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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 Secretary

RE: Docket No. 17-035-36 – In the Matter of Glen Canyon Solar A, LLC and Glen Canyon Solar B, LLC’s Request for Agency Action to Adjudicate Rights and Obligations under PURPA, Schedule 38 and Power Purchase Agreements with Rocky Mountain Power

Rocky Mountain Power hereby submits a Motion to Dismiss Glen Canyon Solar A, LLC and Glen Canyon Solar B, LLC’s Request for Agency Action submitted on June 7, 2017 in the above referenced docket.

Rocky Mountain Power respectfully requests that all formal correspondence and requests for additional information regarding this filing be addressed to the following:

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Sincerely,

A handwritten signature in blue ink, appearing to read "Jeffrey K. Larsen".

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Glen Canyon Solar A, LLC
and Glen Canyon Solar B, LLC's Request
for Agency Action to Adjudicate Rights and
Obligations under PURPA, Schedule 38
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Docket No. 17-035-36

**ROCKY MOUNTAIN POWER'S
MOTION TO DISMISS GLEN
CANYON SOLAR A, LLC AND GLEN
CANYON SOLAR B, LLC'S REQUEST
FOR AGENCY ACTION**

I. INTRODUCTION

In accordance with Utah Admin. Code R746-1-105 and Utah Rules of Civil Procedure 12(b)(1) and 12(h)(2), PacifiCorp d/b/a Rocky Mountain Power (Company) moves to dismiss Glen Canyon Solar A, LLC and Glen Canyon Solar B, LLC's (collectively, Glen Canyon) June 7, 2017 Request for Agency Action (Request). The Utah Public Service Commission (Commission) lacks jurisdiction over the issues raised by Glen Canyon's request for two reasons. First, the Federal Energy Regulatory Commission (FERC) has exclusive jurisdiction over the agreement that is at

the heart of Glen Canyon’s request—the network operating agreement (NOA) between the Company’s merchant function and transmission function. Second, Glen Canyon’s request is unripe because the Company’s transmission function has not yet completed Glen Canyon’s interconnection study.

II. SUMMARY OF ARGUMENT

The crux of Glen Canyon’s Request is that it does not want to pay for any network upgrades needed to interconnect its qualifying facilities (QFs). Instead, Glen Canyon wants to shift these costs—costs that are caused by the interconnection of Glen Canyon’s QFs—to the Company’s retail customers. Glen Canyon claims that the Company should use a “redispatch option” contained in an amendment to the NOA, referred to as the “NOA Amendment,”¹ in lieu of requiring Glen Canyon to pay for the necessary interconnection-related network upgrades. But the Company’s NOA governs the *transmission* service that its transmission function provides to its merchant function. That transmission service, and the agreement itself, are within FERC’s exclusive jurisdiction.

The fundamental flaw in Glen Canyon’s Request is the failure to recognize the distinction between two different services provided by the Company’s transmission function—interconnection service and transmission service. Generally speaking, the Federal Energy Regulatory Commission (FERC) has jurisdiction over *both* services. But under the Public Utility Regulatory Policies Act of 1978 (PURPA), state regulatory commissions have jurisdiction over *one* of these services—*interconnection* service—when a QF seeks to interconnect with a utility. Even under PURPA, FERC retains jurisdiction over *transmission* service.

This confusion between interconnection service and transmission service leads Glen

¹ FERC approved the NOA Amendment in 2015. *PacifiCorp*, 151 FERC ¶ 61,170 (2015).

Canyon to assert that the Company must use its redispatch option under the *FERC-jurisdictional* NOA Amendment to reduce Glen Canyon's responsibility for the costs associated with its *state-jurisdictional* interconnection service—at the expense of the Company's customers.

Glen Canyon's flawed theory blends interconnection service and transmission service into one service and misunderstands the purpose of—and the regulatory body with jurisdiction over—the NOA Amendment. In the PURPA context, a transmission provider is:

- Required to provide two different services to two different customers—the interconnection customer (the QF) and the transmission customer (the utility, who is required under FERC precedent to request firm transmission service to deliver a QF's power); and
- Subject to two different regulatory regimes—the state regulatory commission (with jurisdiction over the QF interconnection); and FERC (with jurisdiction over the transmission service).

The transmission provider can determine in an interconnection study that network upgrades are necessary to accommodate a requested interconnection (interconnection-driven network upgrades). A transmission provider can also determine in a separate transmission service study (once the utility submits a transmission service request) that additional network upgrades are necessary to accommodate a requested transmission service (transmission-service-driven network upgrades). Glen Canyon is seeking to use the FERC-approved NOA Amendment redispatch tool to avoid interconnection-driven network upgrades. But the NOA Amendment was proposed by the Company and approved by FERC to protect customers by giving the Company's merchant function an alternative to building *transmission-service-driven* network upgrades when a QF causes or contributes to a transmission constraint, not to protect QFs from the costs caused by their siting decisions.

The NOA Amendment is not a cost-free tool. If the Company's merchant function chooses this alternative, it must limit the operation of its generation resources within its existing

transmission rights through redispatch (or backing down of generation resources) with QF resources limited last. Redispatching resources in this manner takes a toll on the Company's operations, yet in some cases it may be the best option for minimizing the financial impact to customers of the Company's obligation to deliver QF must-take resources on firm transmission service. As more and more QFs have interconnected to the Company's system (750 megawatts of QF energy has been interconnected in its Utah service territory just since 2015), transmission constraints have worsened. The NOA Amendment allows the Company's merchant function to protect retail customers from the costs of transmission-driven network upgrades when redispatching is the more economic choice.

Glen Canyon seeks to expand the scope of this FERC-jurisdictional redispatch tool to state-jurisdictional *interconnection*-driven network upgrades. Specifically, Glen Canyon asks this Commission to order that any network upgrades that the transmission function normally would have identified in Glen Canyon's state-jurisdictional QF *interconnection* study instead be held over for identification in the merchant function's FERC-jurisdictional *transmission* service study so the NOA Amendment redispatch tool can be used to avoid construction of those upgrades. Under Glen Canyon's approach, the NOA Amendment would no longer be an optional tool intended to protect customers from the cost of *transmission*-service-driven network upgrades if redispatching resources is more economical. Rather, the NOA Amendment would be transformed into a mandatory QF interconnection study assumption designed to protect QFs from the cost of *interconnection*-driven network upgrades at the expense of the Company's customers.

