BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of Rocky Mountain Power's Proposed Revisions to Electric Service Schedule No. 193 Demand Side Management (DSM) Cost Adjustment	))))))	Docket No. 15-035-T15

December 17, 2015
9:00 a.m.

Hearing Officer: Melanie Reif

Location: Heber M. Wells Building
160 East 300 South, Room 403
Salt Lake City, Utah
Job No. 280758
Reporter: Melinda J. Andersen
Certified Shorthand Reporter and Notary Public

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I N D E X

P R O C E E D I N G S

HEARING OFFICER: Good morning. I am Melanie Reif. I am the hearing officer for this hearing today in Docket 15-035-T15. This matter is entitled Rocky Mountain Power's Proposed Revisions to Electric Service Schedule 193, Demand Side Management (DSM) Cost Adjustment. Let's start by taking appearances, starting with the Company please.

MR. SOLANDER: Good Morning, Ms. Reif. Daniel Solander appearing on behalf of Rocky Mountain Power. I have with me at counsel table Esther Giezendanner, DSM Manager, who will be the Company's witness in this matter.

HEARING OFFICER: Thank you.

MS. SCHMID: Good Morning. Patricia E. Schmid with the Attorney General's Office for the Division. With me is the Division's witness Brenda Salter.

HEARING OFFICER: Thank you.

MR. MOORE: Robert Moore for the Office of Consumer Services. With me at counsel table is Gavin Mangelson, Utility Analyst for the Office.

HEARING OFFICER: Thank you.

MS. HAYES: Good Morning. Sophie Hayes on behalf of Utah Clean Energy and the Southwest Energy Efficiency Project. With me this morning is Kevin Emerson, Senior Policy and Regulatory Associate for Utah Clean

Energy.

HEARING OFFICER: Thank you.

MR. DODGE: Good morning, Your Honor. Gary Dodge on behalf of the Utah Association of Energy Users. With me at the table is Kelly Francone, Executive Director of UAE.

HEARING OFFICER: Thank you. Welcome again everyone. There are a couple procedural issues I want to address before we address the application pending before the Commission. The first issue I want to address is to you, Ms. Hayes, I don't see that UCE has requested to intervene. Is that a mistake on my part?

MS. HAYES: That may not be a mistake. Perhaps we missed that on the schedule order. So we can file a petition to intervene. We're happy to file a late petition to intervene if no parties object to that.

HEARING OFFICER: Shall I take it then that you are making a verbal request to intervene at this time?

MS. HAYES: Yes.

HEARING OFFICER: Is there any objection to UCE participating as an intervener in this matter? Hearing no objection the Commission grants your request.

MS. HAYES: Thank you.

HEARING OFFICER: The other issue I wanted to address is the pending request from UAE to intervene.

Mr. Dodge, we have received your request. It was received on the 15th of December. We normally have a 15 day turnaround just for reference for future matters. Is there any objection to the request that is pending before this Commission? Hearing none we will grant your request and so we will proceed accordingly.

Mr. Solander, this is your application and you have the floor.

MR. SOLANDER: Thank you. Rocky Mountain Power we call Esther Giezendanner in support of the Company's request to adjust demand side management surcharge.

HEARING OFFICER: Could you tell me your last name again?

THE WITNESS: Giezendanner.

HEARING OFFICER: Very nice to meet you. Would you kindly come up to the witness stand and I will swear you in?

(The witness is sworn in.)

DIRECT EXAMINATION

BY MR. SOLANDER:

Q. Good morning.

A. Good morning.

Q. Could you please state and spell your name for the record?

A. Yes, Esther Giezendanner. My last name is

spelled G-I-E-Z-E-N-D-A-N-N-E-R.

Q. By whom are you employed and in what capacity?

A. Rocky Mountain Power and I am the manager of the Demand Side Management Group.

Q. As the manager of the Demand Side Management Group were you involved in the preparation of the advice filing that precipitated this proceeding requesting the Demand Side Management surcharge increase?

