

November 1, 2019

***VIA ELECTRONIC FILING***

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

Attention: Gary Widerburg  
Commission Secretary

Re: In the Matter of Rocky Mountain Power's Annual Demand Side Management  
November 1<sup>st</sup> Deferred Account and Forecast Reporting  
Docket No. 19-035-28

In its order dated August 25, 2009 in Docket No. 09-035-T08 ("Order"), the Public Service Commission of Utah ("Commission") approved the Phase I Stipulation filed August 3, 2009 in the same ("Stipulation"). As specified in the Stipulation, Rocky Mountain Power ("Company") is required to provide to the Commission and Demand Side Management ("DSM") Advisory Group<sup>1</sup> ("Steering Committee") by November 1<sup>st</sup> of each year a forecast of expenditures for approved programs for the next calendar year and their acquisition targets (in MWh and MW) for the next calendar year. In addition, the order issued December 21, 2011 in Docket No. 10-035-57 directed the Company to provide an estimate of the capacity and energy savings targets for approved programs in the forecast in comparison to demand-side management program targets included in the Company's most recent Integrated Resource Plan. A report containing the forecast of these items for calendar year 2020 is provided in the Attachment 1 tab of the excel workbook attached to this filing. All referenced attachments in this letter are included as tabs in the workbook.

The balancing account analysis, provided in the Attachment 2 tab of the workbook, reflects actual results through September 2019 and projects DSM expenditures and Schedule 193 revenues through December 31, 2020. The analysis in Attachment 2 shows that the balance in the DSM balancing account is expected to reflect an over-collection on an accrual basis of approximately \$15.8m as of December 2020. Program level historical and forecast expense information in support of the DSM balancing account analysis is provided in the Attachment 3 tab of the workbook.

The DSM balancing account is over-collected by \$18.1m as of September 30, 2019, but is projected to be over-collected by \$14.8m by December 31, 2019. The Company reviewed the analysis and options to address the over-collected balance and Schedule 193 rates with the Steering Committee on October 29, 2019. A filing is anticipated to be made in November 2019 to address the over-collected balance.

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<sup>1</sup> In context of this filing, DSM Advisory Group is redefined as the DSM Steering Committee.

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Also included in this filing, and in compliance with the Commission's February 10, 2012 Acknowledgement Letter in Docket No. 10-035-57, is an estimate of total program participation and contribution to peak system load for the Irrigation Load Control Program. This analysis is included in the Attachment 4 tab of the enclosed workbook.

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): [datarequest@pacificorp.com](mailto:datarequest@pacificorp.com)  
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By regular mail: Data Request Response Center  
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825 NE Multnomah Blvd., Suite 2000  
Portland, OR 97232

Informal inquiries may be directed to me at (801) 220-4214.

Sincerely,



Michael S. Snow  
Manager, DSM Regulatory Affairs

cc: Division of Public Utilities  
Office of Consumer Services

Enclosures

**Attachment 1**  
**2020 Forecast Savings compared to Resource Plan Targets**

	2020 Program Forecast		Resource Plan	
	MWH @ Gen	MW	MWH	MW
	2020	2020	2020	2020
<b>Class 1 DSM - Residential, Commercial, Industrial</b>				
Air Conditioner Load Control - Res. & Small Com. (Sch. 114)		119		119
Irrigation Load Control - Industrial (Sch. N/A)		20		20
<b>Total Class 1</b>		<b>139</b>		<b>139</b>
<b>Class 2 DSM - Residential</b>				
Low Income (Sch. 118)	178	0	N/A	N/A
Home Energy Reporting (Sch. N/A)	36,010	5	N/A	N/A
wattsmart Homes (Sch. 111)	67,071	10	N/A	N/A
<b>Total Class 2 Residential</b>	<b>103,259</b>	<b>15</b>	<b>N/A</b>	<b>N/A</b>
<b>Class 2 Non-Residential Programs</b>				
wattsmart business (Sch. 140)	197,987	29	N/A	N/A
<b>Total Class 2 Non-Residential</b>	<b>197,987</b>	<b>29</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Class 2</b>	<b>301,246</b>	<b>44</b>	<b>254,270</b>	<b>37</b>
<b>Total Class 2 Estimated Range</b>	286,184 - 316,308			
<b>Total Class 2 (with HER Incremental Savings)</b>	241,557 - 266,984			38

**Notes:**

1. Class 2 DSM resource plan results are not selected at a program level (no program level IRP targets available).
2. Irrigation forecast represents highest expected realized value during the season (see "Irr Prgm Impact" tab for an estimate by week throughout season).
3. Air conditioner load control (Cool Keeper) forecast represents the expected contribution/impact available at peak, temperature dependent.
4. Forecast of coincident peak MW for **Utah's** Class 2 DSM resource is derived through the following formula:

