



1407 W North Temple, Suite 330
Salt Lake City, Utah 84116

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Michelle Brandt King, #7-5173
Abigail Briggerman, #7-5476
Gina Gargano-Amari
Hannah Oakes
Holland & Hart LLP
6380 South Fiddlers Green Circle, Suite 500
Greenwood Village, CO 80111
mbking@hollandhart.com (C)(W)
acbriggerman@hollandhart.com (C)
glgargano-amari@hollandhart.com (W)
HMOakes@hollandhart.com (W)

RE: Wyoming Docket 20000-545-ET-18
WIEC-VK-TR 12th Set Data Request (1-3)

Please find enclosed Rocky Mountain Power's Responses to WIEC-VK-TR 12th Set Data Requests 12.1-12.3. Provided on the enclosed Confidential CD is Confidential Response WIEC-VK-TR 12.1 and Confidential Attachments WIEC-VK-TR 12.3-(1-2). Confidential information is provided subject to the protective order issued in this proceeding.

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

Sincerely,

_____/s/_____
Stacy Splittstoesser,
Manager, Regulation

Enclosures

C.c.: Christopher Leger/OCA christopher.leger@wyo.gov (C)
Phillip J. Russell/RMCRE prussell@hjdllaw.com (C)
Dale W. Cottam/RMCRE&REC dale@performance-law.com (C)
Ronald J. Lopez/RMCRE&REC ronnie@performance-law.com (W)(C)
Crystal J. McDonough/NLRA crystal@mcdonoughlawllc.com (C)
Irion Sanger/REC irion@sanger-law.com (C)
Marie Barlow/REC marie@sanger-law.com (C)(W)
John Lowe/REC jravenesanmarcos@yahoo.com

WIEC-VK-TR Data Request 12.1

CONFIDENTIAL REQUEST - Please refer to the Rebuttal Testimony of Mr. Tourangeau at page 13, lines 17-20, in which Mr. Tourangeau contends that long-term qualifying facility (QF) contracts generate \$0 forecasted economic benefits to customers.

- (a) Is it also Mr. Tourangeau's contention that the Company's planned wind resource in 2030 (according to the 2017 Integrated Resource Plan Update) would provide \$0 in economic benefits to customers?
- (b) If the planned wind resource in 2030 would provide positive economic benefits to customers and it is displaced by a QF that is paid the avoided cost of the planned wind resource, please explain how the former would provide positive economic benefits to customers but the latter would not.
- (c) Is Mr. Tourangeau's contention that long-term QF contracts generate \$0 forecasted economic benefits based on comparing the price paid to the QF to the cost of the energy and capacity avoided—and concluding that there are no savings relative to the cost of the energy and capacity avoided? Please confirm or deny that such a comparison does not take into account whether the capacity replaced by the QF would have itself provided economic benefits.
- (d) Please refer to Confidential Attachment WIEC-VK-TR 9.1 which provides revenue requirement information for the Energy Vision 2020 projects approved in Docket No. 20000-520-EA-17. Does RMP agree that the Cost/MWh shown on line 27 equals [REDACTED] on a levelized basis from 2021-2049 (using a 6.91% discount rate)? If not, please identify the levelized cost and provide the calculation.
- (e) Please confirm or deny that RMP contended that the Energy Vision 2020 projects it proposed in Docket No. 20000-520-EA-17 would provide between \$92 million and \$304 million in customer benefits in the medium gas scenarios (Corrected Second Supplemental Direct Testimony of Rick T. Link, at page 16).
- (f) Does RMP agree that that the levelized value identified in response to subpart (d) is within [REDACTED] of the average 20-year indicative price provided to prospective Wyoming wind QFs? (WIEC Exhibit 300.3). If RMP disagrees, please explain.

Response to WIEC-VK-TR Data Request 12.1

- (a) No. The Company has not identified what the economic benefits of the 2030 wind resource in the 2017 Integrated Resource Plan (IRP) Update preferred portfolio would be. The economic benefits would necessarily be relative to an alternative portfolio that did not include the 2030 wind resource, and it is not clear what combination of resource changes would comprise an optimized portfolio that did not include that resource.

