ROCKY MOUNTAIN POWER
A DIVISION OF PACIFICORP

1407 West North Temple, Suite 330
Salt Lake City, Utah 84116

August 5, 2019

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: **Reply Comments**
In the Matter of Rocky Mountain Power's Demand-Side Management 2018 Annual Energy Efficiency and Peak Load Reduction Report
Docket No. 19-035-22

On June 20, 2019, 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 July 19, 2019, and reply comments by August 5, 2019. The Division of Public Utilities ("DPU") and Office of Consumer Services ("OCS") filed comments July 18, 2019, and Utah Clean Energy ("UCE") and Southwest Energy Efficiency Project ("SWEEP") filed joint comments July 19, 2019. The DPU's and OCS' comments both recommended acknowledgement of the 2018 Annual Energy Efficiency and Peak Load Reduction Report ("2018 Report") as complying with Commission requirements. Party comments also included additional recommendations, which Rocky Mountain Power (the "Company") addresses in these reply comments.

The DPU recommended the Commission require the Company to complete a Utah Line Loss analysis for the DSM Program at least every five years to keep up with the Company's changing infrastructure. The Company is currently working towards updating its line loss study, and anticipates having a study completed in 2020. While updating the line loss study is important, the Company believes a discussion for the frequency and timing should occur in a more appropriate forum, such as a general rate case. The Company discussed this with the DPU, and they are agreeable to having the line loss discussion as part of a more appropriate forum outside of this docket.

The OCS recommended the Company be required to:

1) explain the reasons for any differences in the amount of Class 2 megawatt hour ("MWh") savings reports;
2) include a clear explanation of the relationship between the decrements used in the cost effectiveness analysis and avoided cost;
3) explain the cause of significant year-over-year declines in reported savings and remedies being considered, if appropriate; and

4) explain the meaning of the line "total class 2 w/incremental HER savings" on the Forecast to Actual Savings Table.

The Company finds items one, two, and four of OCS' recommendations to be reasonable and will make best efforts to clarify the requested information in future reporting. Regarding item three, year-over-year savings variations are attributable to the different savings targets in the annual November 1st Forecast Reports, which stem from the Integrated Resource Plan ("IRP"). If there is a significant decline in savings from one year to another, the Company does not find it necessary to provide an explanation as the portfolio is simply being managed to achieve its forecast savings targets year-over-year. If however, the reported savings for a given year was significantly below the forecast savings targets, the Company believes this scenario would warrant an explanation and remedies being considered.

UCE/SWEEP's comments conveyed a myriad of concerns and reasons for the reduced 2018 savings compared to previous years. The Company would like to reiterate that it achieved savings above the 2017 IRP and was within the savings forecast range submitted in the November 1st Forecast Report for 2018.[1] The Company's periodic program changes and incentive adjustments are proposed and implemented in order to manage its savings targets and deliver a diverse portfolio of offerings while also mitigating issues such as free ridership to ensure customer funds are spent prudently, cost-effectively, and in the public interest.

UCE/SWEEP also strongly encourage the Company to seek all cost-effective energy efficiency that exceeds the IRP targets. UCE has made this recommendation on several occasions and the subject has been discussed multiple times during DSM Steering Committee meetings. The IRP is the source for determining appropriate levels of DSM acquisition as a lowest-cost resource. The Company's intent is to manage the DSM portfolio to achieve the savings recommended by the IRP. Continual improvement is critical, and the Company is continually evaluating and seeking out new technologies and other ways to improve the way it delivers energy savings as a resource. If new programs, technologies, or other opportunities become available and are cost-effective, they will be pursued and added to the portfolio, if approved by the Commission. If new programs and technologies are added, the intent is to still manage the portfolio to achieve the IRP recommended resource savings. The energy industry is evolving rapidly, and programs and technologies traditionally driving energy efficiency will change with market evolution and industry standards. However, the principle that guides the Company's resource planning today is the acquisition of IRP-prescribed energy savings amounts passing industry standard cost-effectiveness testing.

Sincerely,

Michael S. Snow
Manager, DSM Regulatory Affairs

[1] Submitted November 1, 2017 in Docket No. 17-035-41.

CERTIFICATE OF SERVICE

Docket No. 19-035-22

I hereby certify that on August 5, 2019, 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

Madison Galt	mgalt@utah.gov
dpudatarequest@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
Jana Saba	jana.saba@pacificorp.com; utahdockets@pacificorp.com
Michael Snow	michael.snow@pacificorp.com

Mary Penfield
Regulatory Operations Adviser