

## DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER  
COMMISSIONER REDFORD  
COMMISSIONER SMITH  
COMMISSION SECRETARY  
COMMISSION STAFF**

**FROM: KRISTINE SASSER  
DEPUTY ATTORNEY GENERAL**

**DATE: NOVEMBER 15, 2013**

**SUBJECT: ROCKY MOUNTAIN POWER'S APPLICATION FOR APPROVAL OF  
CAPACITY DEFICIENCY, CASE NO. PAC-E-13-12**

In Order No. 32697, the Commission directed that a case be initiated outside of each utility's Integrated Resource Plan (IRP) filing for the establishment of the capacity deficiency period to be utilized in the utility's SAR methodology. On October 15, 2013, Rocky Mountain Power filed an Application requesting that the Commission approve its updated capacity deficiency periods to be utilized in its SAR avoided cost methodology.

### THE APPLICATION

On April 30, 2013, Rocky Mountain Power filed its 2013 IRP with the Commission. The 2013 IRP includes the results of the Company's capacity balance. Rocky Mountain Power states that the capacity balance is calculated for summer peak loads only. The Company reports that the capacity balance is developed by determining firm resource capacity available at the annual system peak load hour, plus a 13% planning reserve margin. The study reports that the Company is capacity deficient in 2013. The capacity deficit is 824 MW starting in 2013 and increases to 2,308 MW by 2022.

The Company reports in its IRP that, "during on-peak periods, the first energy shortfall appears in July 2018 and 2022 available system energy falls short of monthly loads in January, July, August, and October." 2013 IRP, Figure 5.5; Application at 5. Rocky Mountain Power maintains that updating the peak and energy balances to reflect the Company's most recent load forecast and recent changes in long-term contracts would not alter the identified deficit years.

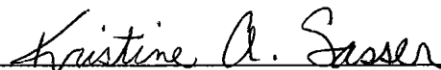
The Company requests that the Commission approve Rocky Mountain Power's identified capacity deficiency periods to be utilized in its SAR calculation. The Company further requests that its Application be processed by Modified Procedure.

#### **STAFF RECOMMENDATION**

Staff has reviewed Rocky Mountain Power's Application and recommends that it be processed by Modified Procedure. Staff further recommends that the Commission allow parties who claim a direct and substantial interest to intervene. After the deadline for intervention has passed, Staff will convene an informal conference with the parties and recommend further procedure to the Commission.

#### **COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application setting a 14-day deadline for intervention?

  
\_\_\_\_\_  
Kristine A. Sasser  
Deputy Attorney General

M:PAC-E-13-12\_ks