ROCKY MOUNTAIN POWER
A DIVISION OF PACIFICORP

1407 W. North Temple, Suite 330
Salt Lake City, UT 84116

June 4, 2025

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Administrator

Re: **Docket No. 25-035-06**
In the Matter of the Application of Rocky Mountain Power to Implement Community Clean Energy Program Authorized by the Community Clean Energy Act
Rocky Mountain Power Part II Application

In the Matter of the Application of Rocky Mountain Power to Implement Community Clean Energy Program Authorized by the Community Clean Energy Act. Rocky Mountain Power hereby submits this Part II Application to the Public Service Commission of Utah ("Commission") pursuant to Utah Code Annotated § 54-17-901, requesting authorization to implement a community clean energy program. This program will enable Rocky Mountain Power customers within the participating communities to receive electric service from non-emitting resources acquired by the program.

Rocky Mountain Power intends this Part II Application to supplement the initial application filed on January 24, 2025.

Informal inquiries may be directed to Max Backlund, Utah Regulatory Affairs Manager, at (801) 220-3121 or max.backlund@pacificorp.com.

Sincerely,

Jana Saba
Director, Regulation and Regulatory Operations

Enclosures

CC: Service List Docket No. 25-035-06

CERTIFICATE OF SERVICE

Docket No. 25-035-06

I hereby certify that on June 4, 2025, a true and correct copy of the foregoing was served by electronic mail to the following:

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Attorney for Rocky Mountain Power

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER TO IMPLEMENT COMMUNITY CLEAN ENERGY PROGRAM AUTHORIZED BY THE COMMUNITY CLEAN ENERGY ACT	))))))	Docket No. 25-035-06

APPLICATION TO IMPLEMENT COMMUNITY CLEAN ENERGY PROGRAM AUTHORIZED BY THE COMMUNITY CLEAN ENERGY ACT

Rocky Mountain Power, a division of PacifiCorp ("Company" or "Rocky Mountain Power"), hereby submits this part II application ("Application") to the Public Service Commission of Utah ("Commission") pursuant to Utah Code Annotated ("U.C.A.") § 54-17-901, *et seq*., also known as House Bill 411 - the Community Clean Energy Act ("Act")[1], signed into law March 29, 2019, requesting authorization to implement a community clean energy program authorized by the Act. This Act enables the creation of a Community Clean Energy Program ("Program"), which is to be designed in coordination between the Company and the communities participating in the Program ("Communities") to enable Rocky Mountain Power customers located within the

[1] Previously known as the "Community Renewable Energy Act".

boundaries of the Communities to participate in a Program that seeks to acquire non-emitting resources on behalf of the Program.

On January 24, 2025, the Company filed Part I of this Application ("Initial Application"), which presented certain aspects of the Program which the Company and Communities generally agreed upon.[2] Through Part II of this Application, the Company is proposing the rest of the Program's structure. Additionally, to ensure non-participating customers and the Company are not affected by the Program through cost-shifting, the Company is seeking approval to establish a balancing account to defer and track the revenues and costs of the Program, subject to a carrying charge at the customer deposit rate provided for in Electric Service Schedule No. 300.

In support of its Application, Rocky Mountain Power states as follows:

1. Rocky Mountain Power is a division of PacifiCorp, an Oregon corporation, which provides electric service to retail customers through its Rocky Mountain Power division in the states of Utah, Wyoming, and Idaho, and through its Pacific Power division in the states of Oregon, California, and Washington.

2. Rocky Mountain Power is a public utility in the state of Utah and is subject to the Commission's jurisdiction with respect to its prices and terms of electric service to retail customers in Utah. Rocky Mountain Power's principal place of business in Utah is 1407 West North Temple, Suite 330, Salt Lake City, Utah 84116.

3. Communications regarding this filing should be addressed to:

Max Backlund
Utah Regulatory Affairs Manager
Rocky Mountain Power
1407 West North Temple, Suite 330

[2] *Application of Rocky Mountain Power to Implement Community Clean Energy Program Authorized by the Community Clean Energy Act*, Docket No. 25-035-06, Application to Implement Community Clean Energy Program Authorized by the Community Clean Energy Act (Jan. 24, 2025) ("Initial Application").

Salt Lake City, Utah 84116
E-mail: max.backlund@pacificorp.com

Katherine Smith
1407 West North Temple, Suite 320
Salt Lake City, UT 84116
Telephone No. (435) 776-6980
E-mail: katherine.smith@pacificorp.com

In addition, Rocky Mountain Power requests that all data requests regarding this application be sent in Microsoft Word or plain text format to the following:

By email (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon 97232

Informal questions may be directed to Max Backlund, Utah Regulatory Affairs Manager at (801) 220-3121.