Forecasted Class 2 DSM energy savings	301,246	MWh
Divided by 2020 Utah energy selections from the 2019 IRP Appendix D	254,270	MWh
Multiplied by Utah 2020 coincident peak value from the 2019 IRP	37	MW
<b>Estimated coincident peak impact of 2020 Utah Class 2 DSM programs</b>	<b>38.3</b>	<b>MW</b>

5. 2019 IRP Utah 2020 Energy Efficiency coincident peak contribution from supporting data used to create 2019 IRP Table 8.18.
6. Savings is at generation.

**Attachment 2**  
**Utah Demand-Side Management Balance Account Analysis**  
Using current rate of 3.54%

	Monthly Program				Cash Basis Accumulated Balance	Accrual Based Accumulated Balance	Carrying Charge Rate	Accumulated Balance Total Carrying Costs
	Costs - Fixed		Accrued					
	Assets	Program Costs	Rate Recovery	Carrying Charge				
<b>2011 totals</b>	43,638,930	3,865,060	(54,147,494)	(428,385)	(8,770,676)	(4,905,616)		
<b>2012 totals</b>	44,887,095	781,573	(47,901,079)	(1,154,860)	(12,939,521)	(8,292,887)	7.83%	
<b>2013 totals</b>	51,076,863	(1,985,773)	(45,941,421)	(1,128,853)	(8,932,931)	(6,272,070)	7.77%	
<b>2014 totals</b>	81,727,634	2,023,176	(59,356,899)	292,294	13,730,097	18,414,135	7.76%	
<b>2015 totals</b>	62,241,104	822,221	(68,050,713)	843,168	8,763,656	14,269,914	7.32%	
<b>2016 totals</b>	60,662,046	(2,812,870)	(76,557,491)	33,900	(7,097,889.32)	(4,404,501.33)	4.45%	
<b>2017 totals</b>	53,566,445	1,376,368	(44,577,746)	(1,571,070)	319,739	4,389,495	10.65%	
<b>2018 totals</b>	51,223,665	(245,770)	(67,723,589)	(701,111)	(16,881,296)	(13,057,310)		
January	2,306,948	409,558	(5,541,819)	(141,978)	(20,258,145)	(16,024,601)	9.21%	
February	3,129,924	(851,191)	8,834,474	(109,568)	(8,403,315)	(5,020,962)	9.21%	
March	3,365,855	929,979	(4,918,665)	(70,454)	(10,026,579)	(5,714,248)	9.21%	
April	4,141,931	(298,685)	(4,518,162)	(78,398)	(10,481,209)	(6,467,562)	9.21%	
May	3,733,449	(389,337)	(4,543,908)	(83,553)	(11,375,222)	(7,750,912)	9.21%	
June	3,123,513	1,099,368	(5,556,106)	(96,640)	(13,904,454)	(9,180,777)	9.21%	
July	4,088,790	377,100	(6,966,777)	(117,761)	(16,900,202)	(11,799,424)	9.21%	
August	4,218,558	101,144	(7,886,882)	(143,786)	(20,712,312)	(15,510,391)	9.21%	
September	5,581,425	(705,972)	(7,345,074)	(165,735)	(22,641,696)	(18,145,747)	9.21%	
October	6,013,844		(4,442,248)	(167,744)	(21,237,845)	(16,741,895)	9.21%	
November	5,895,688		(4,483,995)	(157,583)	(19,983,735)	(15,487,786)	9.21%	
December	5,895,688		(5,037,864)	(150,083)	(19,275,994)	(14,780,044)	9.21%	
<b>2019 totals</b>	51,495,613	671,964	(52,407,028)	(1,483,283)				
January	3,025,804		(5,029,388)	(155,632)	(21,435,211)	(16,939,261)	9.21%	
February	4,796,062		(4,502,663)	(163,389)	(21,305,200)	(16,809,251)	9.21%	
March	4,517,550		(4,581,725)	(163,764)	(21,533,140)	(17,037,190)	9.21%	
April	5,607,372		(4,276,786)	(160,161)	(20,362,715)	(15,866,765)	9.21%	
May	4,118,348		(5,116,775)	(160,115)	(21,521,257)	(17,025,307)	9.21%	
June	4,990,532		(6,078,259)	(169,350)	(22,778,334)	(18,282,384)	9.21%	
July	4,371,889		(7,495,465)	(186,810)	(26,088,720)	(21,592,771)	9.21%	
August	5,131,581		(7,080,186)	(207,709)	(28,245,034)	(23,749,084)	9.21%	
September	3,869,760		(5,599,794)	(223,420)	(30,198,488)	(25,702,539)	9.21%	
October	5,281,165		(4,488,266)	(228,731)	(29,634,320)	(25,138,370)	9.21%	
November	8,076,337		(4,511,806)	(213,765)	(26,283,554)	(21,787,604)	9.21%	
December	11,150,646		(5,006,439)	(178,148)	(20,317,496)	(15,821,546)	9.21%	
<b>2020 totals</b>	64,937,045	-	(63,767,553)	(2,210,994)				
Total Accruals		4,495,950						
DSM balancing account as of Sept 30, 2019						(18,145,747)		
Forecast DSM expenses through December 2020						82,742,265		
Forecast carrying charges through December 2020						(2,686,404)		
Total expenses through December 2020						80,055,861		
Total DSM surcharge collections through December 2020						(77,731,661)		
Forecast DSM balancing account as of December 31, 2020						(15,821,546)		

