



201 South Main, Suite 2300
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January 29, 2013

***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: Advice No. 13-01
Schedule 194 Demand-side Management Cost Adjustment Credit**

Enclosed for filing are an original and two copies of proposed tariff sheets associated with Tariff P.S.C.U No. 49 of PacifiCorp, d.b.a. Rocky Mountain Power, applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405D, Rocky Mountain Power (the "Company") states that the proposed tariff sheets do not constitute a violation of state law or Commission rule. The Company will also provide an electronic version of this filing to psc@utah.gov.

First Revision of Sheet No. 194.1 Schedule 194 Demand Side Management
(DSM) Cost Adjustment Credit

First Revision of Sheet No. 194.2 Schedule 194 Demand Side Management
(DSM) Cost Adjustment Credit

On November 27, 2012, the Company filed a revised forecast of program expenditures and savings for 2013 as required in Docket No. 09-035-T08. Attachment B of that filing showed that, without a change to either the Schedule 193 surcharge or the Schedule 194 sur-credit, the DSM deferral account would grow to a balance of over \$17.7 million over collected. The Company met with the DSM Steering Group on December 4, 2012 to discuss options of handling the over-collection of the tariff Schedule 193 revenues while considering the possible expenditures that may result as part of a recently issued Request For Proposal (RFP).

It was agreed by all parties that the existing Schedule 194 sur-credit would be adjusted to achieve a targeted balance of \$6 million by the end of 2013. In addition, it was requested by the DSM Steering Group and agreed upon by the Company that the Utah balancing account would be revisited mid-2013 after more information was known regarding the direction of the current RFP issued. On January 2, 2013, the proposed increase in the adjusted sur-credit rate from 0.40% to 0.73%, which is necessary to bring the DSM deferral account balance to approximately \$6 million, was presented to the DSM Steering Group with no objection.

Rocky Mountain Power proposes to return the over collected amount to customers by increasing sur-credit from 0.40% to 0.73% effective March 1, 2013 through December 2013. Attached Exhibit A illustrates the revenue impact by customer rate schedule of increasing the sur-credit. Attached Exhibit B details the development of the proposed Schedule 194 rates by rate schedule. Attached Exhibit C contains the DSM balancing account analysis with the proposed change to the Schedule 194 sur-credit which shows a projected balance of approximately \$6 million on December 31, 2013.

Communications regarding this filing should be addressed to:

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In addition, Rocky Mountain Power respectfully requests that all data requests regarding this filing be addressed to:

By e-mail (preferred): datarequest@pacificorp.com
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Informal inquiries may be directed to Dave Taylor, regulatory manager, at (801) 220-2923.

Sincerely,

Carol L. Hunter

Vice President, Services

cc: Division of Public Utilities
Office of Consumer Services

Enclosures