A. Yes.

Q. Have you prepared a short summary statement regarding the Company's application?

A. Yes.

Q. Please proceed.

A. Thank you. Good morning, Ms. Reif and other parties. On November 23, 2015 the Company filed advice letter 15-14 proposing a second increase to the schedule 193 Demand Side Management surcharge collection rate.

The first step adjustment increased the collection rate to 3.62 percent and was approved by the Commission on Docket 14-035-T14, which became effective February 1, 2015. The second step adjustment as proposed would increase the collection rate to 4.0 percent effective January 1, 2016.

Based on projected expenditures to the Company's DSM program for 2016, absent an increase to the

schedule 193 collection rate, the balance in the deferred account will be approximately $8.2 million as of December 31, 2016.

The Company met with DSM Steering Committee on October 23, 2015 to discuss the DSM surcharge. It was acknowledged that adjusting the DSM surcharge to 4.0 percent would bring the DSM balance and account to an acceptable level by the end of 2016 based on the current forecast. This decrease was from the original analysis that was showing 4.13 percent.

On December 8, 2015 the Division of Public Utilities, Utah Clean Energy and Southwest Energy Efficiency Project filed comments in support of the Company's second step increase to the collection rate.

Utah Association of Energy Users filed comments objecting to the second step adjustment until after an investigation has been conducted into the current DSM program. The Office of Consumer Services also filed comments recommending the Commission not approve the second step increase to the collection rate until consideration has been given to issues and concerns raised regarding the DSM program.

On December 15, 2015 the Division and Office filed reply comments retaining the same stance as their original comments.

On December 15, 2015 the Company also filed reply comments outlining the history of the two step increase to the collection rate, the current process and requirements for the DSM program, and the collaboration that exists with the DSM Steering Committee.

In light of the history outlined in the Company's reply comments and the actions taken and agreed to by the DSM Steering Committee, the Company respectfully requests the Commission evaluate UAE's investigation request separate from the Company's advice letter 15-14, and approve the second step DSM surcharge increase to 4.0 percent effective January 1, 2016.

Furthermore, the Company believes that items identified by UAE and supported by the Office for investigation lacks specific information and purpose. The Company requests the Commission either deny the investigation request or require parties to provide support and elaborate on their specific issues and objectives prior to opening any investigation of DSM and allow the Company to comment prior to making a final decision.

Q. Does that conclude your summary?

A. Yes.

Q. Is your opinion that the DSM surcharge adjustment would be just and reasonable and in the public interest?

A. Yes.

Q. And do you recommend that the Commission approve the Company's request?

A. Yes.

MR. SOLANDER: I have no more questions for Ms. Giezendanner. She is available for questions from the Commission or parties.

HEARING OFFICER: Ms. Schmid.

MS. SCHMID: Nothing from the Division.

MR. MOORE: No questions.

MS. HAYES: No questions. Thank you.

HEARING OFFICER: Mr. Dodge.

CROSS EXAMINATION

BY MR. DODGE:

Q. Thank you. Good morning, Ms. Giezendanner. Gary Dodge with UAE. Just a couple of questions. The Company recognizes, does it not, that the Steering Committee participation by any party doesn't preclude that party from asking the Commission to review and rule on any given DSM issue?

A. Yes.

Q. You recognize that UAE along with the Steering Committee and Advisory Committee advocated a smaller surcharge and a different manner of collecting that surcharge, do you not?

A. For the collection, yes. A smaller surcharge, when we had a discussion on a two step increase I think every member of the Steering Committee knew at that time there would be an increase.

Q. I think everyone knew that you would probably ask for another increase, right?

A. Yes.

Q. But UAE consistently argued that the DSM surcharge was higher than its customers were comfortable, has it not?

A. Yes.

Q. The Company is not adverse to the concept of amortizing its own DSM costs over a longer period of time than a one year recovery, is it?

A. I don't think I'm the appropriate person to respond to that question without doing further analysis on it.

Q. Are you aware that is part of the Company's legislation proposal to amortize roughly 90 percent of the DSM --

MR. SOLANDER: Objection. There is no foundation for any questions regarding the legislation. Ms. Giezendanner is testifying regarding the Company's application to adjust the surcharge.

