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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Public Service Commission

From: Office of Consumer Services
Michele Beck, Director
Gavin Mangelson, Utility Analyst

Date: December 15, 2016

Subject: Docket 16-035-49

In the Matter of: the Request of Rocky Mountain Power for Approval of its Eighth-Year Action Plan and Budget for the Strategic Communications and Outreach Plan for Demand Side Management

Background

On December 1, 2016 Rocky Mountain Power Company (Company) filed with the Public Service Commission (Commission) a plan and budget (Outreach Plan) for activities and media designed to increase awareness of the Company's Demand-Side Management (DSM) programs, referred to as Communications and Outreach.

Topics relating to the Company's DSM Outreach Plan and to general awareness of the Company's DSM programs are regularly discussed at DSM Steering Committee meetings throughout the year.

Discussion

After evaluating the proposed Outreach Plan, the Office of Consumer Services (Office) submitted a data request to the Company requesting more detailed information about several points within or relating to the Outreach Plan. The Office offers the following Comments.

Joint Media Communications

The Office requested information about joint media communications in which non-DSM programs are advertised alongside DSM programs. The Office specifically inquired regarding joint media communications in which Wattsmart is advertised in conjunction with Subscriber Solar or Blue Sky.

The Office was able to verify that the Schedule 193 DSM deferred account was not being billed for the entirety of the joint communications and that media costs have been allocated to the other programs in the 2016 calendar year.

In order to ensure that the funds collected under the Schedule 193 surcharge are not being used to subsidize programs that are not included in the DSM portfolio, the Office will continue to monitor cost allocation in regards to joint media. The Office also recommends that the Division of Public Utilities (Division) identify this cost allocation issue when it conducts an audit of the Company's DSM expenditures and expenditures related to the Outreach Plan.

Ragnar

The Office requested a breakdown of all expenses relating to the previous Ragnar sponsorships in order to evaluate how much of the total expenditures are going towards materials that help promote Wattsmart and DSM programs generally, and how much go toward entrance fees for the participants, and other support costs. The Office was able to verify that Ragnar expenses are not being incurred for travel, lodging, or vehicle rental.

The Office recognizes that marketing materials related to Ragnar may provide a benefit to the mission of the Outreach Plan, whereas the entrance fees paid for Company employees to participate in the relay race may be considered to be an employee benefit. The Office will work with the DSM Steering Committee regarding future Ragnar expenses to ensure that all the costs being incurred are producing results consistent with the Outreach Plan.

Wattsmart School Curriculum Program (National Energy Foundation)

Regarding the Wattsmart School Program, the Office requested and reviewed the list of schools visited in 2016 and the materials used for the presentations, including those given to parents, teachers, and students. \$175,000 has been proposed for the Wattsmart School Program in 2017 and is therefore 13% of the total budget request.

The Office supports the continued funding for this program as it is an effective way to introduce concepts of energy management and conservation to future generations, as well as to their parents, teachers and school administrators.

Conclusion

The Office supports the Outreach Plan generally, and will continue to work with the Company and DSM Steering Committee to develop effective marketing strategies that reflect a responsible stewardship over funds collected for the benefit of ratepayers.

Recommendation

The Office recommends that the Commission approve the Action Plan and Budget as filed.

Copies To: Rocky Mountain Power
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Division of Public Utilities
Chris Parker, Director
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