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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Public Service Commission of Utah

From: Office of Consumer Services
Michele Beck, Director
Cheryl Murray, Utility Analyst

Date: July 31, 2019

Subject: In the Matter of Rocky Mountain Power's Semi-Annual Demand Side Management Forecast Reports. Docket No. 19-035-28

Background

On July 1, 2019, Rocky Mountain Power (Company) filed with the Public Service Commission (Commission) its Semi-Annual Demand Side Management (DSM) Forecast Report (Forecast Report). On July 2, 2019, the Commission issued a Notice of Filing and Comment Period wherein July 31, 2019 and August 15, 2019, were set as the dates by which interested parties may submit comments and reply comments, respectively. The Office of Consumer Services (Office) provides the following comments pursuant to that schedule.

Discussion

As specified in the stipulation in Docket No. 09-035-T08, approved by the Commission in its order dated August 25, 2009, the Company is required to provide to the Commission and the DSM Advisory Group on a semi-annual basis a Utah DSM tariff rider balancing account analysis. The Company states the "analysis is to include historical and projected monthly DSM expenditures, rate recovery and account balances; as well as historical and projected monthly DSM expenditures by program, Schedule 193 revenue and self-direction credits".[1]

As required on July 1, 2019[2], the Company submitted its Forecast Report and Attachment A, which provides the DSM balancing account analysis. Attachment A presents the actual results through May 2019 and projected results through December 2020. The balancing account shows Schedule 193 revenue was in excess of DSM expenditures by approximately $7.75 million as of

[1] Rocky Mountain Power's July 1, 2019 Semi-Annual Demand-Side Management (DSM) Forecast Reports, page 1. Docket No. 19-035-28.
[2] The Commission Order dated April 20, 2016 in Docket No. 09-035-T08, modified the filing date for the Semi-Annual Report from May 1 to July 1 each year. The November 1 due date was not modified.

May 2019. The Company projects the excess to increase to approximately $8.0 million as of December 2020 using the current Schedule 193 collection rate of 3.54 percent and the projected expenses for approved DSM programs. The Company notes that the 2019 Integrated Resource Plan (IRP) has not yet been published therefore the amount of cost-effective DSM to be acquired in 2020 is currently unknown. Thus, the 2020 forecast is based on the 2019 forecast.

Because there is uncertainty around the amount of DSM the IRP will select the Company does not propose to modify the DSM collection rate at this time. The Company will continue to monitor the balancing account and may propose an adjustment in the 4th quarter of 2019. The Office believes that this approach is reasonable under the current circumstances.

Changes in Forecast

Each year in November, the Company is required to provide a forecast of DSM program expenses for the upcoming year. In this semi-annual DSM Forecast Report, the Company increases projected expenses for the residential Wattsmart Homes program from $14,696,479 to $15,315,079 an increase of $618,600. Other residential program projected expenses remain unchanged. Projected expenses for all programs in the commercial & industrial sector are decreased as are outreach and communications and other general program costs. Total DSM projected expenses for 2019 are decreased from the November 2018 projection of $64,620,562 to $62,189,406.

Compliance with Reporting Requirements

As identified above the Company is required to report on a variety of elements associated with the DSM tariff rider. One of those items identified by the Company is "self-direction credits". In Docket No. 13-035-89 the self-direction credit tariff, Schedule 192, was canceled[3] and Electric Service Schedule No. 140 – Non-Residential Energy Efficiency was approved without a self-direction credit provision. Thus, the Office recommends removing self-direction credits from the Company's list of items that must be included in its analysis.

Recommendation

The Office recommends that the Commission acknowledge Rocky Mountain Power's Semi-Annual Demand Side Management Forecast Report as meeting the Commission's requirements for the Report. The Office further recommends that the Commission relieve the Company of the requirement to report on self-direction credits as this option is no longer available.

CC: Michael Snow, Rocky Mountain Power
Chris Parker, Division of Public Utilities

[3] Commission Order dated June 28, 2013. Docket No. 13-035-89.