MR. DODGE: May I respond? The Company

responded that the issues that will be raised shouldn't be part of this. I believe the amortization over a longer period of time is part of UAE's request. We have asked for that. We've asked for it with the Steering Committee for a long time. The Company is now proposing it as part of its legislation. I think that's appropriately part of this record. If she doesn't know, she doesn't know.

MR. SOLANDER: There has been no legislation introduced in the record in this proceeding.

HEARING OFFICER: I'm going to sustain your objection, Mr. Solander.

MR. DODGE: If I may. I'm not arguing, but I would like to point out that it is going to be in the record as part of the Office's comments. So if we're going to be precluded from testifying about that or asking questions or if we're going to ask questions, I don't know when we're going to do it if this is the Company's witness on it.

HEARING OFFICER: Mr. Dodge, it is my understanding that if there is legislation being proposed that is simply a proposal. It is not something that has been decided on by the legislature. So I don't see that as relevant at this point.

MR. DODGE: My argument in the relevancy is the Company is not opposed to the concept of amortizing DSM

costs over a longer period of time than one year because it is proposing that. And that's part of UAE's proposal in this docket and that is in the record, at least it will be once our comment is added.

HEARING OFFICER: If you want to rephrase your question in a way that it doesn't get into irrelevant material I will grant that. But to the extent you are requesting to ask the witness about legislation that is being proposed, I don't think that is relevant.

Q. (By Mr. Dodge) Ms. Giezendanner, are you familiar at all with Company discussions about the possibility of amortizing the DSM cost over a longer period than one year?

A. I have been aware of discussions taking place.

Q. What discussions have you heard?

A. That they were being proposed as part of the legislation filing.

MR. DODGE: Thank you. No further questions.

HEARING OFFICER: Thank you. Any follow-up, Mr. Solander?

MR. SOLANDER: No re-direct. Thank you.

HEARING OFFICER: Ms. Giezendanner, I just have one question for you please. This is really a matter of semantics for my clarification and for the Commission's clarification. I think part of your testimony was that the

Company is recommending approval of the application. Is it the Company is recommending approval, or is it they are requesting approval, or am I just misunderstanding?

THE WITNESS: The Company is requesting approval of the application.

HEARING OFFICER: Okay. Thank you. Mr. Solander.

MR. SOLANDER: I ask at this time that the Company's advice filing letter and reply comments be entered in the record.

HEARING OFFICER: Any objection? Entered. Thank you. Ms. Schmid.

MS. SCHMID: Yes, the Division would like to call Ms. Brenda Salter as a witness. May Ms. Salter be sworn?

HEARING OFFICER: Yes, she may.

(The witness is sworn in.)

DIRECT EXAMINATION

BY MS. SCHMID:

Q. Good morning.

A. Good morning.

Q. Could you please state your full name, employer, title and business address for the record?

A. My name is Brenda Salter. I work for the Division of Public Utilities. I am a technical consultant

with the Division. My address is 160 East 300 South, Salt Lake City, Utah.

Q. In connection with your employment at the Division have you participated in this docket?

A. I have.

Q. Did you participate in and cause to be filed the Division's response to the action request, which was filed on December 8, and the Division's reply comments, which were filed on December 15?

A. Yes.

Q. Is the Division's position today the same as it is expressed in those two filings?

A. Yes, it is.

Q. Do you adopt the contents of those two filings as your testimony today?

A. I do.

MS. SCHMID: The Division would move that its action request response filed on December 8 and its reply comments on December 15 be admitted into the record.

HEARING OFFICER: Any objection? They are admitted.

Q. (By Ms. Schmid) Do you have a summary to provide today?

A. I do.

Q. Please proceed.

A. Good morning. This filing is the second step in a two step process designed to return the DSM balance and account to near zero.

On March 3, 2015 the Commission authorized an increase to the schedule 193 surcharge from 3.3 percent to 3.62 percent. Rocky Mountain Power is now requesting a second step surcharge increase to 4 percent. The average residential customer using approximately 8,376 kilowatt hours a year would see a $3.36 annual increase, or approximately .4 percent on their monthly bill beginning January 1, 2016.

