



State of Utah

DEPARTMENT OF COMMERCE
Committee of Consumer Services

To: Public Service Commission of Utah
From: Utah Committee of Consumer Services
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Date: 20 June 2003
Subject: List of Issues of the Committee of Consumer Services In the Matter of Demand Side Management Cost Recovery by PacifiCorp dba Utah Power & Light Company Docket No 02-035-T12

On 18 June 2003, the Commission issued a revised scheduling order in Docket No 02-035-T12. The Order directed interested parties to file their DSM cost recovery and Self-Direction issues with the Commission on 20 June 2003. Following is the Committee's list of issues in this docket. Other issues may develop as a result of the scheduled discussions.

- 4.1 Overall design of the proposed tariff rider
 - Include DSM already in rates?
 - In lieu of or in conjunction with deferred accounting
- 2 Definition of categories of costs to be recovered through the tariff rider
 - Fraction of total cost in each category
 - Approach to assure proper allocation of shared costs
 - Allocation of costs as capacity-related and energy-related
- 3 Presentation of tariff rider charge to customers
 - Is line item surcharge a statutory mandate?
 - Benefits of line item surcharge versus potential customer backlash
- 4 Methods to project DSM budget levels to be included in the rider

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5 Allocation of tariff rider costs and availability of DSM services to customers by rate class

- Seek DSM opportunities for all customer rate classes
- Peak load reduction as well as energy efficiency measures
- Treatment of special contracts

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6 Fairness of surcharge due to rates and revenue distribution among customer classes

7 Different surcharge applied to demand and energy components of rates to better reflect the value of specific DSM measures

Objectives of "Self-direction" provision

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98 Administration aspects of "Self-direction"

- Who administers and how is that determined?
- Application process for customer certification
- Showing of savings required for certification, level of associated cost and who bears it
- Degree of oversight by administrator
- Degree of oversight of administrator

109 "Self-direction" eligibility requirements

- Customer usage minimums
- Pre-requisite implementation of less than one year simple payback measures
- Cost effectiveness standard tests
- Simple payback criteria
- Snapback effect

110 "Self-direction" fee

- Cost basis
- Not a barrier
- Graduated based on project savings or fixed fee

111 "Self-direction" proposal including a 50% credit for customers who have implemented "all-cost effective DSM measures".

- Required audit, customer pays
- Evolving technologies – what is standard for all cost effective DSM measures

- Time limits until recertification in light of evolving technologies

~~4312~~ Basis for 80% “Self-direction” 80% credit

~~4413~~ “Self-direction” allowed for projects already completed

- Gives credit for sunk costs
- Inconsistent with purpose of self direction – to create an incentive for more DSM
- Transition to self-direction for projects in progress

~~4514~~ Sunset on the self-direction provision and tariff rider