Glen Canyon's flawed approach not only raises issues within FERC's exclusive jurisdiction, but it would also violate Commission precedent establishing cost-causation and customer-indifference principles in the PURPA context, and potentially interfere with the

Company's obligations to Arizona Public Service Electric Company (APS) under FERC-jurisdictional legacy transmission contracts.² The Commission should dismiss Glen Canyon's attempt to expand the NOA Amendment beyond what FERC intended at the expense of the Company's customers.

The Commission should also dismiss Glen Canyon's Request because it is unripe for adjudication and may ultimately be rendered moot when Glen Canyon receives an interconnection study. QF interconnection costs—including the costs of interconnection-driven network upgrades that Glen Canyon seeks to avoid—are initially identified in QF interconnection studies. The Company's transmission function is still processing Glen Canyon's QF interconnection request, but there are 12 higher-queued requests totaling approximately 1900 MW that must be processed before Glen Canyon's request. As required by the interconnection procedures in the Company's Open Access Transmission Tariff (OATT), the facilities needed to accommodate those higher-queued requests will be assumed to be built in Glen Canyon's interconnection study. If the higher-queued projects require network upgrades that can also facilitate Glen Canyon's interconnection, then the Company's transmission function may not identify any additional facilities needed to accommodate Glen Canyon's interconnection request in Glen Canyon's interconnection study, which would render Glen Canyon's Request moot. Thus, Glen Canyon is seeking the hypothetical application of a provision of a FERC-jurisdictional agreement to a *future* interconnection study that might not even identify network upgrade costs that Glen Canyon disputes. The Commission should therefore dismiss Glen Canyon's Request.

² Glen Canyon's Request also claims that the Commission can simply direct certain communications between the Company's merchant function and transmission function, ignoring the OATT processes and FERC Standards of Conduct that normally govern the highly regulated interactions between those utility business units. *Standards of Conduct for Transmission Providers*, Order No. 717, 73 Fed. Reg. 63,796 (Oct. 27, 2008), FERC Stats. & Regs. ¶ 31,297 (Order No. 717).

III. LEGAL FRAMEWORK

The Utah Rules of Civil Procedure apply in this proceeding.³ A complaint, petition, or request for agency action or relief must be dismissed where the Commission “lack[s] jurisdiction over the subject matter.”⁴ When considering a motion to dismiss and determining the facts needed to establish jurisdiction, the Commission “must accept the factual allegations in the complaint as true and consider all reasonable inference[s] to be drawn from those facts in a light most favorable to the plaintiff.”⁵ The sufficiency of the facts “must be determined by the facts pleaded rather than the conclusions stated.”⁶ As discussed in detail in this motion, even considering the Request’s factual allegations in the light most favorable to Glen Canyon, the Commission lacks jurisdiction over the Request because: (1) Glen Canyon seeks relief that is within FERC’s exclusive jurisdiction;⁷ and (2) the issues are unripe for adjudication and may ultimately be rendered moot.⁸

IV. ARGUMENT

The Commission should dismiss Glen Canyon’s Request because it asks this Commission to improperly extend its jurisdiction by expanding a FERC-jurisdictional transmission agreement to state-jurisdictional interconnection service and to adjudicate unripe matters that may ultimately be rendered moot once Glen Canyon receives its QF interconnection study.

³ See Utah Admin. Code R746-1-105.

⁴ Utah R. Civ. Pro. 12(b)(1), 12(h)(2).

⁵ *Ho v. Jim’s Enters.*, 29 P.3d 633 at P 6 (Utah 2001) (quoting *Prows v. State*, 822 P.2d 764, 766 (Utah 1991)).

⁶ *In Re Formal Complaint and Request for Agency Action of Bear Hollow Restoration, LLC*, 2010 Utah PUC LEXIS 31, *2 (internal citations and quotations omitted).

⁷ FERC has exclusive jurisdiction over the “transmission of electric energy in interstate commerce,” and over the “sale of electric energy at wholesale in interstate commerce,” and over “all facilities for such transmission or sale of electric energy.” 16 USC 824(b).

⁸ *Williams v. Univ. of Utah*, 626 P.2d 500, 503 (Utah 1981) (“[i]n the absence of any justiciable controversy between adverse parties, the courts are without jurisdiction.”); *Carlton v. Brown*, 323 P.3d 571, 580 (Utah 2014) (“[t]he concept of ‘justiciability’ implicates various categories of cases and doctrines that impose limits on our jurisdiction, including....ripeness [and] mootness[.]”).

A. The Commission Should Dismiss Glen Canyon’s Request Because FERC Has Exclusive Jurisdiction over the NOA Amendment.

There are serious flaws in the core rationale for Glen Canyon’s Request. Glen Canyon seeks to expand an optional FERC-jurisdictional *transmission* service redispatch tool to make it a mandatory assumption in state-jurisdictional interconnection service studies, at the expense of the Company’s customers. To address these flaws, the Company first provides a basic overview of interconnection service and transmission service, including why they are distinct services that must be applied for, studied, provided, and paid for separately.⁹ While Glen Canyon recognizes these differences,¹⁰ its Request to this Commission intertwines and confuses them, creating serious jurisdictional issues that require dismissal.

1. Basic Overview of Interconnection and Transmission Service

a. Interconnection Service Basic Overview

All generating resources must physically interconnect to the transmission or distribution system before they can move and sell power to others. To interconnect, a new generator must first request interconnection service from a transmission provider. The transmission provider has an interconnection queue and studies interconnection requests on a first-come, first-served basis. Interconnection service with a utility’s transmission system is usually FERC-jurisdictional, but PURPA gives state regulatory authorities exclusive jurisdiction over QF interconnections with a

⁹ See, e.g., *Tennessee Power Co.*, 90 FERC ¶ 61,238 at 61,761-62 (2000) (interconnection service is separate from and does not convey a right to transmission delivery service); *Entergy Services, Inc.*, 91 FERC ¶ 61,149 at 61,559 (2000); *Arizona Public Service Co.*, 94 FERC ¶ 61,027 at 61,076, *order on reh’g*, 94 FERC ¶ 61,267 (2001). See also *Interstate Power & Light Co. v. ITC Midwest, LLC*, 144 FERC ¶ 61,052 at P 36 (2013) (“[E]ach generator, or other transmission customer, seeking to use the transmission system to deliver power from the generator must take transmission service and pay the transmission provider’s transmission service rates separate from paying for any interconnection-related network upgrade costs.”).

