

August 16, 2018

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Secretary

Re: **Docket No. 18-035-27**
In the Matter of Rocky Mountain Power's Semi-Annual Demand-Side
Management ("DSM") Forecast Reports—**Reply Comments**

On July 3, 2018, the Public Service Commission of Utah ("Commission") issued a Notice of Filing and Comment period in the above referenced matter, allowing parties to file comments by August 1, 2018, and reply comments by August 16, 2018. The Division of Public Utilities ("DPU") and Utah Clean Energy ("UCE") filed comments August 1, 2018. DPU's comments recommend acknowledgement of the filing. UCE's comments made requests for additional information and added requirements to future reports. Rocky Mountain Power (the "Company") provides these reply comments in response to UCE's comments.

UCE requested the Company provide the following:

1. an explanation addressing why it is not re-investing the difference in revenue between the 2017 forecast and the June 2018 forecast into additional cost-effective DSM program;
2. an explanation of the current, cost-effective programs that may be an appropriate fit to reallocate the estimated \$6.7 million of over-collected revenue before the end of 2018, or alternatively provide an explanation for why refraining from making additional investments in DSM programs provides greater benefit to ratepayers; and
3. an explanation for why projected expenditures for each program increase or decrease.

The Company's Integrated Resource Plan is the source for determining appropriate levels of DSM acquisition as a lowest-cost resource. Accordingly, any DSM acquired beyond said levels would no longer be a lowest-cost resource, thus not providing the greatest benefits to customers. Additionally, spending less while still achieving DSM acquisition targets increases program cost-effectiveness, and creates downward pressure on rates, reducing rate increases for customers. These concepts and the three items above were all discussed during the last DSM Steering Committee meeting held June 26, 2018, when the Company presented its Semi-Annual Report results prior to making this filing. The majority of Steering Committee members agreed this was the right approach for balanced outcomes and in the public interest. Notwithstanding, if UCE and

Public Service Commission of Utah

August 16, 2018

Page 2

other Steering Committee members want to revisit these topics, they can be addressed again in subsequent meetings.

Sincerely,

A handwritten signature in blue ink that reads "Michael S. Snow". The signature is written in a cursive style with a long, sweeping tail on the "w".

Michael S. Snow

Manager, DSM Regulatory Affairs

CERTIFICATE OF SERVICE

Docket No. 18-035-27

I hereby certify that on August 16, 2018, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Cheryl Murray cmurray@utah.gov

Michele Beck mbeck@utah.gov

Division of Public Utilities

Erika Tedder etedder@utah.gov

Assistant Attorney General

Patricia Schmid pschmid@agutah.gov

Justin Jetter jjetter@agutah.gov

Robert Moore rmoore@agutah.gov

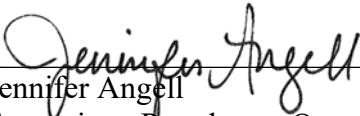
Steven Snarr stevensnarr@agutah.gov

Rocky Mountain Power

Data Request Response Center datarequest@pacificorp.com

Michael Snow michael.snow@pacificorp.com

Jana Saba jana.saba@pacificorp.com;
utahdockets@pacificorp.com



Jennifer Angell
Supervisor, Regulatory Operations