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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: August 29, 2013

Subject: Docket No. 13-035-136, In the Matter of the Application of Rocky
Mountain power to Cancel Schedule 194

Background

In this filing Rocky Mountain Power (Company) seeks to cancel Schedule 194, Demand Side Management (DSM) Cost Adjustment Credit in order to fund improvements to Schedule 114 – Air Conditioner Direct Load Control Program or Cool Keeper program.

Schedule 194 was created through a Settlement Stipulation in Docket No. 11-035-T14 for the purpose of returning the over collected balance of the DSM surcharge (Schedule 193) to customers and became effective June 1, 2012. After determining that the surcredit amount would not reduce the Schedule 193 account as quickly as anticipated on January 29, 2013 the Company requested Public Service Commission (Commission) approval to increase the Schedule 194 cost adjustment credit with a target to achieve a DSM account balance of \$6 million by the end of 2013. At that time the DSM Steering Committee was made aware that changes to the Cool Keeper program may be required with a potential cost impact, hence it appeared prudent to set the credit at a level that would retain \$6 million in the Schedule 193 account. The requested credit increase was approved by the Commission.

On August 14, 2013 Rocky Mountain Power (Company) filed with the Commission an application to cancel Schedule 194.

The Commission set August 29, 2013 as the deadline for parties to provide comments regarding the Company's request. The Office of Consumer Services provides the following comments.

Discussion

In explaining its reasons for requesting cancelation of Schedule 194 the Company describes the current status of the Cool Keeper program and considerations for the program going forward. The contract with the current vendor expires in August 2013 and the Company has issued a request for proposal to identify options for the program. The Company clarifies that it is not requesting changes to the Cool Keeper program in this application. The request is limited to cancelation of Schedule 194 and the Office's recommendation relates only to that request.¹

Although the Cool Keeper program is not the subject of this application, in reviewing the Company's request to cancel Schedule 194 the Office considered the possibility that continuation of the Cool Keeper program may result in the Company entering into a new contract with still unknown costs. In addition, we considered the potential for future impacts on Schedule 193. In our view canceling Schedule 194 now may avoid or delay near-term future changes to Schedule 193. Therefore, the Office supports the Company's request to cancel Schedule 194.

Although we support cancelation of Schedule 194 it is important to note that the Company has not requested and the Office is not recommending any changes to the Cool Keeper program at this time.

Recommendation

The Office recommends that the Commission approve the Company's request to cancel Schedule 194.

¹ However, in the application the Company states that during the April 24, 2013 meeting of the DSM Steering Committee ... "committee members voiced general support for a better technology that provided greater assurance of the program performance and a contract structure that maintained or improved program cost effectiveness, provided it could be procured at a reasonable cost compared to the Company's other options". From the Office's perspective there was general support for *consideration* of a better technology that met the criteria described above. The Office has insufficient information to affirmatively support any option.