¹⁰ See, e.g., Glen Canyon Request for Agency Action, Docket No. 17-035-36 at 5; Direct Testimony Keegan Moyer, Docket No. 17-035-36, June 29, 2017 at 7 and 10.

utility's transmission system if the QF's entire output is sold to the directly interconnected utility.¹¹ (Here, Glen Canyon has requested interconnection with the Company's transmission system, and it is subject to the exclusive jurisdiction of this Commission.)

Generally speaking, interconnection studies evaluate the impact of a new generating resource on the transmission system to ensure that the amount of generation on the electric system (supply) matches the amount of load drawing from the system (demand) at all times to keep the electric system in balance. Interconnection studies identify any interconnection facilities—which might include network upgrades—necessary to accommodate the interconnection request, as well as provide estimates of the construction schedule and costs associated with any identified interconnection facilities.¹² After completion of the interconnection study process, the transmission provider and the generator enter into an interconnection agreement that memorializes the terms, conditions, requirements, and costs to interconnect.

b. Transmission Service Basic Overview

Interconnection service is not a delivery service. Rather, it simply *enables* delivery service. As a result, in addition to the interconnection request, the generator or other counterparty delivering the generator's output must also submit a transmission service request to the transmission provider to arrange for delivery of the power generated. As with interconnection

¹¹ See, e.g., 18 C.F.R. §§ 292.303(c), 292.306 (2017); *Prior Notice and Filing Requirements Under Part II of the Federal Power Act*, 62 FERC ¶ 61,128, *order on reh'g*, 64 FERC ¶ 61,139 at 61,991, *order on reh'g*, 65 FERC ¶ 1,081 (1993) (landmark order addressing various jurisdictional issues and reiterating previous FERC ruling that “the states have exclusive jurisdiction over direct interconnections between a QF and the public utility which purchases its power.”); *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, 104 FERC ¶ 61,103 at PP 813-14 (2003) (Order No. 2003). FERC has also found that state-jurisdictional QF agreements do not need to be filed with FERC. See, e.g., *Florida Power & Light*, 133 FERC ¶ 61,121 at P 21 (2010) (holding that FERC “will exercise jurisdiction or require the filing of an interconnection agreement only if there is some manifestation of a QF's ‘plan to sell’ output to third parties.”).

¹² There are three levels of interconnection study: (1) the feasibility study (optional); (2) the system impact study; and (3) the facilities study. The utility conducts a more in-depth review of the interconnection impact with each advancing interconnection study.

service, the transmission provider has a transmission service queue and studies transmission requests on a first-come, first-served basis. FERC has exclusive jurisdiction over transmission service.¹³

The transmission service process also requires a request, studies, and a service agreement—all of which are different than the request, the studies, and the agreement associated with the generator’s interconnection. Generally speaking, transmission service studies evaluate whether there is sufficient available transfer capability (ATC) to deliver the power from the transmission customer’s requested point of receipt (POR) to the requested point of delivery (POD). The POR and POD can vary depending on whether, for example, the transmission customer owns or is purchasing the power to be delivered and whether it is wheeling power across a system to another purchaser or using it to serve load. Transmission service studies identify any facilities—which might include *additional* network upgrades incremental to those required by the interconnection—necessary to accommodate the transmission service request, as well as provide estimates of the construction schedule and costs associated with any identified required facilities.¹⁴

After the transmission service study process is complete, the transmission provider and the

¹³ FERC has exclusive jurisdiction over the “transmission of electric energy in interstate commerce,” and over the “sale of electric energy at wholesale in interstate commerce,” and over “all facilities for such transmission or sale of electric energy.” 16 USC 824(b). *See also Pennsylvania Power & Light Company*, 23 FERC ¶ 61,006 at 61,018, *reh’g denied*, 23 FERC ¶ 61,325 (1983); *Southern Company Services, Inc.*, 37 FERC ¶ 61,256 at 61,652 (1986); *Florida Power & Light Company*, 40 FERC ¶ 61,045 at 61,120-21, *reh’g denied*, 41 FERC ¶ 61,153 at 61,382 (1987); *Houlton Water Company v. Maine Public Service Company*, 60 FERC ¶ 61,141 at 61,515 (1992); *Northern Indiana Public Service Company*, 66 FERC ¶ 61,213 at 61,488 (1994); *Connecticut Light and Power Company*, 70 FERC ¶ 61,012 at 61,030, *reconsid. denied*, 71 FERC ¶ 61,035 (1995); *Central Vermont Public Service Corporation*, 84 FERC ¶ 61,194 at 61,973-75 (1998); *Progress Energy, Inc.*, 97 FERC ¶ 61,141 at 61,628 (2001); *Armstrong Energy Limited Partnership, LLP*, 99 FERC ¶ 61,024 at 61,104 (2002); *Niagara Mohawk Power Corporation*, 100 FERC ¶ 61,019 at P 17 (2002); *Barton Village, Inc. v. Citizens Utilities Company*, 100 FERC ¶ 61,244 at P 12 (2002); *Virginia Electric and Power Company*, 103 FERC ¶ 61,109 at P 6 (2003); *Southern California Edison Company*, 106 FERC ¶ 61,183 at P 14, 19 (2004); *Midwest Independent Transmission System Operator, Inc.*, 106 FERC ¶ 61,337 at P 14 & n.17 (2004); *Entergy Services, Inc.*, 120 FERC ¶ 61,020 at P 28 (2007); *Aquila Merchant Services, Inc.*, 125 FERC ¶ 61,175 at P 17 (2008).

¹⁴ Like interconnection service, there are three levels of transmission service study: (1) the feasibility study (optional); (2) the system impact study; and (3) the facilities study. The utility conducts a more in-depth review of the transmission service impact with each advancing transmission service study.

generator enter into a transmission service agreement that memorializes the terms, conditions, requirements, and costs to transmit the power.

2. Types of Interconnection Service and Transmission Service

a. Types of Interconnection Service

Under FERC rules, there are two types of interconnection service available to interconnecting generators: (1) energy resource (ER) interconnection service, which is an “as-available” interconnection service; and (2) network resource (NR) interconnection service, which enables the generator’s power to be delivered to customers (load) on a firm basis.¹⁵ Only one of these types of interconnection service (NR) is appropriate for QFs interconnecting with a utility’s transmission system—interconnections over which this Commission has exclusive authority.

ER interconnection is a basic interconnection service. ER interconnection service makes a generator eligible to deliver its output on an “as-available” basis. This means the generator can deliver its power when the *interconnection* service is available, not necessarily when the power is available. In other words, it is possible that at times the power could be available but undeliverable because the interconnection service is unavailable. As a result of this as-available nature, the ER interconnection study identifies only the facilities—including any network upgrades—necessary to physically interconnect the generating resource to the system, but not the facilities necessary to enable the generator to deliver its power to its desired POD—*i.e.*, a deliverability analysis.

