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RE: Wyoming Docket 20000-545-ET-18  
RMCRE 4<sup>th</sup> Set Data Request (1-3)

Please find enclosed Rocky Mountain Power's Responses to RMCRE 4<sup>th</sup> Set Data Requests 4.1-4.3. Also provided is Attachment RMCRE 4.3.

If you have any questions, please call me at (307) 632-2677.

Sincerely,

\_\_\_\_\_/s/\_\_\_\_\_  
Stacy Splittstoesser,  
Manager, Regulation

Enclosures

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### **RMCRE Data Request 4.1**

Please refer to Page 8, lines 11-20 of the Rebuttal Testimony of Mark P. Tourangeau, in which Mr. Tourangeau makes reference to a 140.7 MW nameplate capacity QF in Wyoming.

- (a) Please identify the QF referenced in Mr. Tourangeau's testimony. In your response, please provide the name of the QF(s), its generation technology, its location in Wyoming, and the interconnection queue number.
- (b) Please state whether the "140.7 MW nameplate capacity QF" referenced in the testimony is actually two (or more) QFs and, if so, please provide all of the information requested in subpart a, above, for each QF.
- (c) Please explain in detail how and why the referenced QF(s) experienced the "intervals of negative pricing" referenced in the testimony. In your answer, please explain what role, if any, that production tax credits ("PTCs") and/or PacifiCorp's participation in the Energy Imbalance Market ("EIM") played in creating these "intervals of negative pricing" that you claim the QF(s) experienced.
- (d) Please identify the hours in each year (2017 & 2018) that the "intervals of negative pricing occurred." If the "140.7 MW nameplate capacity QF" referenced in the testimony is actually two (or more) QFs, please quantify the "intervals of negative pricing" in 2017 and 2018 associated with each QF separately.
- (e) Please explain in detail how the "total cost to customers" identified in lines 15 and 16 of the referenced testimony was calculated and how it was attributed to the referenced QF(s).
- (f) For the QF(s) referenced in this portion of the testimony, please state the 2017 and 2018 revenues from PacifiCorp's participation in the EIM that is associated with the QF(s), using the same method of attribution used to identify the costs to ratepayers set forth in the referenced testimony.
- (g) State the 2017 and 2018 revenues from PacifiCorp's participation in the EIM that is associated with all QFs on PacifiCorp's system, using the same method of attribution used to identify the costs to ratepayers set forth in the referenced testimony.

### **Response to RMCRE Data Request 4.1**

- (a) The testimony is referencing the following two qualifying facility (QF) projects:

Mountain Wind 1 – 60.9 megawatts (MW); wind turbine; Uinta County, Wyoming; Q0090.

Mountain Wind 2 – 79.8 MW; wind turbine; Uinta County, Wyoming; Q0096.

- (b) Please refer to the Company's response to subpart (a) above.
- (c) The "intervals of negative pricing" represent times during which, due to the Company's participation in the energy imbalance market (EIM), the Company could have received a "credit" for taking power onto its system rather than paying for power or generating itself, thus benefitting customers. During intervals of negative pricing, the Company seeks to reduce generation wherever feasible in order to receive a credit for taking power rather than purchasing or generating itself. Because QFs have a PURPA "must-take" obligation related to the contract terms of the QF power purchase agreements (PPA), the Company cannot curtail generation from those facilities in order to take advantage of the intervals of negative pricing to benefit customers, rather the Company is obligated to continue to pay the contracted price for QF power. Production tax credits (PTC) may influence to some degree the level to which generators on the system as a whole are willing to sell power at a loss in order to avoid losing potential PTCs by shutting down.
- (d) Please refer to the Company's response to WIEC-VK-TR Data Request 12.3.
- (e) Please refer to the Company's response to WIEC-VK-TR Data Request 12.3. The cost to customers was calculated utilizing the PacifiCorp East (PACE) balancing area (BA) load aggregation point 15-minute and real-time market prices multiplied by the scheduled wind output of a qualifying facility in Wyoming in order to calculate the lost opportunity to receive power from the market at a negative price. This reflects the cost to PacifiCorp's customers to have to take generation from a wind facility rather than getting paid by the market to take excess power from elsewhere in the EIM.
- (f) The Company has not performed the requested analysis. Notwithstanding, for data for non-negatively priced intervals, please refer to the Company's response to WIEC-VK-TR Data Request 12.3.
- (g) Please refer to the Company's response to subpart (f) above.

Respondent: Kyle Moore / Dan MacNeil / Kelcey Brown

Witness: Mark Tourangeau

**RMCRE Data Request 4.2**

Please refer to Page 19, lines 1-4 of the Rebuttal Testimony of Mark P. Tourangeau, in which Mr. Tourangeau states that it is “imperative to shorten the contract length to seven years” to “restore customer indifference.”

(a) Please state whether PacifiCorp has performed or is aware of any studies that support this statement.

(b) If PacifiCorp has performed or is aware of any such studies, please produce them.

**Response to RMCRE Data Request 4.2**

(a) Yes.

(b) In 2016 and 2017, the Company entered 20-year power purchase agreements (PPA) with Wyoming solar qualifying facilities (QF) totaling 138 megawatts (MW). These PPAs have effective levelized prices in excess of \$40 per megawatt-hour (\$/MWh).

As shown in Table 2 on page 15 of the Direct Testimony of Company witness, Daniel J. MacNeil, the current avoided cost for a 20-year term starting in 2021 is less than \$30/MWh, a reduction of more than 25 percent from the recent solar QF PPAs.

With a shortened contract term changes in avoided costs, either up or down, will be incorporated more often, as the prices will be updated each time a PPA is renewed. Updated avoided cost prices will restore customer indifference. With a longer contract term, any divergence in forecasted avoided costs will be sustained for many years.

Respondent: Dan MacNeil

Witness: Dan MacNeil and Mark Tourangeau

**RMCRE Data Request 4.3**

Please refer to RMP's response to WPSC Data Request 1.7, in which RMP notes that the maximum QF contract term length in Utah is 15 years and that the authorizing docket number associated with the Utah approved QF contract length is Docket No. 15-035-53.

(a) Please identify each Utah QF PPA with a term of 15 years that RMP has executed pursuant to the Utah PSC's ruling in Docket No. 15-035-53.

(b) For each QF PPA identified in response to subpart (a) above, please provide the following information:

1. nameplate capacity,
2. scheduled commercial operation date,
3. generation technology, and
4. state whether the QF PPA has been terminated or whether the QF is in service, in progress but not yet in service, or deactivated.

**Response to RMCRE Data Request 4.3**

(a) Please refer to Attachment RMCRE 4.3.

(b) Please refer to the Company's response to subpart (a) above.

Respondent: Bruce Griswold

Witness: Dan MacNeil