UAE objects to the increase in the surcharge until after an investigation has been completed into the DSM program and cost adjustment. In addition UAE recommends the Company adjust spending in the DSM program consistent with the current surcharge level.

The Division believes that decreasing the 2016 budget from $65.3 million to $57.5 million to implement UAE's recommendation will cause unnecessary disruption or delay in acquiring what has been shown to be cost effective DSM resources.

The Division also notes that the Office's argument against the increase is equally applicable to UAE's proposal of delaying the increase until a lengthy investigation takes place. Potential legislation could

make any study or outcome therefrom irrelevant and require the Commission to possibly suspend all the offense spending to well after the end of the legislative session.

Therefore, the Division continues to support the Company's application in moving forward with proved cost effective DSM expenditures at a level consistent with the 2015 budget. However, if the Commission is inclined to adopt UAE's proposal, the Division recommends that the Commission adopt an across the board percentage reduction in all programs to achieve the necessary budget reduction. Thank you.

Q. Is it your testimony on behalf of the Division that this requested second step increase is just, reasonable, and in the public interest?

A. Yes, it is.

MS. SCHMID: Thank you. Ms. Salter is now available for questions for the parties and from the Commission.

HEARING OFFICER: Mr. Solander.

MR. SOLANDER: No questions.

HEARING OFFICER: Mr. Moore.

MR. MOORE: No questions.

HEARING OFFICER: Thank you. Mr. Dodge.

CROSS EXAMINATION

BY MR. DODGE:

Q. Good morning, Ms. Salter. The Division, I assume, has no objection to any group requesting that the Commission investigate things like the proper manner of amortizing or collecting the DSM charges and the cost effectiveness of various programs. I assume you have no trouble with that request; is that correct?

A. Yes, I guess.

Q. You said in your rely comments as well as in your summary that the potential legislation could make any study or outcome irrelevant and require the Commission to possibly suspend all the offense spending until after the session. I don't understand what you're talking about in terms of suspending DSM spending until after the legislative session.

A. Well, it just depends on what happens in legislation and I really don't know what would happen there. But it is a possibility that it could cause problems with the spending of the program.

Q. I mean, regardless of whether the Commission approves it or doesn't approve it or opens an investigation or not, legislation could change things, right?

A. Right, it could.

Q. You're not suggesting the Commission not do what it would normally do if no legislation were pending or proposed?

A. No.

MR. DODGE: Thank you. No further questions.

HEARING OFFICER: Thank you. Ms. Schmid, any follow-up?

MS. SCHMID: None.

HEARING OFFICER: Thank you, Ms. Salter. You may be excused. Mr. Moore.

MR. MOORE: The Office would call Mr. Gavin Mangelson.

(The witness is sworn in.)

DIRECT EXAMINATION

BY MR. MOORE:

Q. Would you please state and spell your name, your title, and business address?

A. My name is Gavin Mangelson. Last name is spelled M-A-N-G-E-L-S-O-N. I am a utility analyst for the Office of Consumer Services at 160 East 300 South, Salt Lake City, Utah.

Q. Have you participated in this docket 15-035-T15?

A. Yes.

Q. Have you prepared or caused to be prepared the Office's comments on December 8, 2015 and reply comments filed on December 15, 2015?

A. Yes.

Q. Do you have any changes to those comments now?

A. No.

Q. Would you like to adopt those comments as your testimony?

A. Yes.

MR. MOORE: At this point I move to admit the comments into the record.

HEARING OFFICER: Any objection? They are admitted.

Q. (By Mr. Moore) Have you prepared a short statement concerning your position of this docket?

A. Yes.

Q. Would you please read that statement?

A. The Office of Consumer Services does not support the proposed increase of the schedule 193 DSM surcharge to 4 percent at this time.

The Company has recently announced initiative for the 2016 legislative session that appear likely to include material changes to the Demand Side Management. Although, it has not been filed in this docket and final language is not available, the Office acknowledges that these announcements have contributed to our position in this docket.