¹⁵ The ER and NR interconnection service options are a product of FERC Order Nos. 2003 and 2006 proceedings in which FERC standardized the interconnection procedures and agreements for large and small generators. The ER and NR election is reserved for large interconnecting generators, however, small generators still have similar access to the transmission grid and can formally request NR interconnection service by choosing to follow the Large Generator Interconnection Procedures (LGIP) and executing a Large Generator Interconnection Agreement (LGIA). *Standardization of Generator Interconnection Agreements and Procedures*, Order No. 2003, FERC Stats. & Regs. ¶ 31,146 at PP 813-14 (2003) [hereinafter Order No. 2003], *order on reh’g*, Order No. 2003-A, FERC Stats. & Regs. ¶ 31,160 (2004) [hereinafter Order No. 2003-A], *order on reh’g*, Order No. 2003-B, FERC Stats. & Regs. ¶ 31,171 at P 69 (2005) [hereinafter Order No. 2003-B], *order on reh’g*, 111 FERC ¶ 61,401 (2005) [hereinafter Order No. 2003-C].

NR interconnection service, on the other hand, is a more comprehensive interconnection service option with the “principal purpose” of allowing the generator to deliver its output to customers (load) on a firm basis. NR interconnection is designed to reflect a level of integration that is comparable to a utility’s own load-serving generators. Consistent with this level of interconnection service, FERC rules require a transmission provider’s NR interconnection study to include a deliverability analysis that identifies the facilities—including any network upgrades—necessary to allow the aggregate of generation in the area where the interconnecting generator sited its project to be delivered to the aggregate of load (or customers) during peak conditions.¹⁶ The deliverability focus of this interconnection study does not convert the requested interconnection service into transmission service, nor does it mean that network upgrades necessary for NR interconnection service are associated with transmission service.¹⁷ Rather, network upgrades necessary for interconnection are identified in the interconnection study,¹⁸ and

¹⁶ See, e.g., Order No. 2003-A at P 531 (“The purpose of Network Resource Interconnection Service is to provide for only those Network Upgrades needed to allow the aggregate of generation in the Generating Facility’s local area to be delivered to the aggregate of load on the Transmission Provider’s Transmission System, consistent with the Transmission Provider’s reliability criteria and procedures.”); See also LGIP Section 3.2.2.2 (“The Interconnection Study for Network Resource Interconnection Service shall assure that Interconnection Customer’s Large Generating Facility meets the requirements for Network Resource Interconnection Service and as a general matter, that such Large Generating Facility’s interconnection is also studied with Transmission Provider’s Transmission System at peak load, under a variety of severely stressed conditions, to determine whether, with the Large Generating Facility at full output, the aggregate of generation in the local area can be delivered to the aggregate of load on Transmission Provider’s Transmission System, consistent with Transmission Provider’s reliability criteria and procedures.”).

¹⁷ As FERC has stated, NR interconnection service “(which is an Interconnection Service) is not a replacement for [Network Service](which is a delivery service).” Order No. 2003-A at P 533. FERC has also explained that NR interconnection service “does not ensure physical delivery to specific loads or locations, and it does not provide delivery service rights to specific loads or locations.” Order No. 2003-A at P 531 (emphasis in original).

¹⁸ Glen Canyon’s attempt to define away network upgrade costs with the word “interconnection” (see, e.g., Request at 21-22) ignores basic concepts in both state and federal interconnection frameworks. For example, the Commission’s interconnection rules applicable to the processing of QF interconnections less than or equal to 20 MW state that level 3 interconnection costs include “upgrades,” which the Commission’s rules define as additions and modifications *past the point of interconnection*. Utah Admin. Code R746-312-2(35)). This is consistent with FERC PURPA regulations giving the Commission the authority over all interconnection costs caused by a QF to a QF and defining “interconnection costs” to include “the reasonable cost of...*transmission*...incurred by the electric utility directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a [QF].” 18 C.F.R. § 292.101(7) (2017).

additional network upgrades necessary for transmission service (that is separately requested and studied) are identified in the transmission study.¹⁹

b. Types of Transmission Service

Under FERC's rules, a transmission customer may request firm transmission service or non-firm transmission service. Firm service is the highest quality transmission service offered to transmission customers and anticipates no planned interruptions. Non-firm service, on the other hand, anticipates that transmitted power could be interrupted or curtailed for economic or reliability reasons.

There are two types of firm transmission service: (1) network integration transmission service (network transmission service), which is designed to serve customers (load); and (2) point-to-point transmission service, which is primarily designed to wheel power across a transmission system. FERC has explained that “[n]etwork service permits the applicant to fully integrate load and resources on an instantaneous basis in a manner similar to the transmission owner’s integration of its own load and resources.”²⁰ When a transmission customer requests network transmission service from a new resource, the OATT requires that it request designation of that resource as a network resource,²¹ also referred to as a designated network resource (DNR). A DNR designation

¹⁹ Indeed, FERC has repeatedly clarified that an NR-level interconnection does not convey to the interconnecting generator any right to transmit its output, nor does it guarantee that transmission service will be available to deliver the generator’s output without the need for additional network upgrades. *See, e.g.*, Order Nos. 2003 at PP 753, 756; 2003-A at PP 502, 516, 533; 890-A at P 927; *PPL Montana, LLC*, 133 FERC ¶ 61,206 at PP 26-28 (2010).

²⁰ Order No. 888 at ¶ 31,646.

²¹ PacifiCorp OATT, Section 1.26 (defining “Network Resource” as any designated generating resource owned, purchased, or leased by a network transmission service customer, and noting network resources do not include any resource, or any portion thereof, that is committed for sale to third parties or otherwise cannot be called upon to meet the network transmission service customer’s network load on a non-interruptible basis).

means a resource's power is committed to serve customers (load) using firm network transmission service.²²

3. Only NR Interconnection and Firm Network Transmission Service Are Appropriate for QFs, Including Glen Canyon

Glen Canyon does not directly address the issue of ER interconnection versus NR interconnection in its Request, presumably because its primary position appears to be that the NOA Amendment should simply eliminate the need for any network upgrades necessary to accommodate Glen Canyon's interconnection request (which is discussed in more detail in the next section). Glen Canyon does, however, include some brief, unsupported claims that all network upgrades must be paid for by the Company (and, in turn, its customers) rather than directly assigned to Glen Canyon.²³ As a result, Glen Canyon effectively takes the position that the "as-available" type of ER interconnection service that does not require deliverability network upgrades is sufficient for QF interconnections.²⁴ This is wholly inconsistent with a utility's obligation to deliver QF power on firm network transmission service.

the Company is under a statutory "must take" obligation to accept any and all output from a QF whenever the QF puts it on the utility's system—24 hours a day, 365 days per year—and

²² Contrary to Glen Canyon's assertions, the Company's merchant function has indeed submitted a network transmission service request to deliver the output of the Glen Canyon projects to load. The details of this request are publicly available on the Company's OASIS.