- (b) By the definition of avoided costs, customers are not better off with a QF relative to the displaced 2030 wind resource. Moreover, to the extent customers are forced to pay for a qualifying facility (QF) based on today's expectations of the costs and benefits of a 2030 wind resource, they will forgo the opportunity to competitively procure resources with lower costs or higher benefits that are better aligned with requirements at that time.
- (c) Yes. The phrase "economic benefits" implies a comparison of two circumstances. Per the request, one of those circumstances includes the QF and implicitly the other does not, but it is not clear what other circumstance should be considered. Generically, it is possible for a QF to provide economic benefits relative to a portfolio that is not cost-effective relative to other options. However, the premise of QF avoided cost pricing is that a QF does not provide economic benefits relative to the most cost-effective portfolio.
- (d) Yes.
- (e) The referenced testimony speaks for itself.
- (f) No. These figures cannot be directly compared because the levelized value referenced in subpart (d) above spans a 29-year period therefore it is not on the same basis as the 20-year levelized value in this subpart (f).

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Respondent: Dan MacNeil

Witness: Dan MacNeil

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WIEC-VK-TR Data Request 12.2

WIEC-VK-TR Data Request 12.2

Please refer to the Rebuttal Testimony of Mr. Tourangeau, at page 11, lines 9-13. Please identify each cost disallowance related to the procurement of non-QF generation resources that have occurred in Wyoming in the past ten years on the grounds that the procurement was imprudent.

Response to WIEC-VK-TR Data Request 12.2

The Company objects to this request because it does not have responsive information in its possession custody or control, and because the information sought is equally available to the Wyoming Industrial Energy Consumers (WIEC), VK Clean Energy (VK) and Two Rivers Wind (TR), which are free to examine the relevant public records in Wyoming to gather such information. Without waiving the foregoing objection the Company responds as follows:

The Company does not keep a list of historical rate case outcomes detailing commission disallowances of costs for non-qualifying facility (QF) generation.

Respondent: Counsel

Witness: Mark Tourangeau

WIEC-VK-TR Data Request 12.3

Please refer to the Rebuttal Testimony of Mr. Tourangeau, at page 8, lines 11-16. Please provide the work papers supporting the calculation of the \$327,506 amount, in native format with all formulas intact. At a minimum, for each interval identify the:

- (a) amount of energy available at a negative price;
- (b) negative price;
- (c) amount of negatively priced energy actually purchased by the Company;
- (d) name of the resource decremented by the Company to effectuate the acquisition of the negatively priced energy; and
- (e) avoided cost (cost multiplied by quantity) of the resource decremented by the Company to effectuate the acquisition of the negatively priced energy.

Response to WIEC-VK-TR Data Request 12.3

PacifiCorp discovered a dataset error that did not correctly populate market schedules in the original spreadsheet. The dataset has been pushed forward by two months to eliminate this error. The correction in the data set increased the calculated curtailment benefit amount from \$327,506 to \$484,349 for the March 2017 through February 2019 period. The curtailment benefit was calculated by replicating the Energy Imbalance Market (EIM) settlement methodology on the raw data and then determining curtailment counterfactual schedules based on negatively priced intervals. The settlement methodology calculation was then performed on the counterfactual data. The delta between the two settlement calculations shows the potential benefit if the unit had been curtailed.

- (a) PacifiCorp is unclear on the requested information, the amount of “energy available” in the energy imbalance market (EIM) at any given price is not discernable by PacifiCorp based on publicly available information.
- (b) Please refer to negative prices in column J and column K in Confidential Attachment WIEC-VK-TR 12.3-1.
- (c) Please refer to Confidential Attachment WIEC-VR-TR 12.3-2 for the import volumes during the specified intervals that were negatively priced.
- (d) PacifiCorp does not identify specific resource decrements or increments related to imports and exports in the EIM.
- (e) Utilizing PacifiCorp’s EIM benefit methodology, PacifiCorp estimates its avoided costs using the interval EIM Load Aggregation Point (LAP) price and identifying the applicable avoided cost resource within the PacifiCorp generation stack for that operating day. This methodology does not assume that these were the specific

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resources that were utilized to facilitate the import or export within the EIM, it is an approximation due to the fact that PacifiCorp cannot specifically identify which resources were utilized for a transfer versus other changes within the PacifiCorp balancing area (BA). Please refer to Confidential Attachment WIEC-VK-TR 12.3-2.

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Respondent: Kelcey Brown / Ramon Mitchell/ Mitch Kunstel

Witness: Mark Tourangeau