The Office does not want the surcharge to increase to 4 percent in order to accommodate the current

DSM balance and potential increases and expenses only to have legislation requiring additional charges either to the program budgets or the surcharge amount just a couple months after this change is implemented.

The Office suggests it would be better to re-evaluate the proposed increase after the 2016 session, which will be over in early March.

Q. Does this complete your statement?

A. Yes.

MR. MOORE: Mr. Mangelson is available for cross and questions from the Hearing Officer.

HEARING OFFICER: Thank you. Mr. Solander, any questions?

MR. SOLANDER: Yes, thank you.

CROSS EXAMINATION

BY MR. SOLANDER:

Q. Good morning. Have you read or seen this potential proposed legislation?

A. I have not.

Q. Are you familiar with the effective date that is going to be potentially included in it?

A. As I mentioned in my statement because language is not available, I'm not prepared to comment specifically on the legislation.

Q. If you're not familiar with what is in the

legislation, how can you make a recommendation based on case potential?

A. I feel that it is appropriate and we acknowledge that the simple announcement to this legislation has made a bearing on our position.

Q. Does this potential legislation guarantee to go into effect? Is it guaranteed to pass?

A. It is under process. I believe nothing is guaranteed to pass.

Q. Would it surprise you that the proposed effective date for any provisions regarding DSM in the legislation is January 1, 2017?

A. It would not surprise me. As I said I have not had an opportunity to review any of the language, the official language regarding the legislation.

Q. Would you agree with me that the DSM Steering Committee would have the opportunity to meet several times before January 1, 2017 to re-evaluate the DSM surcharge?

A. I would not know.

Q. You don't believe the DSM Steering Committee is going to meet in 2016?

A. Sorry. Several times before when?

Q. Before January 1, 2017.

A. I believe that the Steering Committee may have opportunities to meet.

MR. SOLANDER: Thank you.

HEARING OFFICER: Ms. Schmid.

MS. SCHMID: No questions.

HEARING OFFICER: Ms. Hayes.

MS. HAYES: No questions.

HEARING OFFICER: Mr. Dodge.

CROSS EXAMINATION

BY MR. DODGE:

Q. Thank you. Good morning, Mr. Mangelson. You were just asked questions about the proposed effective date and whether you had heard about that from the proposed legislation. Have you also heard the Company purport that there will be no rate or impact because they're going to raise the DSM surcharge to 4 percent anyway and then freeze it at that level or higher in the legislation?

A. As I mentioned before we use the announcement and acknowledge they have bearing on our position, but without an opportunity to review the official language I'm not prepared to comment on the legislation specifically.

Q. The question was just had you heard that. Had you heard the Company claim there would be no rate or impact because they're already going to raise the DSM surcharge to 4 percent?

A. I have heard some discussion along those lines.

MR. DODGE: Thank you. No further questions.

MR. MOORE: No re-direct.

HEARING OFFICER: Thank you. You may be excused, Mr. Mangelson. Ms. Hayes.

MS. HAYES: Thank you. Utah Clean Energy and SWEEP will call Mr. Kevin Emerson.

HEARING OFFICER: Good morning, Mr. Emerson.

(The witness is sworn in.)

DIRECT EXAMINATION

BY MS. HAYES:

Q. Mr. Emerson, will you please state your name and employer and your position for the record?

A. My name is Kevin Emerson. My employer is Utah Clean Energy. My position is senior policy and regulatory associate.

Q. Thank you. Did you participate in the preparation of Utah Clean Energy and the Southwest Energy Efficiency Project comments filed with the Commission on December 8, 2015?

A. Yes, I did.

Q. Do you adopt those comments as your testimony today?

A. Yes.

MS. HAYES: I would move the admission of those comments as Utah Clean Energy and SWEEP testimony.

HEARING OFFICER: Any objection? They are

admitted.

MS. HAYES: Thank you.

Q. (By Ms. Hayes) Do you have a brief statement that you have prepared today?

A. Yes, I do.

Q. Go ahead.

A. Utah Clean Energy and SWEEP believe that increasing the DSM surcharge to 4 percent represents a reasonable middle path that will help the Company achieve higher savings in its DSM programs, while also constraining the DSM surcharge increase to a level that is lower than the original proposed second step increase of 4.3 percent.