²³ Request at 21-23.

²⁴ Even this apparent position would not achieve what Glen Canyon seeks (*i.e.*, to avoid paying for any interconnection-driven network upgrades) because, as described in more detail above, it misunderstands that network upgrades can be required for either ER interconnection service or NR interconnection service. NR interconnection service is the only interconnection service that may require *deliverability* network upgrades.

deliver that output to customers using firm transmission service.²⁵ The Company makes these required firm transmission arrangements using the type of firm transmission service that is specifically designed for service to customers: firm network transmission service.²⁶ The Company does this by requesting designation of QF power purchase agreements (PPA) as network resources under a FERC-jurisdictional network transmission service agreement and the FERC-jurisdictional NOA that includes the NOA Amendment discussed at length in Glen Canyon’s Request between the Company’s merchant function and transmission function.²⁷ Use of firm *network* transmission service for delivery aligns only with the comprehensive *network* resource (NR) interconnection service that is specifically designed to enable a generator to deliver its power on a firm basis to load, not the as-available ER interconnection study assumptions that simply allow the generator to “plug in.” As a result, the NR interconnection service is the only type of interconnection service that allows the Company to meet its PURPA obligations.

This type of interconnection can require expensive deliverability network upgrades, particularly when a QF chooses to site its project in a constrained area of the utility’s transmission

²⁵ FERC has interpreted PURPA to prohibit utilities from delivering QF power using non-firm transmission. *See, e.g., Entergy*, 137 FERC ¶ 61,199 at P 52 (2011) (holding that the purchasing utility is required to obtain the transmission service needed to deliver the QF output from the point of interconnection between the QF and the purchasing utility to the load on the purchasing utility’s transmission system, and that curtailing unscheduled QF output along with non-firm, secondary network service is inconsistent with the purchasing utility’s obligations under PURPA); *Pioneer Wind Park I, LLC*, 145 FERC ¶ 61,215 at P 6 (2013); *Exelon Wind I, LLC*, 140 FERC ¶ 61,152 at PP 49-51 (2012).

²⁶ *See, e.g., PacifiCorp*, 151 FERC ¶ 61,170 at PP 6, 27-29 (2015) (describing how PacifiCorp makes firm transmission arrangements to deliver QF power by requesting network transmission service).

²⁷ Glen Canyon acknowledges these arrangements. *See, e.g., Direct Testimony Keegan Moyer*, Docket No. 17-035-36, June 29, 2017 at 9 (“In practical terms, the network customer has network load on the RMP system and uses RMP’s system to serve that load, on a firm basis, from a set of designated resources. In reference to the factual issues presented in this docket, [the Company’s merchant function] is the network customer because it is responsible for serving RMP retail load and has entered into the RMP Network Operating Agreement (as RMP’s merchant function) with [the Company’s transmission function] to do so.”); *id.* at 31 (“RMP must request DNR designation of the GC Resources. My understanding is that public utilities must purchase QF output on a firm basis, meaning that they cannot curtail QF output except under limited circumstances.”).

system, as Glen Canyon has chosen to do.²⁸ These are real costs that must be borne by either the QF or the utility's customers. As the Company explained in detail in its Request for Declaratory Ruling in the currently stayed Docket No. 17-035-25, the Commission's rules and orders require QFs to pay for all interconnection costs—which may include interconnection-driven network upgrades—necessary to allow the Company to fulfill its PURPA obligation to receive a QF's net output on a firm basis. Glen Canyon offers a confusing array of support for its blanket statement that these costs cannot be allocated to QFs, primarily relying on an inaccurate description of *FERC's* interconnection cost allocation policies,²⁹ which fails to recognize that *this Commission*, not FERC, has exclusive jurisdiction over cost allocation for QF interconnections. Mostly, however, Glen Canyon claims that the Company's FERC-jurisdictional NOA Amendment can be used to simply eliminate the need for any network upgrades to accommodate Glen Canyon's state-

²⁸ Utah, particularly southern Utah, has been a fertile ground for the development of renewable energy. As a result, the Company has been inundated with projects that meet the qualifications for QF status and trigger the Company's must purchase obligation. Existing generators in southern Utah already exceed available area load. This means the output of any additional generation must be exported to load in the Wasatch front area. Delivering output to the Wasatch front requires crossing multiple constrained transmission paths that are approaching full commitment of firm transmission capacity rights. As a result, adding generation south of the constraints will require new transmission lines to create additional transmission capacity to provide firm interconnection and transmission service.

²⁹ Request at 21-22. Contrary to Glen Canyon's claims, the OATT sections and policies cited by Glen Canyon state that network upgrades *can* be required to accommodate an interconnection customer's interconnection request. Generally speaking, FERC's policies require interconnection-driven network upgrades to be paid for upfront by the interconnecting generator, subject to later reimbursement, but these costs are indisputably *interconnection* costs, not *transmission* costs. *See, e.g.*, Order No. 2003 at P 28 ("We continue our current policy of requiring a Transmission Provider that is not an independent entity to provide transmission credits for the cost of Network Upgrades needed for a Generating Facility interconnection."). Reimbursement can be provided through transmission credits if the generator is also the transmission customer, but that is not the only reimbursement mechanism since the interconnection customer is not always the same entity as the transmission customer. This is the case in the QF context, for example, where the QF is the interconnection customer, and the utility's merchant function is the transmission customer. Glen Canyon uses this fact to develop an unsupported theory about how FERC interconnection cost allocation rules should apply in the QF context: skip the initial steps requiring the interconnection customer (the QF) to fund interconnection-driven network upgrades upfront and the utility to provide later reimbursement, and instead identify the *interconnection*-driven network upgrade costs in the transmission customer's (the utility's merchant function) *transmission* service study so they can be paid for by customers through transmission rates. Request at 21-22. The Company is unaware of any FERC precedent describing Glen Canyon's version of the federal interconnection cost allocation rules for use in the QF (or any other) context, likely because state commissions (not FERC) have exclusive jurisdiction over QF interconnection cost allocation.

jurisdictional interconnection request. There are serious flaws in this rationale, as discussed below.

