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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

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To: The Public Service Commission of Utah

From: The Office of Consumer Services
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Division of Public Utilities
Chris Parker, Director
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Date: April 18, 2013

Subject: Second DSM Report Supplemental Filing Pursuant to Commission
Order in Docket 10-035-57

Background

On November 28, 2012, Rocky Mountain Power ("Company") filed with the Public Service Commission of Utah ("Commission") its Annual Forecast Report ("Report"). On December 21, 2012, the Office of Consumer Services ("Office") filed comments with the Commission. In its comments, the Office noted that the Company omitted two elements in the Report ordered by the Commission in its December 21, 2011 order ("Order"). These items included:

1. Reporting capacity and energy targets in comparison to Utah DSM program targets included in the most recent IRP.
2. Reporting savings estimates for the DSM Irrigation Load Control Program ("Program") in terms of both total program participation and contribution to peak.

On December 28, 2012, the Division of Public Utilities ("Division") filed comments identifying the same elements as missing from the Report. The Division recommended to

the Commission to order the Company to comply with the Order prior to acknowledging the Company's filing.¹

On January 31, 2013, the Company filed with the Commission a Supplemental Attachment 1 to address the missing elements cited by the Office and the Division. Both the Office and Division filed comments noting that the Company did provide comparative information to the Company's recent IRP yet still lacked savings estimates for the Program in terms of both total program participation and contribution to peak. On March 1, 2013, the Commission again ordered the Company to report savings estimates for the Program both in terms of total program participation and contribution to peak.

On April 3, 2013, the Company filed with the Commission a second supplemental report with attachments to address the March 1 Commission order ("March Order").

Discussion

On January 11, 2012, the Company stated its irrigation capacity savings methodology ("Methodology") in reporting MW savings for the 2012 Program year as follows:

"The IRP reporting convention is based on realized impact of a Class 1 product at dispatch. The value provided in Attachment A is based on participating program load necessary to achieve the impacts assumed within the IRP. Based on a recent impacts evaluation of 2009 and 2010 Idaho irrigation load control program, it's assumed that 52 MWs of participating load equates to 37 MWs of realized load at dispatch – roughly a 70% realization rate."²

Since then, the Office sought to understand the Company's Methodology in using realization rates to measure Program capacity savings for the Utah Program and how they compare to the current IRP. Prior to this filing, methodology variables such as total program participation, forecasted load reduction, and realization rates were missing. Further, in order to estimate capacity savings contribution to peak, total program participation, forecasted load reduction and thus realization rates must be known.

The Commission on March 1, 2013 ordered the following:

"The Company shall file supplementary information within 90 days of the date of this order which reports savings estimates for the 2013 DSM Irrigation Load Control program both in terms of total program participation and contribution to peak."

¹ See Division Action Request Response – Docket No. 10-035-57, December 28, 2012, p3.

² <http://www.psc.utah.gov/utilities/electric/elecindx/2010/1003557indx.html>; see page 2 of the Company's cover letter dated January 12, 2012

In this filing, the Company has included, with explanations, two attachments to report capacity savings estimates for the Program. The two elements that have been omitted from previous filings in this docket are: total program participation and contribution to system peak. Both of these elements will be discussed below.

Total Program Participation

In this filing, the Company has provided, in a table in Attachment 2, total program participation as well as forecasted load reduction and percentage of participating load or realization rate. The Office recommends that the Company continue to provide this information as was ordered in the Commission's March Order as presented in Attachment 2.

Contribution to System Peak

The second element of the March Order deals with how much estimated Program savings contributes to system peak. The Company indicated that they were not able to predict the system peak day and hour in advance due to Utah's weather, growing cycle and crops. As a result, the Company proposed a range to provide parties with an estimate for contribution to peak. In discussions with the Company, the Company explained the range is an approximation based on Idaho's Program for 2009 and 2010. This information was explained in the application for Docket 13-035-20 item 9 as follows:

"In 2010, the Company initiated a review of its Irrigation Load Control Program in an effort to understand the impact of the program on its system. Given the challenges regarding geographic location of Utah irrigators, lack of interval data and the inability of the Company to obtain aggregated data from system meters, the analysis was limited to the Idaho program. A third party review of the 2009 and 2010 control seasons indicated that realized reductions ranged from 17% to 86% of expected loads depending on the month and hour the load curtailment event occurred."³

Based on the information in Attachment 2, the realization rates computed for 12 events yield a range of 23% - 77%. This range, while not explicitly defined in this filing, was extrapolated from Attachment 2 data and the Company discussions. The Company indicates that under the new EnerNoc contract, Utah Program data will allow for more accurate irrigation program impact forecasts in 2014. The new contract will also provide specific Utah data, so the Company will not have to extrapolate Utah Program information from Idaho Program data.

³ <http://www.psc.utah.gov/utilities/electric/elecindx/2013/1303520indx.html> Refer to the Application filed February 12, 2013.

The Office recommends that the Company collaborate with the DSM Steering Committee on a process for how EnerNoc will provide Utah Program specific data to the Company and how this will improve the Report in the future.

Recommendation

The Office recommends the Commission acknowledge the Annual Forecast Report with the latest supplemental attachments.

The Office also recommends the Commission to require to the Company to confer with the DSM Steering Committee in a future meeting on how to report in the Annual Forecast Report annual capacity savings under the new EnerNoc contract.