

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 193, Demand Side Management (DSM) Cost Adjustment	<u>DOCKET NO. 17-035-T13</u>  <u>ORDER</u>
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ISSUED: December 12, 2017

On November 15, 2017, PacifiCorp, doing business as Rocky Mountain Power (PacifiCorp), filed with the Public Service Commission of Utah (PSC) Advice No. 17-14, proposing tariff revisions to Sheet No. 193.2 of Electric Service Schedule No. 193, Demand Side Management Cost Adjustment (Tariff Filing). In its Tariff Filing, PacifiCorp proposes to reinstate the currently suspended Schedule No. 193 collection rate at a lower level than previously effective.<sup>1</sup> PacifiCorp proposes January 1, 2018 as the effective date.

According to PacifiCorp, the proposed reinstated surcharge rate is intended to collect approximately \$67.9 million during calendar year 2018 representing a decrease of approximately \$371,000 or 0.5 percent from the previously effective rate. PacifiCorp states the previously effective Schedule No. 193 rate represented 3.68 percent of customer bills; the current proposal would reinstate the collection rate at approximately 3.66 percent of customer bills. Supporting PacifiCorp's proposal are Exhibits A through E. Exhibit A, which provides projected Utah demand side management (DSM) program expenditures through 2018; Exhibit B, projected DSM program expenditures and Schedule No. 193 revenue at the previously effective collection rate through 2018; Exhibit C, projected DSM program expenditures and Schedule No. 193

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<sup>1</sup> See *Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 193, Demand Side Management (DSM) Cost Adjustment* (Order, issued July 28, 2017); Docket No. 17-035-T10.

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revenue at the proposed DSM collection rate through 2018; Exhibit D, revised Schedule No. 193 Sheet No. 193.2; and Exhibit E, proposed rate pricing workpapers.

On November 16, 2017, the PSC issued a Notice of Filing and Comment Period, providing interested parties the opportunity to submit comments and reply comments on the Tariff Filing on or before December 1 and December 8, 2017, respectively. On December 1, 2017, the Division of Public Utilities (DPU) and Office of Consumer Services (OCS) submitted comments, and Utah Clean Energy and the Southwest Energy Efficiency Project (collectively, UCE) submitted joint comments. The DPU and OCS recommend the PSC approve the Schedule No. 193 rate change. The OCS states the Tariff Filing is consistent with the discussions and agreements made in the DSM Steering Committee. The DPU states it will continue to monitor the DSM balancing account and provide recommendations to PacifiCorp and the DSM Steering Committee if needed.

UCE recommends the PSC approve the reinstatement of PacifiCorp's DSM surcharge at 3.7% to support a level that reduces the over-collected balance but preserves a modest over-collection balance to allow for DSM program growth without frequent changes to the surcharge amount. UCE maintains that "[a]llowing for a reasonable over-collection balance allows [PacifiCorp] to take advantage of new technologies or opportunities to achieve cost-effective energy savings that may arise in the marketplace. It also enables [PacifiCorp] to respond to additional customer interest in energy efficiency beyond that forecast, should such interest arise, and thereby achieve additional electricity savings without needing to increase the DSM

surcharge.”<sup>2</sup> UCE adds, “[a]t this time we do not have analysis to substantiate a specific reinstatement collection rate percentage, as we had been waiting for [PacifiCorp] to share several different percentage scenarios with stakeholders as [PacifiCorp] agreed to at the October 26, 2017 DSM Steering Committee meeting. These scenarios were not shared in advance of [PacifiCorp’s] filing with the [PSC]. While we don’t have specific analysis, we believe that the surcharge should be moderately higher, perhaps 3.7%.”<sup>3</sup>

No party filed reply comments.

DISCUSSION, FINDINGS, AND CONCLUSIONS

Absent specific analysis, we decline to increase the Schedule No. 193 surcharge rate as proposed by UCE. In addition, as we have historically observed, nothing precludes PacifiCorp from identifying and proposing for approval new technologies or opportunities to achieve cost-effective energy savings in between DSM surcharge adjustments. Based on the Tariff Filing and attached exhibits, and the parties’ comments, we find reinstatement of the Schedule No. 193 rates, as filed, just, reasonable, and in the public interest. Accordingly, we approve them, effective January 1, 2018.

ORDER

Schedule No. 193, Sheet No. 193.2 is approved as filed, effective January 1, 2018.

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<sup>2</sup> UCE Comments at 1-2, filed December 1, 2017.

<sup>3</sup> *Id.* at 2.

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DATED at Salt Lake City, Utah, December 12, 2017.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Jordan A. White, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#298422

CERTIFICATE OF SERVICE

I CERTIFY that on December 12, 2017, a true and correct copy of the foregoing was served upon the following as indicated below:

By Electronic-Mail:

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