4. The Commission Does Not Have Jurisdiction to Expand the FERC-Jurisdictional Transmission Service NOA Amendment to State-Jurisdictional QF Interconnection Service

Glen Canyon claims this Commission can disregard the costs associated with QF interconnection by simply directing the Company's merchant function to tell its transmission function that the QF's *interconnection* study assumptions should be adjusted to reflect that the merchant function will use its *transmission*-service-related NOA Amendment to prevent those costs. Glen Canyon's flawed theory: (1) blends interconnection and transmission into one service; (2) misunderstands the purpose of, and regulatory body with jurisdiction over, the NOA Amendment; (3) fails to recognize that interconnection costs would not simply disappear if the NOA Amendment is used, but rather would be borne by the Company's customers; and (4) oversimplifies the impact of a utility being forced to discontinue using its existing transmission rights for their current purposes to deliver even a "perfectly sized" QF project, including, in Glen Canyon's case, the potential interference with the Company's contractual obligations to a third party under FERC-jurisdictional legacy transmission contracts. The Commission should dismiss Glen Canyon's Request because it does not have jurisdiction to expand a FERC-jurisdictional transmission service agreement, and doing so would violate customer-indifference and cost-causation principles, as well as potentially interfere with FERC-jurisdictional transmission contracts with third parties.

a. Basic Overview of the NOA Amendment

As described above, FERC has interpreted PURPA to require utilities to deliver QF power using firm transmission service, and the Company fulfills this requirement by arranging for FERC-jurisdictional firm network transmission service to deliver QF power to customers. This

service is governed by a FERC-jurisdictional network transmission service agreement and a FERC-jurisdictional NOA between the Company's merchant function and transmission function.

As also described above, when the Company's merchant function submits a request for firm network transmission service to deliver a QF's power (also referred to as requesting DNR status for a QF PPA), there must be sufficient ATC on the transmission system to deliver the power to customers. If there is insufficient ATC, the transmission provider will identify the network upgrades required to accommodate the request for firm transmission service (which are *in addition* to any network upgrades needed for the interconnection), and the FERC-jurisdictional OATT requires those upgrades be constructed for the requested service to be provided.

Under no circumstances has the Company ever suggested that a QF should pay for transmission-service-driven network upgrades. Nevertheless, sometimes these enormously expensive upgrades are caused by QFs choosing to site in constrained areas—upgrades that did not appear avoidable under FERC's OATT policies. This meant that the Company would need to construct these transmission-service-driven network upgrades and pass on the costs to customers through transmission rates. Thus, the Company sought FERC approval of a tool to mitigate these *transmission* service costs to protect customers.

More specifically, the Company requested FERC approval to modify its FERC-jurisdictional NOA to permit the Company's merchant function—the transmission customer and utility business unit responsible for requesting transmission service to deliver QF power to customers—to choose *not* to construct and charge customers for these FERC-jurisdictional transmission-driven network upgrades. If the Company's merchant function chooses this option, however, it must limit the operation of its resources through redispatch (or backing down of generation resources) within its existing transmission rights, with QF schedules limited

last. Redispatching generation resources in this manner takes a toll on the Company's operations, yet in some cases where firm network transmission service requires the construction of significant network upgrades, it may be the best option for minimizing the financial impact of the FERC-required firm transmission service arrangements to deliver QF power to customers.

b. The FERC-Jurisdictional NOA Amendment Does Not Apply to State-Jurisdictional QF Interconnections

Contrary to Glen Canyon's claims, the NOA Amendment was approved by FERC as an alternative to constructing FERC-jurisdictional transmission-service-driven network upgrades identified in the Company's transmission service study, *not* state-jurisdictional interconnection service-driven network upgrades identified in a QF's interconnection service study. Indeed, the construction alternative is set forth in a FERC-jurisdictional transmission operating agreement that governs the operating details associated with a FERC-jurisdictional network transmission service agreement between the Company's transmission function and merchant function. The QF is not a party to either of those transmission service agreements, and this Commission has no authority over those transmission arrangements under PURPA. Further, nowhere in the FERC proceeding discussed at length by Glen Canyon does the Company or FERC discuss QF interconnection service or cost allocation.³⁰

Glen Canyon seeks to expand this NOA Amendment redispatch tool far beyond what the Company proposed and FERC approved. Specifically, Glen Canyon asks this Commission to order that any network upgrades that the Company's transmission function would have normally identified in Glen Canyon's state-jurisdictional QF *interconnection* study instead be held over for

³⁰ Rather, the proceeding focuses exclusively on FERC-jurisdictional transmission service. *See generally*, *PacifiCorp*, FERC Docket No. ER15-741-000 (discussing the firm *transmission* service a utility must make to deliver QF power, circumstances under which a transmission provider would be required to build network upgrades to accommodate firm *transmission* service requests, and a construction alternative for when QFs cause or contribute to the need for network upgrades necessary to accommodate firm *transmission* service).

identification in the Company's merchant function's FERC-jurisdictional *transmission* service study so the NOA Amendment redispatch tool can be used to avoid construction of those upgrades. The Commission does not have the authority to expand the FERC-jurisdictional transmission service tool in this manner and should dismiss Glen Canyon's Request accordingly.

c. Glen Canyon's Approach Would Violate Customer-Indifference and Cost-Causation Principles

Even if it were within this Commission's authority to take the actions requested by Glen Canyon, it would require shifting interconnection costs to the Company's customers in violation Commission precedent establishing cost-causation and customer-indifference principles in the PURPA context.

The Commission's QF interconnection cost-allocation policy is consistent with traditional cost-causation principles, and it should be reinforced and upheld here.³¹ The Commission has said that PURPA "specifies the obligation of the Company to make necessary interconnections with a QF, the costs of which, as approved by this Commission, *are to be paid by the QF.*"³² This Commission has also explained that "[o]ne of our key objectives in implementing PURPA is to maintain ratepayers' indifference to whether power is provided by the utility or the QF."³³ It is

³¹ It is also consistent with the Commission's existing cost allocation policies for other generator interconnections. *See, e.g.*, Utah Admin. Code R746-312.

