

Public Service Commission - Tariff 10-035-T05

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To: <psc@utah.gov>
Date: 7/12/2010 4:52 PM
Subject: Tariff 10-035-T05

UTAH PUBLIC
 SERVICE COMMISSION

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RE: Rocky Mountain Power- Home Energy Saving Program Tariff, Schedule 111.

This program makes it available for homeowners to participate in conserving energy in return the customer is able to also save on utility cost. The current rebate incentives offered through Rocky Mountain Power do not offset the entire cost incurred by a customer to install insulation to their homes as is stated in their filing as one of their primary concerns, with our or any other insulation company we are aware of. From our experience and knowledge of other companies in the industry, the bulk of customers who qualify for the Rocky Mountain Power Rebate also do qualify for the Questar Gas- Thermwise rebate and therefore does cover all of most of the cost with many insulation contractors operating on very thin margins. Some of the larger legitimate contractors have already been pushed out because of the lack of profit.

Currently our company employs 18 people, every one of our employees is a legitimately documented United States Citizen, every one of our employees is covered by Workers Compensation insurance, every one of our employees is covered by our companies Unemployment Insurance. Also every one of our customers is covered and comforted with the Liability insurance as well as a state issued General Contractors License. A large share of our revenue is generated through the rebate programs of both Rocky Mountain Power and Questar Gas- Thermwise. If the tariff change is approved as submitted we foresee an immediate layoff of at least 50% of our workforce, because our costs have been cut to the bottom dollar limit. Clearly there will be companies who survive the rate cut and we will still be able to operate on a lesser scale by only offering the product to those customers who can pay a significant share. However if Rocky Mountain Power and the Public Service Commission would like to see the program continue through legitimate contractors who follow the laws, rules, and ethics of the industry, and operate as legitimate companies then the Tariff change must be rejected. If the only goal is to cut costs and the Public Service Commission and Rocky Mountain Power are willing to accept a fly by night handyman, or uninsured, unlicensed, undocumented workers, operating with less overhead because they leave all the risk on the heads of the customer of Rocky Mountain Power with no regard to industry laws, rules, regulations, and guidelines other than those set in the Installation Measures- then vote to accept the change.

Currently 100% of Rocky Mountain Power customers pay into the energy conservation programs. This charge is assessed on every bill under "Customer Efficiency Services" whether a customer is allowed to take advantage of any programs as per program qualification and guidelines, financially able to participate, or even aware there are programs are offered or fees assessed. Unequal taxes or assessments of any sort for the benefit of few are wrong. However, at least in most cases, the unfair taxes and assessments go towards helping the poor and needy. This proposed Tariff change and the whole basis of Rocky Mountains proposal, in effect takes money out of everyone's hands, poor and wealthy and only allows the financially set customers to take advantage of the program while making it financially impossible to the customers who need the saving the most- the poor and needy. Any further lowering in the rebates offered will force ours and every legitimate company to charge the customer a fee equal to the amount cut. Once again we recognize if the intent of the program is to have fly by night, non-licensed, and uninsured contractors doing this work, then our overhead eliminates us and the program will go on, along with an increase in problem contractors, and self imposed problems with the program.

We believe the best step forward for improving the program would be to make an in depth qualification process for participating contractors, leave the rebate at \$.20/ft, or create a tier where \$.20 would be paid for installing an R-30 and a slightly lesser amount paid for the current R-19 requirement (more similar although less than the Questar Gas-Thermwise rebates). By requiring legitimate contractors, meaning contractors who have a license,

insurance, legal workers, and liability protection, as well as training to become an accepted contractor, we believe the savings desired could be attained through limiting loss rather than cutting costs. We caution both Rocky Mountain Power and the Public Service Commission that the program will be drastically less effective and fewer customers will be served under the current proposal meaning the program will have an increase in fraud, an increase in problem contractors, and a decrease in effectiveness in very short order.

Please take this into careful consideration and deny the proposed tariff change.

Regan Richmond

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