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Division of Public Utilities

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MEMORANDUM

To: Utah Public Service Commission

From: Division of Public Utilities
Phil Powlick, Director
Energy Section
Artie Powel, Manager
Abdinasir Abdulle, Technical Consultant
Jamie Dalton, Utility Analyst II

December 4, 2008

Re: Docket No. 07-035-93 – Innovative Rate Design to Promote Energy Efficiency

The Cost of Service and Rate Design Stipulation for Docket No. 07-035-93, which was approved by the Commission, required “the DSM group, or another group to be established by the Division with similar representation by stakeholders, will convene to discuss and investigate rate design proposals to promote conservation and energy efficiency.”

The first meeting of the group was held on November 10, 2008. In this meeting the group reviewed its assignments and agreed upon a list of sixteen issues to be discussed in preparation for a report to the Utah Commission on May 11, 2009. The group also established a schedule for future meetings. The group indicated a desire for RAP (Regulatory Assistance Project) to give a presentation regarding innovative rate designs that promote energy efficiency. The purpose of this presentation is to inform the group about similar policies in other states.

A member of the group contacted RAP and found out that under its mandate, it works only with Public Utility Commissions, and not with interveners. For RAP to make a presentation to the group the Commission must make a formal request. Therefore, the Division is respectfully

requesting the Commission to ask RAP to make a presentation to the group sometime in December 2008. This will help the group to focus their thoughts on the relevant issues.

CC: Rea Peterson, DPU