I. BACKGROUND

In the 2019 Utah Legislative Session, the Act passed and became effective on May 13, 2019.[3] The Commission initiated rulemaking on April 3, 2019, to establish definitions and rules to govern implementation of the Program as required by the Act.[4]

Each of the following communities has executed an interlocal cooperation agreement—the "Governance Agreement" as defined by Utah Admin. Code R746-314-101(9)—and is therefore an

[3] Utah Admin. Code § 54-17-901
[4] *Proposed Rulemaking Concerning Utah Code Ann. §§ 54-17-901 to -909, Community Renewable Energy Act*, Docket No. 19-R314-01, Noticing of Scheduling Conference (April 3, 2019).

"Eligible community" as defined by Utah Admin. Code R746-314-101(5):[5] Town of Alta, Town of Castle Valley, Coalville City, City of Cottonwood Heights, Emigration Canyon City, Francis City, Grand County, City of Holladay, City of Kearns, Midvale, Millcreek, City of Moab, Oakley City, Ogden City, Park City, Salt Lake City, Salt Lake County, Town of Springdale, and Summit County ("Communities").

The Governance Agreement establishes the "Community Renewable Energy Agency" ("Agency") which, through the actions of the Community Renewable Energy Board ("Board"), represents the Communities in the decision-making process for Program issues. After the establishment of the Governance Agreement in 2021, the Company began meeting with the Agency on behalf of the Communities to develop the Program. As part of the development of the Program, the Company and Communities collaborated to draft a solicitation process to govern the solicitation of Program resources. This solicitation process allows the Agency to conduct a Request for Proposal ("RFP") for Program resources. The Company and the Agency sought Commission approval to deviate from existing Commission rules for solicitation and acquisition of Program resources and to approve the solicitation process discussed below ("Proposed Solicitation Rules"), which the Commission approved on May 13, 2025.[6]

The Company files this Application to seek approval of the Program. The Company filed this Application in two phases: first, through the Initial Application, the Company presented aspects of the Program's structure for which the Company and the Agency have agreed upon;

[5] Since the Commission adopted its Rules to implement the Program, the Utah Legislature revised the eligibility requirements for communities that seek to participate, eliminating the requirement that communities adopt a resolution in 2019 stating a goal of achieving an amount equivalent to 100% of the annual electric energy supply from renewable energy resources. *See* Utah S.B. 214, 2024 Gen. Sess. (Utah 2024): Community Renewable Energy Amendments. SB0214.

[6] *Application of Rocky Mountain Power for Approval of Solicitation Process for the Community Renewable Energy Program and Motion to Deviate from Utah Admin. Code R746-314-402(4)*, Docket No. 24-035-55 Order Granting Rocky Mountain Power's Application and Motion (May 13, 2025).

second, through this filing, the Company is filing this Application with supporting testimony regarding the remaining aspects of the Program's structure as well as support for the Program as a whole. With this two-part Application for Program approval, the Company and the Agency request that the Commission establish a Program structured to be in the public interest, consistent with the Act.

II. APPLICATION FOR COMMUNITY CLEAN ENERGY PROGRAM

Pursuant to R746-314-401(4), the Commission may approve a Program if an application: (a) meets all the applicable requirements in Utah Code and Commission Rules; and (b) the Commission finds that the Program is in the public interest. R746-314-401(3) contains fifteen requirements for what a utility must include in an application for approval of a Program.

As part of this Application, the Company is filing supporting testimony from the following Company witnesses: Mr. Craig M. Eller provides testimony on the overall Program structure proposal, which includes descriptions of how the Program is in the public interest and how the Program is structured to prevent cost-shifting to non-participating customers and the Company; Mr. Robert M. Meredith provides testimony that presents the proposed initial rate for Schedule 100, as well as how annual updates for the rates will work; and Mr. Daniel J. MacNeil provides testimony that describes the Company's proposed methodology for valuing clean energy resources procured for the Program and identifies the associated incremental cost to be recovered from participating customers through Schedule 100.

This Application addresses the following portions of these requirements:

A. Projected Program Rates for Each Customer Class

R746-314-401(3) requires the Application to include projected program rates for each class of participating customers, including workpapers that provide: (1) an explanation of the proposed

rate design that covers (a) how both fixed and variable cost components related to both program and ongoing costs will be allocated to each customer class, and (b) identification of other current or known rate adjustments applicable to the participating customers; (2) a reasonable range of projected rates based on high, medium, and low estimates of customer participation, along with a methodology explanation; and (3) projected quantifiable costs and benefits of the Program, with a demonstration of how they are reflected in the proposed program rates.

