



State of Utah
Department of Commerce
Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

Paul Hicken, Technical Consultant

Date: March 29, 2021

Re: **Docket No. 21-035-T04**, In the Matter of Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule 105, Irrigation Load Control Program.

Recommendation (Approve Tariff Sheets)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) approve Rocky Mountain Power's (RMP or Company) proposed tariff revisions to Schedule 105 of P.S.C.U. No. 51, effective April 16, 2021.

Issue

On March 16, 2021, RMP filed Advice No. 21-02 with the Commission proposing revisions to Electric Service Schedule No. 105, Irrigation Load Control Program (Program), with an effective date of April 16, 2021. The purpose of the proposal is to update the parameters of the program so that it can provide the most benefits and to be consistent with the Company's other demand response programs. On March 16, 2021, the Commission issued an action request to the Division requesting it to investigate RMP's filing and make recommendations. The Commission asked the Division to report back by March 30, 2021. The Commission issued its Notice of Filing and

Comment Period on March 18, 2021. Any party may submit comments on or before March 31, 2021 and reply comments on or before April 7, 2021. This memorandum represents the Division's response to the Commission's request to investigate RMP's filing.

Discussion

In its Advice letter filed on March 16, 2021, the Company proposed to extend the dispatch period from the current June 1st thru August 15th, to May 1st thru September 30th in order to utilize the Program when irrigation is contributing to the overall system load. It is also proposed to shift the current dispatch hour range from 12:00pm – 8:00pm, to 2:00pm - 9:00pm. With renewable energy becoming a larger percentage of the Company's energy portfolio, there is an increasing need and benefit to utilize demand response later in the evening. The Company also proposes to reduce the advance notification for a discharge event from one day to a four hour notice for an event. This will allow the Company to take advantage of frequency response benefits and move toward real-time structure. The Program is currently operated by a third party. The Company proposes that in the future a third party operator may not be in the best interest of the Program. Consequently, the Program Provider section of the Schedule has been removed.

The Program passed a cost effectiveness analysis with a benefit to cost ratio of 1.0 or better in the most recent analysis presented in the 2019 DSM Annual Report filed in Docket No. 20-035-27. The proposed changes in the Advice letter are expected to add additional benefits to the Program without adding additional costs. Accordingly, the Program is expected to remain cost effective if these proposed changes are approved.

Conclusion

Based on the Division's review of the Company's Tariff Filing in Docket No. 21-035-T04 and further discussion with the Company, the Division recommends that the Commission approve the revised Tariff Schedule 105 filed on March 16, 2021, and make it effective April 16, 2021.

Cc: Michele Beck, Office of Consumer Services
Michael Snow, Rocky Mountain Power
Jana Saba, Rocky Mountain Power