

December 12, 2012

VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

Public Service Commission of Utah Heber M. Wells Building, 4th Floor 160 East 300 South Salt Lake City, UT 84114

Attention: Gary Widerburg

Commission Secretary

Re: Docket No. 09-035-27 Annual Report Cost-Effectiveness Testing Requirements

In the above referenced docket dated October 7, 2009, the Public Service Commission ("Commission") amended the 1995 performance standards to include recommendations from the Utah Demand Side Management and Other Resources Benefit and Cost Analysis Guidelines and Recommendations ("Report") subject to the comments and additions contained within the order. One of the additions in the order requires Rocky Mountain Power ("Company") to perform cost effectiveness tests assuming the most current IRP avoided costs and an additional set of cost effectiveness tests using the avoided costs from when the program was approved.

Since receipt of the order, the Company has included cost effectiveness analyses at the program, sector and portfolio levels using both the most current IRP avoided costs and the avoided costs at the inception of each program. On September 5, 2012, the Company discussed the value and the cost (\$3,400 related to the 2011 report) of the latter analyses with its Demand-side Management Steering Committee with follow up on November 2, 2012. Based on these discussions, the Company requests that the requirement to perform cost effectiveness tests using the avoided costs from when the program was approved only be required for new programs one year after implementation or on existing programs with significant program changes in that year.

Rocky Mountain Power respectfully requests that all formal correspondence and staff requests regarding this filing be addressed to:

By e-mail (preferred): <u>datarequest@pacificorp.com</u>

dave.taylor@pacificorp.com lisa.romney@pacificorp.com

By regular mail: Data Request Response Center

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Please direct any inquires concerning this matter to Lisa Romney, Demand-side Management Regulatory Manager, at (801) 220-4425.

Sincerely,

Carol L. Hunter Vice President, Services