³² *In the Matter of the Application of PacifiCorp for Approval of an IRP-Based Avoided Cost Method for QF Projects Larger than One Megawatt*, Docket No. 03-035-014, October 1, 2005 Report and Order at 4 (emphasis added).

³³ *In the Matter of the Application of Rocky Mountain Power for Approval of Changes to Renewable Avoided Cost Methodology for Qualifying Facilities Projects Larger than Three Megawatts*, Docket No. 12-035-100, December 20, 2012 Order at 13. This policy is consistent with PURPA's statutory mandate. For example, Section 210(b) provides that purchases from QFs must be at rates that are: (1) just and reasonable to electric consumers and in the public interest; (2) not discriminatory against QFs; and (3) not in excess of "the incremental cost to the electric utility of alternative electric energy." 16 U.S.C. §824a-3(b). Section 210(d) of PURPA, in turn, defines "incremental cost of alternative electric energy" as "the cost to the electric utility of the electric energy which, *but for* the purchase from [the QF], such utility would generate or purchase from another source." 16 U.S.C. § 824a-3 (2006) (emphasis added).

also clear from PURPA’s legislative history that PURPA was not intended to provide subsidies to QFs.³⁴ Indeed, this Commission has stated that, “we do not read Chapter 12 [of Utah Code Title 54], PURPA, or any FERC regulation to require ratepayers to subsidize QF projects to make them profitable for investors.”³⁵ Instead, the Commission has endeavored to advance PURPA consistent with its “primary duty to ensure the reliability of electric service and to do so ‘on the basis of reasonable costs.’”³⁶

Granting Glen Canyon’s Request would violate these policies by shifting the cost of Glen Canyon’s QF interconnection to the Company’s customers in one of two ways. First, if the network upgrades required for Glen Canyon’s interconnection are inappropriately shifted to the transmission service study and constructed, the costs of those upgrades will be paid for by customers through transmission rates. Second, if the Company uses its NOA Amendment to inappropriately avoid construction of the upgrades necessary to accommodate Glen Canyon’s state-jurisdictional QF interconnection, then the Company will have to increase how much it needs to back down its generation resources to make room for the QF power to interconnect. This will not only shift operational flexibility-related costs to customers, but it will also rapidly diminish the value of the finite NOA Amendment redispatch tool. That is, the Company can redispatch its resources to allow only so much QF power to flow before even that operational change does not create enough room on a constrained system to let additional QFs interconnect.

³⁴ See, e.g., Joint Explanatory Statement of the Committee of Conference, H.R. Rep. No. 1750, 95th Cong. 2nd Sess. 98 (1978) (PURPA was “not intended to require the ratepayers of a utility to subsidize cogenerators or small power producers”).

³⁵ *In the Matter of the Application of Rocky Mountain Power for Modification of Contract Term of PURPA Power Purchase Agreements with Qualifying Facilities*, Docket No. 15-035-53, January 7, 2016 Order at 18.

³⁶ *Id.* at 16 (citing *Garkane Power Ass’n v. Public Serv. Comm’n of Utah*, 681 P.2d 1196, 1207 (Utah 1984)). See also *id.* at 14 (“It falls to this Commission to exercise its discretion to establish a contract term that advances the policy interests underlying PURPA and Chapter 12 [Utah Code Ann. § 54-12] without unduly burdening ratepayers with excessive price risk.”).

Under Glen Canyon’s proposal, the NOA Amendment would no longer be an optional tool intended to protect customers from the cost of *transmission*-service-driven network upgrades if redispatching resources is more economical. Rather, the NOA Amendment would be transformed into a mandatory QF interconnection study assumption designed to protect QFs from the cost of *interconnection*-driven network upgrades at the expense of the Company’s customers. The Commission should dismiss Glen Canyon’s Request because it does not have jurisdiction to order the requested relief. Just as importantly, however, doing so would violate Commission precedent establishing customer-indifference and cost-causation principles in the PURPA context.

d. Glen Canyon’s Request Could Interfere with the Company’s Current Transmission Rights and Its Contractual Obligations to APS

Even if the jurisdictional issues are ignored here, which they cannot be, Glen Canyon’s request is simply untenable. Glen Canyon says it has sized its project to fit within existing transmission rights that it claims the Company owns. This is false. Glen Canyon’s Request oversimplifies the potential impacts of a utility being forced to discontinue using its existing transmission rights for their current purposes to deliver even a “perfectly sized” QF project. In Glen Canyon’s case, the impacts include potential interference with the Company’s current transmission rights and its obligations to APS under a legacy transmission contract on file with FERC.

Glen Canyon’s Request discusses at length the Company’s transmission rights on its Sigurd to Glen Canyon (Sigurd-GC) line and how Glen Canyon resized its projects to “match exactly” these rights. Glen Canyon states, for example:

The Total Transfer Capacity (“TTC”) of the Sigurd-GC Line is 300 MW south to north, the path is fully subscribed and there is no remaining ATC. RMP holds 95 MW of long-term firm network integration transmission service rights on this path. That is, of the 300 MW of TTC, RMP has 95 MW of firm network transmission

rights on the path. RMP's 95 MW of transmission rights are sufficient to allow RMP to transmit, from the point of interconnection of the GC Resources to RMP's load, all of the GC Energy. Indeed, the GC Resources were sized to match exactly RMP's available rights.³⁷

Glen Canyon misunderstands the type of transmission service rights the Company has held on the Sigurd-GC line and inaccurately assumes it would be simple to discontinue using those rights for their current purposes because Glen Canyon has resized its projects to "exactly match" them.

The type of transmission service rights the Company has on the Sigurd-GC line varies between firm point-to-point service and network transmission service depending on the time of year. This is a critically important fact because, as described in detail above, the Company's NOA Amendment redispatch option only applies to its *network* transmission service rights. Glen Canyon's assertion that the Company can simply use its NOA Amendment to avoid the need for any of Glen Canyon's interconnection-driven network upgrades, or even to avoid the need for the type of network upgrades to which the tool was *intended* to apply (*i.e.*, transmission-driven network upgrades identified in the transmission study provided to the Company's merchant function) for that matter, overlooks the potential complicating factor that the Company has not historically held year-round network transmission rights.

In addition, the Company is currently using the same transmission service rights that Glen Canyon seeks to grab, in part to fulfill its contractual obligations to APS under a legacy transmission service agreement on file with FERC.³⁸ The Company and APS are parties to an intertwined set of legacy contracts that, among other things, grant the companies transmission

³⁷ Request at 7, P 9 (internal citation omitted).

