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State of Utah

Department of Commerce Division of Public Utilities

FRANCINE GIANI CHRIS PARKER
Executive Director Director, Division of Public Utilities

Action Request Response

To: Utah Public Service Commission

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant

Date: July 31, 2019

Re: **In the Matter of Rocky Mountain Power's Semi-Annual Demand Side Management (DSM) Forecast Report, Docket No. 19-035-28**

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Utah Public Service Commission (Commission) acknowledge the Utah DSM tariff rider balancing account analysis filed by Rocky Mountain Power (Company) as being in compliance with the Commission Order of August 25, 2009 in Docket No. 09-035-T08 approving the Phase I stipulation.

Issue

In Compliance with the Commission Order of August 25, 2009 and April 20, 2016 in Docket No. 09-035-T08, on July 1, 2019 the Company filed the Utah DSM tariff rider balancing account analysis. On July 1, 2019 the Commission issued an Action Request to the Division to review the application and make recommendations on the Company's filing by July 31, 2019. On July 2, 2019 the Commission issued a Notice of Filing and Comment Period providing interested parties the opportunity to submit comments by July 31, 2019 with reply comments due August 15, 2019.

This memorandum is in response to the Commission's Action Request and Notice of Filing and Comment Period.

Background

On August 25, 2009, the Commission issued an Order approving the Phase I Stipulation in Docket No. 09-035-T08. The Phase I Stipulation required the Company to file semi-annually an analysis of the balancing account similar to that provided by the Company in Advice No. 09-08. The Company filed the Utah Semi-Annual DSM Forecast Report on July 1, 2019 in compliance with the Commission's order in Docket 16-035-30 moving the filing of the semi-annual report date to July 1 of each year. The Utah Semi-Annual DSM Forecast Report balancing account analysis includes the 2019 and 2020 forecast years. The Division has reviewed the filing and concludes that the Company's Utah DSM tariff rider balancing account analysis complies with the Commission Order of August 25, 2009.

Discussion

According to the Semi-Annual DSM Report, the balancing account was over-collected by \$13.1 million on December 31, 2018. At May 31, 2019, the account was over-collected by \$7.8 million. The forecast shows an expected over-collection in the amount of \$6.3 million by December 31, 2019 and \$8.0 million by December 31, 2020.

The Company indicates the expense and revenue forecast numbers provided in this filing are based on 2019 forecast numbers due to the delay in filing the 2019 IRP. Currently, the 2019 IRP is scheduled to be filed no later than October 18, 2019. This late filing date will affect the November 1 DSM Forecast filing. A DSM Steering Committee Meeting has been scheduled for August 22, 2019 to discuss the implications of the delayed 2019 IRP filing to the 2020 DSM Forecast filing.

On June 25, 2019, the Company presented the proposed plan to the Steering Committee. There was general agreement to postpone an adjustment to the DSM surcharge until after the filing of the 2019 IRP. The Company indicated it may propose any necessary Schedule 193 Surcharge adjustments in the 4th quarter of 2019.

Conclusion

Based on its review of the Company's filing, the Division concludes that the Company's Utah DSM tariff rider balancing account analysis complies with the Commission Order of August 25, 2009 in Docket No. 09-035-T08 approving the Phase I stipulation. The Division recommends acknowledgement of the filing.

Cc: Michael Snow, Rocky Mountain Power
Michele Beck, Office of Consumer Services
Service List