

August 7, 2019

VIA ELECTRONIC FILING

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: **Reply Comments**
In the Matter of Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 111, Residential Energy Efficiency
Docket No. 19-035-T10

On July 17, 2019, the Public Service Commission of Utah ("Commission") issued a Notice of Filing and Comment period in the above referenced matter, allowing parties to file comments by July 31, 2019, and reply comments by August 7, 2019. The Division of Public Utilities ("DPU"), Office of Consumer Services ("OCS"), and Utah Clean Energy ("UCE") filed comments July 31, 2019. Rocky Mountain Power (the "Company") provides these reply comments in response to comments filed by the aforementioned parties.

Both the DPU and OCS recommended that the Commission approve the Company's proposed modifications to Schedule 111 as filed. UCE generally supports the proposed changes to Schedule 111 as well, with two additional recommendations:

- 1) We recommend that RMP provide cost-effectiveness results for evaporative cooling measures separately from compressor-based cooling for the purposes of determining incentive levels.
- 2) If supported by cost-effectiveness results requested above, we recommend increasing the incentives for evaporative cooling measures to 70% of the measure cost, including installation costs.

Regarding UCE's first recommendation, the Company would like to clarify that while the cost-effectiveness provided with this filing is at the measure category level, more granular analysis is done as part of cost-effectiveness testing for the residential program to determine the cost-benefits and incentive levels. The measure category level is provided with filings to be consistent with other programs and annual reporting, but the proposed maximum incentive levels are in fact based on the more granular cost-benefit analysis for each measure sub-type. For example, Evaporative Coolers is its own sub-type, the cost-benefits of which are used to inform incentive levels. The cost-benefits for Evaporative Coolers do not get grouped with other HVAC measures until the

measure category level. While this should alleviate UCE's concern about grouping all HVAC measures collectively, the Company will discuss this topic at a future Steering Committee meeting, if desired, as part of its ongoing cost-effectiveness discussions with stakeholders.

Regarding UCE's second recommendation, the Company's incentive levels are strategically set to elicit participation while mitigating over-incentivizing offerings and to manage the portfolio. Participation in evaporative coolers has steadily increased since 2015, with 2019 projected to have the highest participation levels to date. At this time, the Company does not believe it necessary or prudent to increase all evaporative cooling measures to 70 percent as recommended by UCE. A program evaluation for Schedule 111 is anticipated to be published in the third quarter of 2019, which will provide additional insight for evaporative cooler measure offerings and incentive levels. The Company intends to review the program evaluation results with stakeholders after its publication, and have a discussion for future strategic changes to the program.

Sincerely,

A handwritten signature in blue ink that reads "Michael S. Snow". The signature is fluid and cursive, with the first name being the most prominent.

Michael S. Snow
Manager, DSM Regulatory Affairs

Enclosures

CERTIFICATE OF SERVICE

Docket No. 19-035-T10

I hereby certify that on August 7, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Cheryl Murray cmurray@utah.gov

Michele Beck mbeck@utah.gov

Division of Public Utilities

dpudatarequest@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov

Justin Jetter jjetter@agutah.gov

Robert Moore rmoore@agutah.gov

Steven Snarr stevensnarr@agutah.gov

Rocky Mountain Power

Data Request Response datarequest@pacificorp.com

Center

Jana Saba jana.saba@pacificorp.com;
utahdockets@pacificorp.com

Michael Snow michael.snow@pacificorp.com



Katie Savarin
Coordinator, Regulatory Operations