



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

Abdinasir Abdulle, Utility Analyst

Date: February 3, 2016

Re: **RMP Advice No. 16-01, Rocky Mountain Power's Proposed changes to Schedule 118 – Low Income Weatherization**

Docket No. 16-035-T01

RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (RMP or Company) proposed changes to the Low Income Weatherization Program.

ISSUE

On January 19, 2016, the Company filed proposed changes to Utah Tariff Schedule 118 Low Income Weatherization Program (Program) with a requested effective date of March 1, 2016.

On January 20, 2016, the Commission issued an Action Request for the Division to investigate the proposed changes to Schedule 118 and report its findings and recommendation to the Commission by February 3, 2016. On January 25, 2016, the Commission issued a Notice of Filing and Comment Period giving interested parties until February 3, 2016 to file comments

with reply comments due February 10, 2016. This memorandum represents the Division's response to the Commission's Action Request.

DISCUSSION

The Company is proposing multiple changes to the Program, some are housekeeping in nature while others add language to include additional program measures. The Company is proposing to add light emitting diode (LED) fixtures and bulbs to the list of energy efficiency measures. This may increase participant's use of LED light bulbs. Also, smart thermostats with occupancy sensors have been added to the list of eligible thermostats. "Up to" language has been added for reimbursement of furnace fans and energy education to help the Company manage incentive offerings due to market changes. The Company will provide notice on its website at least 45 days prior to changing the incentive offer. The DSM Steering Committee and the Housing and Community Development Division (HCD) will also be notified of any proposed changes to the incentive level.

The 2014 DSM Annual Energy Efficiency Report¹ shows the Utility Cost Test and the Total Resource Cost Test for Low Income Weatherization at 2.17. In addition, the Program spending totaled \$162,829 for 2014. The Company's proposed spending for the Program for 2016 is \$135,000.² The Company anticipates the proposed changes will increase Program spending by approximately \$10,000 in 2016. Based on this information and the information contained in the filing, the Division expects the proposed changes will not have a material impact on the cost-effectiveness of the program nor on the DSM surcharge.

On January 8, 2016, a draft filing of the proposed changes to Schedule 118 was provided to the DSM Steering Committee. The Company provided answers to questions submitted by the Division in the review of the filing.

¹ Demand-Side Management 2014 Annual Energy Efficiency and Peak Load Reduction Report pursuant to Commission order in Docket No. 09-035-27. Docket No. 15-035-50, April 30, 2015.

² In the Matter of Rocky Mountain Power's Annual Demand Side Management Nov. 1st Deferred Account and Forecast Reporting – Docket No. 15-035-48, November 2, 2015.

CONCLUSION

The Division has reviewed the proposed changes and recommends that the Commission approve the Company's modifications to Electric Service Schedule 118.

CC Bill Comeau, Rocky Mountain Power
Bob Lively, Rocky Mountain Power
Michele Beck, Office of Consumer Services
Service List