



State of Utah
Department of Commerce
Division of Public Utilities

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MEMORANDUM

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Energy Section Manager

Brenda Salter, Technical Consultant

Date: June 12, 2013

Re: Rocky Mountain Power's Application to Cancel Electric Service Schedules No. 115, 125, 126, and 192, and Approve Electric Service Schedule No. 140, Non-Residential Energy Efficiency.

Docket No. 13-035-89

RECOMMENDATION (APPROVAL)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (Company) proposed cancellation of tariff Schedules No. 115, 125, 126, and 192, and approve Schedule No. 140, Non-Residential Energy Efficiency

ISSUE

On May 21, 2013, the Company filed a request for approval to cancel Electric Service Schedules No. 115 – Commercial and Industrial Energy Efficiency Incentives Optional for Qualifying Customers, 125 – Commercial and industrial Energy Services Optional for Qualifying Customers, 126 – Utah Commercial and Industrial Re-Commissioning Program, and 192 – Self-Direction Credit. The Company requests approval of Electric Service Schedule No. 140, non-Residential Energy Efficiency with an effective date of July 1, 2013. The Company is proposing

changes to program structures and incentive levels in order to increase the acquisition of energy efficiency savings and streamline participation for customers. On May 22, 2013, the Commission issued a Notice of Filing requesting interested parties file comments on or before June 12, 2013, with reply comments due on or before June 27, 2013. This memorandum represents the Division's response to the Commission's Notice of Filing.

DISCUSSION

The Company is proposing modifications to the Business Energy Efficiency Programs by cancelling Schedules No. 115, 125, 126, and 192 and introducing a new combined Schedule No. 140. The Company has experienced energy efficiency savings with the business programs over the past 10 years. Although the business programs have been successful, the Company and its customers have identified potential barriers to customer participation and program performance. The Company is seeking to mitigate these barriers by consolidating and streamlining its business programs, providing incentives for customers seeking dedicated project management resources, and expanding the current offerings for savings associated with changes to operations, maintenance and behavior.

The Company is requesting that Incentive Agreements issued between the date of this filing and the effective date receive final project incentive under the new tariff unless their project would have received a higher incentive amount under the existing incentives. Incentive Agreements in place prior to the filing will receive incentives consistent with the tariff at the time the agreement was issued.

The Company has provided a comprehensive cost effectiveness analysis which includes two sensitivity analyses. The proposed program is forecasted to be cost effective under a variety of sensitivity scenarios.

The Division as part of the DSM Steering Committee participated in reviewing the application prior to its submission. On February 5, 2013 the Company presented an initial overview of the program to the DSM Steering Committee. On April 24, 2013 the DSM Steering Committee met

to review the draft tariff and application. After multiple rounds of review the Steering Committee agreed on a final draft.

CONCLUSION

The Division recommends approving the proposed cancellation of tariff Schedules No. 115, 125, 126, and 192, and approve Schedule No. 140, Non-Residential Energy Efficiency.

CC Carol Hunter, RMP
Michele Beck, OCS
Service List