³⁸ *PacifiCorp*, Letter Order, FERC Docket No. ER97-2093, Rate Schedule FERC No. 436 (Jun. 6, 1997).

rights on their respective systems. As most relevant here, one of these agreements is a 1995 FERC-jurisdictional transmission agreement that requires the Company to hold certain firm transmission rights available for APS to use over several different paths on the Company's transmission system, including the Sigurd-GC line.³⁹ FERC has recognized these rights, both by approving the legacy contract as a FERC transmission rate schedule in 1997 and also by ruling on the appropriate amount of demand to be allocated to APS for the Company's ratemaking purposes in light of APS's rights under the legacy transmission agreement.⁴⁰

Glen Canyon's claim that "the GC Resources were specifically sized to avoid curtailment and Network Upgrades"⁴¹ presumes that the Company's merchant function can use its NOA Amendment to simply "redispatch away" all existing uses of its transmission rights to deliver Glen Canyon's project. The reality is that the Company *cannot* transmit all the energy produced by Glen Canyon's projects without potential complications requiring network upgrades or curtailment.

The Commission should dismiss Glen Canyon's Request because it does not have jurisdiction to order the requested relief, and doing so would potentially interfere with the Company's obligations under a FERC-jurisdictional legacy transmission contract with APS.

B. Glen Canyon's Request is Unripe for Adjudication and May Ultimately Be Rendered Moot.

The Commission should also dismiss Glen Canyon's Request because it is unripe for adjudication and may ultimately be rendered moot when Glen Canyon receives its currently

³⁹ See, e.g., Restated Transmission Agreement between PacifiCorp and Arizona Public Service Company, Sections 5.01 and 5.02 (describing APS's firm transmission rights over facilities such as those "between the Glen Canyon/Four Corners Substations and the Borah/Brady Substations in Idaho," as well as APS's "right to make and/or accept deliveries at the Glen Canyon Substation" in accordance with the terms of a different legacy transmission contract between the parties).

⁴⁰ See, e.g., *PacifiCorp*, 79 FERC ¶ 63,003, *aff'd*, 84 FERC ¶ 61,303 (1997).

⁴¹ Request at 12, P 22.

pending interconnection study.

Under Utah law, “a ‘justiciable controversy’ is the ‘keystone’ of our judicial framework.”⁴² Indeed, “[i]n the absence of any justiciable controversy between adverse parties, the courts are without jurisdiction.”⁴³ In the context of ripeness, Utah courts have observed that “to constitute a justiciable controversy, a conflict over the application of a legal provision must have sharpened into an actual or imminent clash of legal rights and obligations between the parties[.]”⁴⁴ When there is “no more than a difference of an opinion regarding the hypothetical application of a piece of legislation to a situation in which the parties might, at some future time, find themselves, the question is unripe for adjudication.”⁴⁵

The crux of Glen Canyon’s position is that it does not want to pay for any network upgrades needed to interconnect its QF projects. QF interconnection costs—including network upgrades—are initially identified in QF interconnection studies. The Company is still processing Glen Canyon’s QF interconnection request,⁴⁶ however, because there are 12 higher-queued requests totaling approximately 1900 MW that must be processed before Glen Canyon’s request.⁴⁷

As required by the interconnection procedures in the Company’s OATT, the facilities needed to accommodate those higher-queued requests will be assumed in place for purposes of

⁴² *Carlton*, 323 P.3d at 580 (citations omitted).

⁴³ *Williams*, 626 P.2d at 503.

⁴⁴ *Redwood Gym v. Salt Lake County Comm’n*, 624 P.2d 1138, 1148 (Utah 1981), *see also Boyle v. Nat’l Union Fire Ins. Co.*, 866 P.2d 595, 598 (Utah Ct. App. 1993). *Williams*, 626 P.2d at 503 (“[i]n the absence of any justiciable controversy between adverse parties, the courts are without jurisdiction.”); *Carlton*, 323 P.3d at 580 (“a ‘justiciable controversy’ is the ‘keystone’ of our judicial framework.” (citations omitted)).

⁴⁵ *Redwood Gym*, 624 P.2d at 1148.

⁴⁶ Glen Canyon initially requested and received an interconnection study as a *non-QF* project. It later withdrew that request and submitted a new one for *QF* interconnection service. Request at 4-5.

⁴⁷ Glen Canyon acknowledges in its Request and subsequent testimony that its QF interconnection study is still pending. Request at 8; Direct Testimony of Hans Isern, Docket No. 17-035-36, June 29, 2017 at 9.

Glen Canyon's interconnection study.⁴⁸ If the higher-queued projects require network upgrades that can also facilitate Glen Canyon's interconnection, then Glen Canyon's interconnection study may not identify any additional network upgrades, which would render Glen Canyon's Request moot. Thus, Glen Canyon is merely seeking the hypothetical application of a provision of a FERC-jurisdictional agreement to a *future* interconnection study that might not even identify network upgrade costs that Glen Canyon disputes. Indeed, due to the long queue of projects ahead of Glen Canyon, such a determination at this point would be highly speculative at best.

Although the Commission has jurisdiction over QF interconnection studies, QF interconnection agreements, and the allocation of any costs arising from QF interconnections, here there is "no more than a difference of an opinion regarding the hypothetical application" of this Commission's PURPA authority,⁴⁹ rendering this aspect of Glen Canyon's Request beyond the Commission's jurisdiction, with the possibility that the future study may render Glen Canyon's Request moot in any event.

V. CONCLUSION

The Commission should dismiss Glen Canyon's Request because FERC has exclusive jurisdiction over the NOA Amendment, and Glen Canyon's Request is unripe because the Company's transmission function has not yet completed Glen Canyon's interconnection study. In addition to these core jurisdictional defects, granting Glen Canyon's Request, even if hypothetically permissible, would violate customer-indifference and cost-causation principles by making the Company's customers responsible for costs caused by Glen Canyon's siting decisions.

⁴⁸ PacifiCorp OATT, Part IV, § 42.3 (scope of interconnection system impact study).

⁴⁹ *Redwood Gym*, 624 P.2d at 1148.

RESPECTFULLY SUBMITTED: July 14, 2017

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CERTIFICATE OF SERVICE

Docket No. 17-035-36

I hereby certify that on July 14, 2017, a true and correct copy of the foregoing was served by electronic mail to the following:

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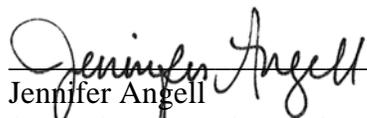
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