



State of Utah  
Department of Commerce  
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, Energy Section Manager

Brenda Salter, Technical Consultant

Date: August 5, 2014

Re: **RMP Advice No. 14-08, Proposed changes to Schedule 117 – Residential Refrigerator Recycling Program**

Docket No. 14-035-T09

## RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (Company) proposed changes along with those proposed by the Office of Consumer Services (Office) to the Residential Refrigerator Recycling Program.

## ISSUE

On July 18, 2014, the Company filed proposed changes to Utah Tariff Schedule 117 Residential Refrigerator Recycling Program (SYLR<sup>®</sup>) with an effective date of August 17, 2014. On July 21, 2014, the Commission issued an Action Request for the Division to investigate the proposed changes to Schedule 117 and report its findings and recommendation to the Commission by August 4, 2014. Subsequently the Commission issued a Notice of Filing and Comment Period giving interested parties until August 5, 2014 to provide comments with reply comments due August 12, 2014. The Division provides these comments in response to the Commission's

Action Request and consistent with the comment period date noted on the Notice of Filing and Comment Period.

## **DISCUSSION**

The Company is proposing to expand the current residential SYLR<sup>®</sup> program to include all retail tariff customers taking service under the Company's electric service schedules listed on Schedule 193, Demand Side Management (DSM) Cost Adjustment. The Company proposes to provide commercial and industrial customers with the same incentive as residential customers, which allows the participant to receive a \$30 incentive for each qualifying<sup>1</sup> residential refrigerator or freezer recycled through the program. The program proposes to limit the collection of two qualifying units per residential or business customer per year. Qualifying entities or participants on a single account but with multiple dwellings such as an apartment complex will be allowed to recycle two qualifying appliances per unit per year. The Company may offer an energy-saving packet which includes two CFLs, a refrigerator thermometer card, energy-savings education materials, and information on energy efficient programs.

The company is also proposing to expand the program to include collection of qualifying residential refrigerators and freezers to retailers. The proposed change will help to remove less efficient refrigerators and freezers from the secondary market. Participating retailers will be provided an incentive of up to \$20.

The Division has reviewed the filing along with the program's cost effectiveness analysis and concludes that the proposed program is cost-effective on the program level with the PTRC, TRC and UCT showing a benefit/cost ratio greater than 2.0 for the 2014, 2015 and 2016 years. The SYLR<sup>®</sup> program is provided at no cost to the participant therefore the PCT is not applicable.

The proposed program is expected to contribute 20,490 MWh to the 2013 IRP target updated on November 1, 2013. This is an increase over the 13,819 MWh in the 2013 IRP update. The

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<sup>1</sup> Working residential refrigerators and freezers that are a minimum of 10 cubic feet and a maximum of 32 cubic feet in size, utilizing inside measurements.

proposed addition of the retailer and C&I pick-ups is expected to increase savings by 13% per year.

On May 15, 2014, a draft filing of the changes to Schedule 117 was provided to the DSM Steering Committee. The Company provided answers to questions submitted by the DSM Steering Committee on June 10, 2014. The Division participated in the draft review.

The Office has requested changes to the Company's proposed tariff in order to clarify certain issues and will provide these changes in its memo to the Commission. The Division has reviewed and agrees with the Office's proposed changes to the tariff language.

## **CONCLUSION**

The Division has reviewed the changes as proposed by the Company and the Office and recommends that the Commission approve the modifications to Electric Service Schedule 117.

CC Kathryn Hymas, Rocky Mountain Power  
Dave Taylor, Rocky Mountain Power  
Michele Beck, Office of Consumer Services  
Service List