



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: December 1, 2017

Re: **RMP Advice No. 17-14, Schedule 193 Rate Adjustment – Demand Side Management (DSM) Cost Adjustment**

Docket No. 17-035-T13

RECOMMENDATION

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) approve Rocky Mountain Power's (Company) proposed change to the Schedule 193 surcharge collection rate from the current suspended rate of 3.68 percent to 3.66 percent for the 2018 program year.

ISSUE

On November 15, 2017, the Company filed to reinstate the suspended Utah Tariff Schedule 193 Demand Side Management (DSM) Cost Adjustment with a modified rate of 3.66 percent and a requested effective date of January 1, 2018. On November 15, 2017, the Commission issued an Action Request for the Division to investigate the proposed changes to Schedule 193 and report its findings and recommendation to the Commission by November 30, 2017. Subsequently the Commission issued a Notice of Filing and Comment Period giving interested parties until

December 1, 2017 to provide comments with reply comments due December 8, 2017. The Division provides these comments in response to the Commission's Action Request.

DISCUSSION

The purpose of this filing is to reinstate the DSM surcharge rate that was suspended in Docket No. 17-035-T10 based on the substantial over-collected balance and forecasted balance in the DSM Balancing Account. Exhibit A to the Company's filing provides the forecasted expenditures and revenue through December 2018. Exhibit B provides the forecast for the DSM balancing account at the collection rate in effect prior to the surcharge suspension. At the prior collection rate the Company projected the account balance will be over-collected by approximately \$232,000 at December 31, 2018. The Company's Exhibit C incorporates the requested DSM surcharge decrease from 3.68 percent to 3.66 percent for 2018 and forecasts an under-collected account balance at December 31, 2018 of approximately \$158,000. Once the DSM surcharge is reinstated on January 1, 2018, the average residential customer would see a slight decrease in their monthly bill from the previous suspended rate.

The Division will continue to monitor the DSM balancing account and will provide recommendations to the Company and the DSM Steering Committee if needed.

CONCLUSION

The Division has reviewed the Company's filing and recommends that the Commission approve the Schedule 193 rate change to 3.66 percent for the 2018 year with an effective date of January 1, 2018.

CC Michael Snow, Rocky Mountain Power
Jana Saba, Rocky Mountain Power
Michele Beck, Office of Consumer Services
Service List