



GARY HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

State of Utah

Department of Commerce Division of Public Utilities

CHRIS PARKER
Executive Director

ARTIE POWELL
Director, Division of Public Utilities

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Artie Powell, Director

Brenda Salter, Utility Technical Consultant Supervisor

Shauna Benvegnu-Springer, Utility Technical Consultant

Date: September 2, 2020

Re: **Docket Nos. 20-057-01 & 19-057-26**, Dominion Energy Utah's Efficiency Reports, 2020 AND Dominion Energy Utah's Application for Approval of the 2020 Year Budget for Energy Efficiency Programs and Market Transformation Initiative.

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge Dominion Energy Utah's (Company) notice of expenditures to date of its forecasted 2020 energy efficiency program and acknowledge the notice as meeting the requirement established by the Commission in Docket No. 09-057-15.¹

Issue

On August 6, 2020, the Company reported to the Commission the following:

- the Energy Comparison Report Program reached 51% of the 2020 budget in April 2020;
- the Builder Program reached 54% of the 2020 budget in May 2020;
- the Business Program reached 55% of the 2020 budget in May 2020; and,

¹ Commission Order, In the Matter of the Application for Approval of Fourth Year Budget for 2010 Demand-Side Management Programs and Market Transformation Initiative, Docket No. 09-057-15, January 12, 2010, p. 1.

- the Market Transformation program reached approximately 51% of the 2020 budget in May 2020.

On August 6, 2020, the Commission issued an Action Request to the Division requesting a report on compliance and recommendations by September 4, 2020. Subsequently, on August 7, 2020 the Commission issued a Notice of Filing and Comment Period with comments due September 8, 2020 with reply comments due September 23, 2020. This memorandum is in response to the Commission's Action Request and Notice of Filing and Comment Period.

Discussion

According to the Commission's order in Docket No. 09-057-15, the Company is required to notify the Commission when any Demand-Side Management (DSM) program reaches 50% of its budget before June of the program year. As explained in the Company's notice, the above referenced programs have reached more than 50% of their approved 2020 budgets prior to June 2020. The Company explained the reasons for the spending.

The Energy Comparison Report Program added a new group of participants in the first quarter. The prepaid postage, to receive a bulk rate discount, contributed to the spending reaching 51% of the 2020 budget. The Company is forecasting to spend 100% of its 2020 budget.

The Builder Program is experiencing a higher than projected customer participation. The 95% efficient furnace rebate for both single family and multi-family dwellings have seen the largest growth. The Company is forecasting to spend 126% of its 2020 budget.

The Business Program is also experiencing a higher than projected customer participation. The high efficiency boilers and demand control ventilators are representing 36% of the Business Program total budget in the first five months. The Company is forecasting to spend 106% of its 2020 budget.

The Market Transformation Initiative has a pattern of spending in the first and fourth quarters. The majority of energy efficiency marketing is completed during the heating season resulting in advertising expenses received in the months of and following the heating season. The previous

four years have demonstrated similar spending behaviors for the Market Transformation Initiative. The Company is forecasting to spend 94% of its total 2020 budget.

The Appliance Program, Home Energy Plan, and Low Income Weatherization are forecast to spend 66%, 64% and 78%, respectively. The savings from these and other programs will cover the overspending in the two programs listed above. The DSM program overall is forecasted to spend 97% of the total 2020 budget. This is similar to the 2019 actual results.

Dominion Energy has indicated its intention to continue to monitor the DSM actual program spending compared to the budget. The Division will review the report provided for the subsequent quarters of 2020 and provide recommendations on any budget over spending if needed.

Conclusion

The Company has met its burden of providing reports, reasons and solutions for the status of the program to date and has met the requirements of compliance. The Division recommends that, based on the projections provided by the Company in its August 6, 2020 filing and accompanying Attachment 1, no further action by the Commission is required at this time.

Cc: Michael Orton, Dominion Energy Utah
Michele Beck, Office of Consumer Services
Service List