

While we see the need to monitor and examine programs on an ongoing basis, we are concerned that the scope of issues to be examined within the context of this docket not be too broad.

Cost Recovery: The primary issue that Salt Lake Community Action Program believes should be examined, whether or not it is ultimately changed, is the issue of the appropriate cost recovery mechanism for Demand Side Management programs. The tariff rider mechanism has worked well over the years since Rocky Mountain Power has pursued aggressive DSM . However, circumstances have converged recently to create a level of interest and uptake on programs which increased costs beyond expectations and resulted in the need for a substantial increase in the tariff rider. SLCAP is concerned about how best to balance the need for aggressive DSM with a cost recovery mechanism that is stable, predictable and doesn't lead to rapid increases. Some of the issues that could be examined include the following.

- Is there a better mechanism to collect costs over time that results in a more stable collection rate even if it means paying a carrying charge? What is the appropriate balance?
- The current tariff rider mechanism appears as a separate line item where expenditures for supply side resources do not. Is there a way that would make the collection of these costs more symmetrical in the eyes of the ratepayers who see no specific line item for supply side resources on their bills?

Cost Effectiveness: SLCAP does not support a full review of the cost effectiveness of the full range of DSM programs in this docket as proposed by the Utah Association of Energy Users (UAE) and the Utah Industrial Energy Customers (UIEC) These programs have been fully examined by the DSM Advisory Group and more importantly, approved by the Public Service Commission. If a party has specific concerns about the cost effectiveness or workings of a particular program, then it should bring that concern before the Commission in a separate docket. The cost effectiveness tests themselves are currently being considered in Docket No. 09-035-27.

Capping Program Costs: SLCAP does not concur with the concept proposed by UAE and UIEC of capping DSM program costs. Some provisions in the recent Stipulation filed with the Public Service Commission (PSC) on August 3, 2009 should help to mitigate concerns relating to monitoring the programs on a regular basis and providing for a review by the PSC when expenditures reach a certain limit.

Opt Out Provisions: SLCAP does not support examination of an opt-out provision for industrial customers in this docket. It would be appropriate, if there are concerns regarding the current self-direction provisions in the tariff, to revisit them within the context of the DSM Advisory Group.

For nearly a decade, the DSM Advisory group has been an excellent collaborative tool which provides an effective forum in which ideas, proposals and programs have been vetted and refined for a variety of purposes. This has ranged from proposals for legislation to permit the current tariff rider, to advising the Company on a realm of issues from specific DSM programs to reformulating the appropriate cost effectiveness tests. And it has done so without the need to engage in more costly litigated proceedings. We would suggest that where possible, it is preferable to refer issues to the Advisory Group to determine if it is possible to come to a consensus and continue the process that has worked well over the years prior to going through a litigated process.

Finally, Salt Lake Community Action Program respectfully requests that the Public Service Commission make a determination of the scope of issues it wishes to consider in this docket prior to the September 9th Scheduling Conference. This will enable the parties to set a schedule appropriate to address the issues the Commission wants to consider in this docket.

Certificate of Service

I hereby certify that a true and correct copy of the foregoing Scope of Issues in Docket No. 09-035-T08, of Salt Lake Community Action program, was mailed electronically this 18th day of August, 2009, to the following:

Mark C. Moench
Yvonne R. Hogle
Daniel E. Solander
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
mark.moench@pacificorp.com
yvonne.hogle@pacificorp.com
daniel.solander@pacificorp.com

Dave Taylor
Rocky Mountain Power
201 South Main, Suite 2300
Salt Lake City, UT 84140-0023
dave.taylor@pacificorp.com

Michael Ginsberg
Patricia Schmid
Assistant Attorneys General
160 East 300 South, 5th Floor
Salt Lake City, UT 84111
mginsberg@utah.gov
pschmid@utah.gov

Paul Proctor
Assistant Attorney General
160 East 300 South, 5th Floor
Salt Lake City, UT 84111
pproctor@utah.gov

Michele Beck
Cheryl Murray
Office of Consumer Services
160 East 300 South, 2nd Floor
Salt Lake City, UT 84111
mbeck@utah.gov
cmurray@utah.gov

Philip Powlick
William Powell
Utah Division of Public Utilities
160 East 300 South, 4th Floor
Salt Lake City, UT 84111
PhilipPowlick@utah.gov
wpowell@utah.gov

F. Robert Reeder
William J. Evan
Vicki M. Baldwin
Parsons Behle & Latimer
One Utah Center, Suite 1800
Salt Lake City, UT 84111
bobreeder@parsonsbehle.com
bevans@parsonsbehle.com
vbaldwin@parsonsbehle.com

Gary A. Dodge
Hatch, James & Dodge
10 West Broadway, Suite 400
Salt Lake City, UT 84101
gdodge@hjdllaw.com

Kevin Higgins
Neal Townsend
Energy Strategies
39 Market Street, Suite 200
Salt Lake City, UT 84101
khiggins@energystrat.com
ntownsend@energystrat.com

Holly Rachel Smith, Esq.
Russell W. Ray, PLLC
6212-A Old Franconia Road
Alexandria, VA 22310
holly@raysmithlaw.com

Ryan W. Kelly, USB#9455
Kelly & Bramwell, P.C.
11576 South State Street, Bldg. 203
Draper, UT 84020
ryan@kellybramwell.com

Steve W. Chriss
Wal-Mart Stores, Inc.
2001 SE 10th Street
Bentonville, AR 72716-0550
Stephen.chriss@wal-mart.com

Sarah Wright
Kevin Emerson
Utah Clean Energy
1014 2nd Avenue
Salt Lake City, UT 84103
sarah@utahcleanenergy.org
Kevin@utahcleanenergy.org

Howard Geller
SWEEP
2260 Baseline Rd., Suite 220
Boulder, CO 80302
hgeller@swenergy.org

Steven S. Michel
Western Resource Advocates
227 East Palace Avenue, Ste. M
Santa Fe, NM 87501
smichel@westernresources.org

Lowery Brown
Western Resource Advocates
2260 Baseline Rd., Suite 200
Boulder, CO 80302
lbrown@westernresources.org

Respectfully,

Betsy Wolf
Salt Lake Community Action Program