In tandem with the increase to 4 percent, Utah Clean Energy is open to a 2016 DSM budget below the original proposed budget along with prioritized implementation of the most cost effective DSM programs.

Utah Clean Energy participated in the DSM Steering Committee meeting and spoke with the Company about this proposal. Utah Clean Energy feels comfortable that the Company can achieve its forecasted savings through this proposal, which is our main interest.

So Utah Clean Energy supports the Company's application.

Q. Thank you.

MS. HAYES: Mr. Emerson is available for

questions from the parties and the Commission.

HEARING OFFICER: Thank you. Mr. Solander.

MR. SOLANDER: No questions.

HEARING OFFICER: Ms. Schmid.

MS. SCHMID: No questions.

HEARING OFFICER: Mr. Moore.

MR. MOORE: The Office has no questions.

HEARING OFFICER: Mr. Dodge.

MR. DODGE: No questions.

HEARING OFFICER: Mr. Emerson, you may be excused. Mr. Dodge.

MR. DODGE: Thank you, Your Honor. The UAE calls Kelly Francone.

(The witness is sworn in.)

DIRECT EXAMINATION

BY MR. DODGE:

Q. Ms. Francone, would you give your full name and position and for whom you work?

A. Yes. My name is Kelly Francone. I am a senior consultant at Energy Strategies, and under Energy Strategies I am also the executive director of Utah Association of Energy Users.

Q. Ms. Francone, are you aware of the comments that UAE prepared and filed in this docket on December 8?

A. Yes, I am.

Q. Do you incorporate those comments as part of your testimony in this docket?

A. Yes, I do.

MR. DODGE: Your Honor, I move for the admission of UAE comments.

HEARING OFFICER: Any objection? They are admitted.

Q. (By Mr. Dodge) Ms. Francone, do you have a summary of your testimony here this morning?

A. Yes, I do.

Q. Please present that.

A. Good morning. The Utah Association of Energy Users filed comments on December 2 in response to Rocky Mountain Power's filing in docket 15-035-48 asking for an increase in the demand side management surcharge from 3.62 percent to 4 percent that would be effective January 1, 2016.

Traditionally, UAE has been a great supporter of the energy efficiency programs that are clearly shown to be cost effective. Our members have invested tens of millions of dollars of their own on top of the surcharge, which is quite significant to them, in order to implement their own investments and also participate in the Rocky Mountain Power programs.

However, our members are concerned with the

overspending on certain DSM programs that have led to the surcharge increases these last two years, continued increases to the DSM surcharge overall, and also the current and projected levels of the DSM surcharge we see that growing. We are also concerned about the current DSM funding mechanism. Therefore, UAE opposes Rocky Mountain Power's request to increase the DSM surcharge to 4 percent in 2016.

Instead we support the adoption of alternative methods of amortizing and collecting DSM expenditures, as well as cost caps. We request that an investigation should be opened into current and proposed DSM programs, the surcharge levels, appropriate cost controls, and appropriate means of recovering expenditures and appropriate cost effectiveness measures.

We also agree with the Office of Consumer Services' comments to the Commission in its concern that Rocky Mountain Power's proposed initiative under the step legislation that it adds another layer of questions as it would shift the administration of the DSM programs away from the Commission and also how the money is collected.

This concern supports our request for an investigation into current DSM programs, the projected expenditures, cost effectiveness, funding issues and other things that are relevant. Until such an investigation is

complete, we request that Rocky Mountain Power should adjust spending consistent with the current surcharge level of 3.62 percent.

We suggest some potential alternatives as to how it is managed now. First, short term spending alternatives could include a reduction in spending the least cost effective programs to match current recovery, so not suspending what is being spent; retain current spending levels and defer the uncollected balance as a regulatory asset.

Second, set a relatively short schedule to evaluate different cost recovery options. For example, set the DSM surcharge at 3 percent and defer that balance as a regulatory asset.

Third, set a schedule to evaluate mechanisms for avoiding overspending in DSM programs.