As part of this Application, Mr. Meredith's testimony describes how the Company developed a model to forecast the costs of the Program, which considers the incremental cost of the renewable purchase power agreement ("PPA"), the initial startup costs, the ongoing administrative costs, and the necessary reserve fund amounts needed. The forecast model uses a 24-year period that is split into a building up phase, a maintenance phase, and a draw down phase. The forecast rates are based on projected needs for each phase.

Mr. Meredith also presents the proposed initial rate for Schedule 100, as well as the option and annual updates required. The factors affecting the annual update include actual load participating in the Program, actual generation from renewable sources, the count of low-income customers, the actual administrative costs incurred, and the accumulated interest in the escrow account that will inform the updates to the forecast amounts for each.

B. Description of the Proposed Process for Periodic Rate Adjustments

R746-314-401(3)(f) requires the Application to include the proposed process for periodic rate adjustment filing, limited to no more than once annually. In the Part I Application, the Company proposed filing an annual report with the Commission, which will include the following required information:

(i) an accounting of program expenses;

(ii) the projected costs and revenues for the following year of the Program; and

(iii) any proposed changes to program rates, termination fees, tariffs, or other associated program charges;

The Company stated that it intends to file this annual report on July 1 of each year, with the first report anticipated to be required July 1, 2027, although the timing of the report is dependent on the timing of this proceeding and may need to be updated accordingly. Further description of how annual updates for the rates would work are included in Mr. Meredith's testimony.

C. Proposed Tariff Changes to Implement Program

As described in the Part I Application, the Program will be administered under a new Electric Service Schedule No. 100 ("Schedule 100"), which was provided with the Initial Application as Attachment G. An updated Schedule 100 with the proposed rates is provided as Attachment A. Mr. Meredith provides an example calculation to demonstrate the annual updates in Exhibit RMP___(RMM-3), including how actual participation, administrative costs, and accumulated interest impact the forecasted rates.

D. Projected Implementation Date for the Program

R746-314-401(3)(m) provides that the Application must include the projected implementation date for the program. The Company submits an updated estimated schedule.

Complete Application filed with PSC	6/4/2025	
PSC approval	1/30/2026	estimated
Ordinance deadline	4/30/2026	90 days, 54-17-903(3)
Prep period for noticing/billing system	9/27/2026	5 months
Implementation Date (first notice sent)	9/28/2026	next day
Noticing period ends	11/27/2026	60 days, 54-17-905(1)(b)(i)

Program revenues begin (Commencement)	11/28/2026	next day
End of three billing cycles no term fees	3/8/2027	100 days 54-17-902((8)(b)
First Annual Filing	7/1/2028	1 year, 3 mos
Program rate change effective (if needed)	11/1/2028	4 months

E. Informational Material to be Provided to Customers

R746-314-401(3)(n) provides that the Application must include "other informational materials on the program to be provided or made available to eligible customer." At this time, the Company does not have additional materials it plans to provide to customers.

F. An Explanation of How Non-Participating Customers and the Utility Will Not be Subject to Any Program Liabilities or Costs.

R746-314-401(3)(o) provides that the Application must include an explanation of how non-participating customers and the utility will not be subject to any program liabilities. The Program is designed to protect non-participating customers and the utility from being subject to any Program Liabilities or Costs through the terms and conditions in the proposed Schedule 100 and Purchase Power Agreement ("PPA") that provide contractual protections, as well as a description of Notice and Program start-up costs assigned under Schedule 100. In addition to the framework described in Part I of the Application, Mr. Eller's direct testimony describes how the Program has been designed to ensure non-participating customers and the Company will not be subject to any Program costs.

III. PROGRAM ACCOUNTING

The Company is seeking authorization from the Commission specifically in this Application to establish a balancing account(s) to track the Program expenses and revenues, subject to a carrying charge, pursuant to Utah Code Section 54-4-23. This will enable the Company

to separately track and manage Program expenses and revenues to ensure costs and benefits do not impact non-participating customers.

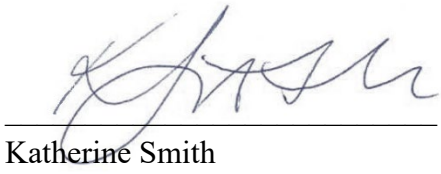
WHEREFORE, Rocky Mountain Power respectfully requests that the Commission:

1. Issue a notice of scheduling conference;
2. Approve the Program as proposed in this Application, and consistent with the Act;
3. Authorize accounting treatment in the form of a balancing account for the Program; and
4. Approve Schedule 100.

DATED this 4th day of June 2025.

Respectfully submitted,

ROCKY MOUNTAIN POWER



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