

DECISION MEMORANDUM

**TO: COMMISSIONER ANDERSON
COMMISSIONER HAMMOND
COMMISSIONER LODGE
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

**FROM: DAYN HARDIE
DEPUTY ATTORNEY GENERAL**

DATE: OCTOBER 17, 2023

**SUBJECT: IN THE MATTER OF ROCKY MOUNTAIN POWER’S PROPOSED
CHANGES TO ELECTRIC SERVICE REGULATION NO. 12, TARIFF
ADVICE NO. PAC-TAE-23-01.**

On October 3, 2023, PacifiCorp dba Rocky Mountain Power (“Company”), filed a Tariff Advice proposing changes to its Electric Service Regulation No. 12—Line Extensions (“Regulation No. 12”), effective January 1, 2024. The Company cited concerns with service requests from prospective large customers with loads that may never fully materialize. As it stands, prospective large customers are eligible for an allowance up to nine times the estimated monthly revenue generated from the customer under Regulation No. 12. The Company is concerned that large projects eligible for the allowance necessitate upfront investment, but the projects may never be fully built out leaving the Company with stranded, expensive infrastructure investments that would not be offset from revenue generated from the customer, as anticipated. This situation would leave other customers to pay for the investments.

To avoid the type of harm described above, the Company proposes to add part 3(b) to Regulation No. 12 to limit allowances for customers whose service requirements exceed 25,000 kilovolt-amperes. The Company’s proposal would limit the allowance to the “cost of metering equipment necessary to measure the Customer’s usage.” Tariff Advice at 2. For customers who entered a master electric service agreement (“MESA”) with the Company prior to October 3, 2023, the Company proposes to provide the allowance according to the terms of the MESA. For those customers who have received a written estimate of the line extension allowance prior to October 3, 2023, but have not yet executed a MESA with the Company, the Company proposes to give

those customers six months from the filing date to execute a MESA to receive the allowances included in the estimate. Any requests made after October 3, 2023, would be subject to the updated Regulation No. 12.

STAFF RECOMMENDATION

After reviewing the Company's Tariff Advice, Staff believes a more formal process is necessary to allow for participation by those who might be affected by the proposed changes. Staff recommends the Commission treat the Tariff Advice as an Application by assigning a case number and issue a Notice of Application and Notice of Intervention setting a 21-day intervention deadline.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and set a 21-day intervention deadline?



Dayn Hardie
Deputy Attorney General

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