



State of Utah
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Division of Public Utilities

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ACTION REQUEST RESPONSE

To: Utah Public Service Commission

From: Utah Division of Public Utilities
Chris Parker, Director
Artie Powell, Manager Energy Section
Thomas Brill, Technical Consultant
Carolyn Roll, Utility Analyst
Sam Liu, Utility Analyst

Date: May 10, 2012

Re: Proposed Changes to Schedule 96A Dispatchable Irrigation Load Control Credit Rider Program and Phase Out of the Schedule 96 Irrigation Load Control Credit Rider Program, Docket No. 12-035-T05, Advice No. 12-06, DPU Review and Recommendation – Approval with certain language changes.

RECOMMENDATION (Approval)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (Company) proposed modifications to the Schedule 96A Dispatchable Irrigation Load Control Credit Rider Program (the "Dispatchable Program") and phasing out of the Schedule 96 Irrigation Load Control Credit Rider Program (the "Schedule Forward Program") (collectively referred to herein as the "Programs"), with an effective date of May 20, 2012. The Division also recommends replacing certain references throughout the tariff consistent with the Company's proposed modifications.

ISSUE

On April 20, 2012, the Company filed its modified tariff pages for Schedule 96, "Irrigation Load Control Credit Rider," and Schedule 96A, "Dispatchable Irrigation Load Control Credit Rider Program." This tariff filing makes changes to the Company's Dispatchable Program and

proposes the phasing out of the Schedule Forward Program. The proposed changes to the Programs were discussed at the February 8, 2012 Utah DSM Advisory Group Meeting. The Company has requested an effective date for the changes to the Schedules of May 20, 2012. On April 20, 2012 the Commission issued an Action Request to the Division for a recommendation concerning the Company's proposed changes to Schedule 96 A and the phasing out of Schedule 96. This memorandum is in response to the Commission's Action Request.

DISCUSSION

These Programs allow Schedule 10 Customers to, either on a pre-schedule basis or as dispatched by the Company, reduce the demand placed on the system by irrigation pumps in exchange for a financial incentive. The purpose of these Programs is to allow the Company to manage customer demand for electricity during peak summer months by turning off participating pumps periodically during the proposed Program Effective Period of June 1 through August 31.

Phase out of the Schedule 96 Schedule Forward Program

Only 1 MW of the 48 MW of participating irrigation was associated with the Schedule Forward Program. The time spent managing and maintaining the program is disproportionate to the benefits and amount of load reduced. Customers will be provided the option to participate in the Dispatchable Load Control Credit Rider program. The Company is requesting that this program be cancelled on December 31, 2012. In the Company's Advice Letter the date in Table 1 is December 31, 2013 and the date stated in the revised tariff sheet is December 31, 2012. The Division has verified with the Company that the date should be December 31, 2012. During the final year of this program the effective period will change from May 25 through September 15 to June 1 through August 31.

Proposed Changes to Schedule 96A

The proposed changes to the Dispatchable Program summarized in Table 1 of the Advice Letter, are intended to be operational and/or administrative, serving to streamline program delivery, protect system integrity and strengthen overall program performance. The Company is proposing

that they shall have the right to select and reject program participants to ensure that voltage and other potential issues do not adversely affect the system. For customer convenience the requirement for a Load Control Service Agreement (LCSA) has been removed, and customers will now be able to sign-up and discontinue the program via phone. If a customer elects to participate, the Company will issue the LCSA and list the amount of the credit the customer will receive. Customers new to the program will sign the LCSA and return it to the Company by April 15 in order to indicate their participation.

References to a specific calendar year have been deleted to eliminate the necessity to re-file each year if the credit amount and load control kW do not change. Customers will now have the option to receive their Participation Credit as a bill credit rather than a check. The available dispatch hours have been changed from 2:00 PM through 8:00 PM to 11:00 AM through 7:00 PM Mountain Daylight Savings Time. As a result of changes to the tariff some customer requirements are no longer necessary, and in the tariff special conditions section the Communication section and Use of Load Control Equipment have been removed.

In the current tariff the Irrigation Season states that “This rider is applicable only during the Irrigation Season from May 25 to September 15, annually.” The Company is proposing to change that definition and replace it with a Program Effective Period from June 1 to August 31, annually. The Division agrees with this change, but in review of the proposed tariff sheets there are several places where the “irrigation season” language was not replaced with “program effective period.” The Division recommends that all occurrences where “irrigation season” is in the proposed tariff sheets should be replaced with “program effective period.” The Division has discussed this change with the Company and it is in agreement.

CONCLUSION

The Division recommends that the Commission approve the Company proposed changes to Schedule 96 and Schedule 96A with an effective date of May 20, 2012, including the Division’s replacing proposed language changes, namely, each reference to the “irrigation season” with the conforming phrase “program effective period.”

CC: Dave Taylor, RMP
Michele Beck, OCS