And also finally, setting a schedule to re-evaluate continuing validity and priority of cost effectiveness measures that are used for DSM evaluation.

In response to the Company's comments filed on December 11 that due to the reporting already done by Rocky Mountain Power such an investigation is unwarranted. I would argue that we are asking the Commission to investigate some issues that have not been analyzed, at least in a long time, including cost recovery options,

deferral, regulatory assets, cost overrun protections, and others.

We are also asking the Commission to evaluate areas that have been examined in the past, but we believe circumstances may have changed such that a re-evaluation is appropriate. That would include the priority of cost effectiveness measures that have been used, including a more prominent role played by the Ratepayer Impact Measure, and how it might impact the cost effectiveness of a specific project if that RIM measure were used.

For these reasons and because the DSM programs have become such a significant asset in the resources and will continue to, we believe our request is timely, valid, and in the interest of Rocky Mountain Power customers.

Q. Does that conclude your testimony?

A. Yes, it does.

MR. DODGE: Ms. Francone is available for cross examination.

HEARING OFFICER: Mr. Solander, any questions?

MR. SOLANDER: Yes, thank you.

CROSS EXAMINATION

BY MR. SOLANDER:

Q. Good morning. Have you seen or are you familiar with the provisions in the step legislation?

A. We have not seen the actual legislation, but we

have heard Rocky Mountain Power speak on it publicly at the legislature, in front of a large group at the Governor's Air and Energy Symposium, and also have met twice with key Rocky Mountain Power staff about what will be in the legislation.

Q. And it's your understanding that the proposed effective date for any DSM related matters will be January 1, 2017?

A. That hasn't been really made clear, but that's not a date that would surprise me.

Q. Wouldn't you agree that the DSM Steering Committee would have a number of opportunities to meet before that proposed effective date to evaluate and review any changes?

A. We would have some opportunities, but it takes time to investigate things. And in June we already made comments at the Steering Committee meeting that we would like to see how the programs could be amortized or something different done, and here we are in December and no steps have been taken forward to do that. So even if we have that whole full year of meetings, I think we would need more time than that. So 2017 is not very far away.

Q. So that was a yes?

A. We would have some opportunities.

MR. SOLANDER: Thank you. No further

questions.

HEARING OFFICER: Ms. Schmid.

MS. SCHMID: No questions.

HEARING OFFICER: Mr. Moore.

MR. MOORE: No questions.

HEARING OFFICER: Ms. Hayes.

MS. HAYES: No questions.

HEARING OFFICER: Any re-direct, Mr. Dodge?

MR. DODGE: No, Your Honor.

HEARING OFFICER: Ms. Francone, one question for you please. At the very beginning of your testimony you referenced a docket number, I may have misheard you, but I thought you said 14-035-48 was the docket.

THE WITNESS: I probably misquoted that.

HEARING OFFICER: Just to be sure, you are testifying in this docket which is 15-035-T15?

THE WITNESS: Yes. Yes. Sorry about the error.

HEARING OFFICER: No problem. Thank you for the clarification. You may be excused. Is there anything else to come before the Commission today? Okay. Thank you very much for being here. The Commission appreciates your attendance and testimony. We will be adjourned and I will take the matter under consideration. Thank you.

(The hearing concluded at 9:45 a.m.)

C E R T I F I C A T E

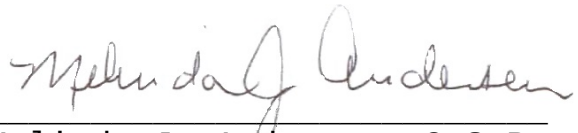
STATE OF UTAH)
:
COUNTY OF SALT LAKE)

I, Melinda J. Andersen, Certified Shorthand Reporter and Notary Public in and for the County of Salt Lake and State of Utah, do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth, and were taken down by me in shorthand and thereafter transcribed into typewritten under my direction and supervision:

That the foregoing 32 pages contain a true and correct transcription of my shorthand notes so taken.

WITNESS MY HAND and official seal at Salt Lake City, Utah this 28th day of December, 2015.



My Commission Expires:
February 10, 2018

Melinda J. Andersen, C.S.R.