

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

IN THE MATTER OF DEMAND)
SIDE MANAGEMENT COST)
RECOVERY BY PACIFICORP dba) Docket No. 02-035-T12
UTAH POWER AND LIGHT)
COMPANY)

**DIVISION OF PUBLIC UTILITIES
LIST OF ISSUES**

JUNE 20, 2003

1 The following is the Division of Public Utilities' issues list:
2

3 **Schedule 192**
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- 5 1) Evaluation process: The evaluation process used to test the cost-effectiveness
6 of the Self-Direction projects appears not to be consistent with the Commission
7 approval process.
- 8 2) Customers that already implemented DSM projects and are still paying to
9 finance those projects: We see difficulties in justifying these projects for
10 future cost recovery and would have to be assured that they fit into the goal of
11 removing impediments to cost effective projects.
- 12 3) Projects that are submitted as a bundle: We believe that these projects need to
13 be cost-effective individually rather than on the average.
- 14 4) Customers who implemented all possible cost-effective DSM measures: Given
15 the dynamic nature of the technology, it is difficult to determine whether a
16 customer has implemented all possible cost effective DSM measures. Would
17 the cost of administering and monitoring this part of the program be cost
18 effective?
- 19 5) Possibility of overlap with the Energy FinAnswer: The Division is concerned
20 about the possibility of overlap between the Self-Direction projects and the
21 Energy FinAnswer and other existing DSM programs.
- 22 6) Proposed Self-Direct Administrator: The DPU would like to find another way
23 of administering the Self-Direct programs. We are concerned that the
24 proposed method:
- 25 a. Would add an additional layer of administrative costs that have not been
26 sufficiently quantified or justified.
- 27 b. Would require the Commission to engage in micro management of the
28 Company by designating the administrator the Company is to contract
29 with to approve, evaluate and report on self-direct programs.

1 c. Would relegate the approval and evaluation for self-direct programs to a
2 closed process outside of the IRP. Determinations made by the Self-
3 Direct Administrator would be subject only to a dispute resolution
4 process raising questions of how to control for cost effectiveness.

5 7) The Division believes the self-direct program should be designed within the
6 current DSM infrastructure and would like to examine other options to achieve
7 this objective with the Company, UAE and other interested parties.

8 8) Special contract customers: There is no discussion about how special contract
9 customers will be treated in this program. The Division believes that this
10 should be decided.

Schedule 191

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12 1) Costs to be included in the 191: Only costs that would not have occurred
13 otherwise should be included in the 191. This would exclude such things as
14 company personnel's salary.

15 2) Extraordinary expenses: The requirements for extraordinary expenses,
16 including legal expenses associated with contract performance, buy-outs of
17 DSM contracts, etc, should be consistent with those imposed on Questar.

18 3) Reporting requirements: The Division would like to see monthly reports
19 containing a detail of the amounts charged to the 191, total amounts billed
20 under the DSM tariff rider and the ending balance. The Company, Division
21 and Committee should develop the required reporting format and reportable
22 data.

23 4) Annual Audit: As with any pass-through account, the Division believes
24 that 191 be subject to an annual audit. A report would be issued on the
25 findings within six month following the end of the fiscal year. Unresolved

1 disallowance would be dealt with in a manner consistent with that of other
2 pass-through accounts.

3 5) Prior to implementation the tariff must be rewritten to add specific
4 language reflecting all requirements imposed on the 191.

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