

The logo consists of a solid black square. Inside the square, the text "STATE OF UTAH" is at the top in a small, white, sans-serif font. Below it, "PUBLIC SERVICE" is written in a larger, bold, white, sans-serif font. At the bottom, "COMMISSION" is written in the same small, white, sans-serif font as the top line.

STATE OF UTAH  
**PUBLIC SERVICE**  
COMMISSION

# Public Service Commission of Utah Long-Term Planning

Thad LeVar, Chair  
Public Service Commission of Utah  
Presentation to the Public Utilities, Energy,  
and Technology Interim Committee  
June 15, 2016

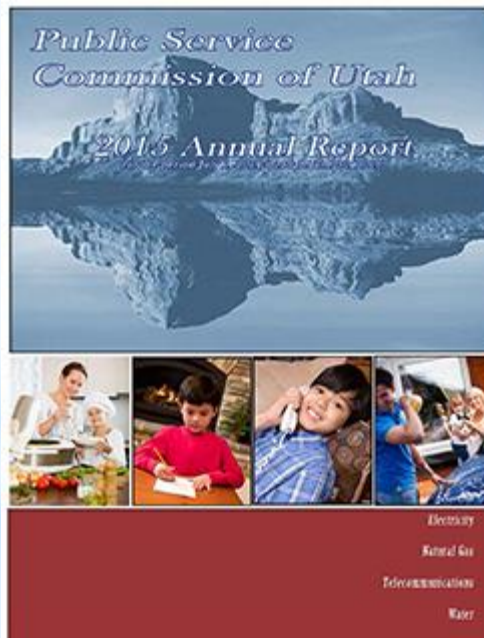
# Origins and Scope

The purpose of the PSC is to assure safe, adequate, and efficient utility service at just and reasonable rates.

The PSC has jurisdiction to supervise and regulate Utah's public utilities including electricity, natural gas, telecommunications and small independent water companies that are public utilities.

# PSC Annual Report

The PSC publishes an annual report outlining all of the dockets and activities of the Commission over the previous fiscal year.



[psc.utah.gov/aboutus/annualreport.html](http://psc.utah.gov/aboutus/annualreport.html)

# Objectives

Goal: A simple and understandable regulatory process that is accessible, fair and transparent.

Providing balanced regulation ensuring:

- \* Just and reasonable rates;
- \* Safe and reliable utility service; and
- \* Financially healthy utilities.



# Potential Legislation

- \* In 2015, the PSC drafted legislation to allow some uncontested telecommunications dockets to proceed informally, without a hearing.
- \* The legislation was designed to save time and money for participants, while allowing any interested party the option to request that the PSC hold a hearing.
- \* During 2015 the PSC distributed the draft legislation to all of its telecommunications stakeholders and received no opposition to the proposal.
- \* The PSC is hopeful someone will be willing to sponsor this legislation during the 2017 General Session.

# Long-Term Planning

- \* Utah Code Ann. § 54-1-10: “The [PSC] shall engage in long-range planning regarding public utility regulatory policy in order to facilitate the well-planned development and conservation of utility resources.”
- \* In the 1990s the PSC initiated the current process for PacifiCorp and Questar Gas: Integrated Resource Planning (“IRP”).
- \* The goal of the IRP process is the selection of the optimal set of resources given the expected combination of costs, risks, and uncertainty.
- \* An IRP is developed by PacifiCorp and by Questar Gas and receives regulatory review through a transparent PSC process.



# Integrated Resource Planning - PacifiCorp

PacifiCorp files an IRP describing its plan to supply and manage growing demand for electricity in its six-state service territory under a 20 year outlook and a 10 year business plan.

PacifiCorp's most recent IRP, filed in 2015 and updated in 2016, addresses the following issues:

- \* An estimated peak capacity deficiency of 2,120 megawatts by 2024;
- \* A plan to address the deficit through a combination of gas-fired generation, energy efficiency programs, load management, and firm power purchases;
- \* Approaches for addressing the federal Clean Power Plan and regional haze requirements; and
- \* PacifiCorp's projections related to retiring Naughton Unit 3 (Kemmerer, Wyoming) in 2017 and Cholla Unit 4 (Joseph City, Arizona) in 2024.

PacifiCorp's 2017 IRP will be filed in March 2017, and pre-filing stakeholder meetings are currently taking place.

# Integrated Resource Planning - Questar Gas

Questar files an annual IRP that projects system growth and anticipated supply purchases.

Questar's 2015 IRP focuses on areas including:

- \* Demand forecasting;
- \* Balancing natural gas production and purchases;
- \* Purchase decision flexibility within the IRP guidelines as weather and load conditions warrant;
- \* Identification of system constraints;
- \* Monitoring and management of producer imbalances; and
- \* Cost efficient energy efficiency measures.

Questar's next IRP will be filed with the PSC in June 2016.



# Integrated Resource Planning - PSC Process

IRP documents are available on the PSC website.

The PSC process allows a thorough vetting of each IRP with all stakeholders.

PSC acknowledgment promotes a transparent process and evaluation of the utility's planning.

# How are we doing?

Utah customers pay among the lowest rates in the country for reliable electricity and natural gas service.

Utah's innovative, cost-effective regulatory approaches have attracted the attention of a number of other states.

Utah's energy rates continue to be a major economic development tool for Utah jobs growth.

Regulated utilities in Utah consistently receive high ratings for quality of operations and investor appeal.

The logo for the State of Utah Public Service Commission is a black square with white text. The text is arranged in three lines: "STATE OF UTAH" at the top, "PUBLIC SERVICE" in the middle, and "COMMISSION" at the bottom.

STATE OF UTAH  
**PUBLIC SERVICE**  
COMMISSION

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