluate the PPA in the event of Program termination to determine whether it could provide benefits to all ratepayers.
- RMP and the Agency should finalize, request and receive PSC approval of the adjustments that will be made to Schedule 38 (Qualifying Facility Procedures) for pricing the costs associated with Schedule 100 (Proposed Program) prior to the beginning of the notification process.
- RMP retains ownership of the RECs and retires them on behalf of the Participants, and the Program should reimburse the system to account for the lost value of RECs under certain circumstances.



Primary Policy Concerns

- Since filing direct testimony, OCS has reviewed the positions of other parties and participated in follow up meetings with RMP
 - Some parties filed similar concerns, but some proposed changes that OCS opposes
 - It is clear that we do not have a shared understanding of RMP's proposal for valuation of the resources procured for the Program – a key element of setting rates and ensuring fairness to participants and non-participants
- OCS acknowledges the RMP needs some flexibility in how it models the value of Program resources to reflect changing policies and different circumstances
- It remains a priority to have transparency and specificity of how regulatory processes will work for ongoing Program operations
 - The process will likely be less formulaic and specific than OCS envisioned which will require more resources for future proceedings than anticipated (more than are covered by the fiscal note agreement in the legislative process)



Next Steps

- Regulatory Proceeding
 - Rebuttal testimony due November 13
 - Sur-rebuttal testimony due December 10
 - Potential discussions to reach agreement
 - Evidentiary Hearings December 16-17
 - Public witness hearing December 16, 6:00 pm
- Program Implementation
 - Communities are reviewing bids now from the RFP for program resources
 - Selection of resource will likely take place after PSC order on program design
 - If program approved, the resource selection will allow calculation of initial program costs and rate that participants will pay
 - Approved process for notifications to customers will begin
 - Communities need to pass an ordinance as part of implementation (Communities estimate timeline at Spring/Summer 2026)
 - Communities estimate that the program will begin in Fall/Winter 2026



Questions/Discussion



Other Business/Adjourn
