



PUBLIC MEETING

Utah Committee of Consumer Services

July 7, 2022



Case Updates



Case Updates Overview

- DEU rate case
 - Team has identified preliminary areas to investigate regarding revenue requirement
 - Consultant has identified preliminary range to recommend for ROE
 - Team has started discovery and preliminary analysis of cost of service study and rate design
- Interruptible rates/contractual terms/demand energy resources
 - Confidential terms and rates address compensation for services similar to interruptibility in two special contracts
 - RMP also recently implemented a C&I DSM program to compensate for interruptibility
 - OCS advocates for more transparency and consistency across RMP's business units
- Issues to address further in future agendas:
 - MSP
 - Electrification & impacts on rates, rate design, and vulnerable customers



Introduction: Community Renewable Energy Act



Background

- HB411, passed by the 2019 legislature, authorized the Community Renewable Energy Program
 - Authorizes a single program for communities who want to pursue 100% net renewable energy by 2030
 - Requires no shifting of costs or benefits to non-participating customers
 - Allows individual customers to opt-out after communities decide to participate
- Stakeholders collaborated on rulemaking; PSC approved rules which went into effect January 2020
- By December 2019, 23 communities passed resolutions supporting the program
- The communities spent 2020 – 2021 organizing, establishing governance, and other committee work
- June 2022, the communities began to reach out to OCS and DPU to confer on milestones and other work



Key Issues

- Rate design
 - Do rates capture incremental costs and benefits?
 - How to allow opt-out after initial time period, any exit fees?
- Informational material
 - How to forecast costs in context of significant uncertainty
 - How to communicate the complexities of the program
- Financial backstop
- Periodic rate adjustments (i.e. regulatory process to update rates)
- Low income plan
- Solicitation process for program-specific resources



Next Steps

- Communities are working with RMP to negotiate the agreement between them, program design (including rate structure), and other elements of the PSC filing
 - Some issues are contractual issues between the communities and RMP
 - Some issues must be more carefully reviewed for potential impacts on other customers and public interest implications.
 - Issues like rate design would benefit from OCS and DPU input.
- Website (utah100communities.org) indicates a PSC decision by September 2022 and a deadline of 90 days subsequent for communities to pass an ordinance
- Updated timeline suggests a filing with the PSC by December 2022
 - PSC process will need to allow time for OCS and DPU review, multiple rounds of testimony, and PSC deliberation
 - When/if PSC issues an order approving the program, the 90 day deadline for communities to pass an ordinance
 - Procuring new resources will likely be one of the first steps after approval



Discussion:

Interactions between low-income rate assistance and voluntary electric rate options



RMP Low Income Rate: Schedule 3

- RMP standard residential rate is Schedule 1, Schedule 3 is a rate for qualified low-income residential customers
 - Most rate components are the same as Schedule 1
 - Also subject to \$13.95 credit and a potential additional \$10.00/month life support assistance credit
- Schedule 3 participation has always included a small percentage of overall households that would qualify
- RMP optional rates that a Schedule 3 customer could participate in
 - Electric Vehicle Time of Use Rates
 - Subscriber Solar
 - Blue Sky
 - Community Renewable Program (in the future)



Potential Discussion Topics

- Should Schedule 3 customers be able to participate in any optional rate of their choosing?
 - Would it be discriminatory to limit what rates Schedule 3 can participate in OR is it discriminatory to other customers to let them participate in any rate of their choosing?
 - Is the monthly rate credit a subsidy?
- Should all optional rates be treated similarly?
 - Some rates are clearly associated with a rate premium (e.g. Blue Sky)
 - Other rates might include different rate elements, but still intended to be a typical cost-of-service based rate
- How does the Community Renewable Program specifically interact with low income rates?
 - Some would like to see enrollment in Schedule 3 more automatic for CRP participants. Would this result in non-participants subsidizing participants?
 - Should CRP Schedule 3 costs be separated from “standard rate” Schedule 3 costs?



Closed Session

Pursuant to Utah Code Section 52-4-205 (1)(c):
*Strategy sessions to discuss pending or
reasonably imminent litigation*



Other Business/Adjourn