**Notes:**

Figures provided through Sept 2019 are actuals.  
Rate Recovery estimates for 2020 calc from June 2019 forecast from Regulation

**Attachment 3  
DSM Program Expenditures & Revenues**

	YTD Balance Sept 2019	Accrual for Sept	Total thru Sept 2019	2019 Program Year Spend						
				Oct-19	Nov-19	Dec-19	Total 2019 charges	Nov 1, 2018 Forecast	June 2019 Forecast	Nov 1, 2019 Forecast
<b>Residential Programs</b>										
A/C Load Control Program (Sch. 114)	4,801,632	144,836	4,946,468	451,177	451,177	451,177	6,300,000	6,300,000	6,300,000	6,300,000
Low Income (Sch. 118)	44,487		44,487	10,171	10,171	10,171	75,000	75,000	75,000	75,000
Home Energy Reports (Sch. N/A)	524,280	19,389	543,669	168,777	168,777	168,777	1,050,000	1,250,000	1,250,000	1,050,000
wattsmart Homes Program (Sch. 111)	8,310,319	730,587	9,040,906	1,427,156	1,427,156	1,427,156	13,322,375	14,696,479	15,315,079	13,322,375
	<u>13,680,718</u>	<u>894,812</u>	<u>14,575,530</u>	<u>2,057,282</u>	<u>2,057,282</u>	<u>2,057,282</u>	<u>20,747,375</u>	<u>22,321,479</u>	<u>22,940,079</u>	<u>20,747,375</u>
<b>Commercial &amp; Industrial Sector Programs</b>										
wattsmart Business Commercial (Sch. 140)	14,550,892		14,550,892				32,684,300	39,239,609	36,490,000	32,684,300
wattsmart Business Industrial/Agr (Sch. 140)	4,072,674	3,220,750	7,293,423	3,613,328	3,613,328	3,613,328				
Industrial Irrigation Load Control (Sch. N/A)	9,145	322,166	331,311	110,000	(8,156)	(8,156)	425,000	650,000	500,000	425,000
	<u>18,632,710</u>	<u>3,542,916</u>	<u>22,175,626</u>	<u>3,723,328</u>	<u>3,605,173</u>	<u>3,605,173</u>	<u>33,109,300</u>	<u>39,889,609</u>	<u>36,990,000</u>	<u>33,109,300</u>
Outreach and Communications	840,133		840,133	203,289	203,289	203,289	1,450,000	1,500,000	1,450,000	1,450,000
Portfolio (TRL, DSM Central, Training)	200,489	7,520	208,009	3,136	3,136	3,136	217,416	295,000	192,000	217,416
Program Evaluation Cost - C&I	54,533		54,533	7,809	7,809	7,809	77,959	265,106	167,599	77,959
Program Evaluation Cost - Res	274,058	48,551	322,608	14,635	14,635	14,635	366,513	334,368	434,728	366,513
2019 Potential Study	7,752	2,151	9,902	4,366	4,366	4,366	23,000	15,000	15,000	23,000
	<u>840,133</u>	<u>7,520</u>	<u>847,653</u>	<u>203,289</u>	<u>203,289</u>	<u>203,289</u>	<u>1,450,000</u>	<u>1,500,000</u>	<u>1,450,000</u>	<u>1,450,000</u>
<b>Total DSM Program Expenditures</b>	<u>33,690,392</u>	<u>4,495,950</u>	<u>38,186,342</u>	<u>6,013,844</u>	<u>5,895,688</u>	<u>5,895,688</u>	<u>55,991,562</u>	<u>64,620,562</u>	<u>62,189,406</u>	<u>55,991,562</u>

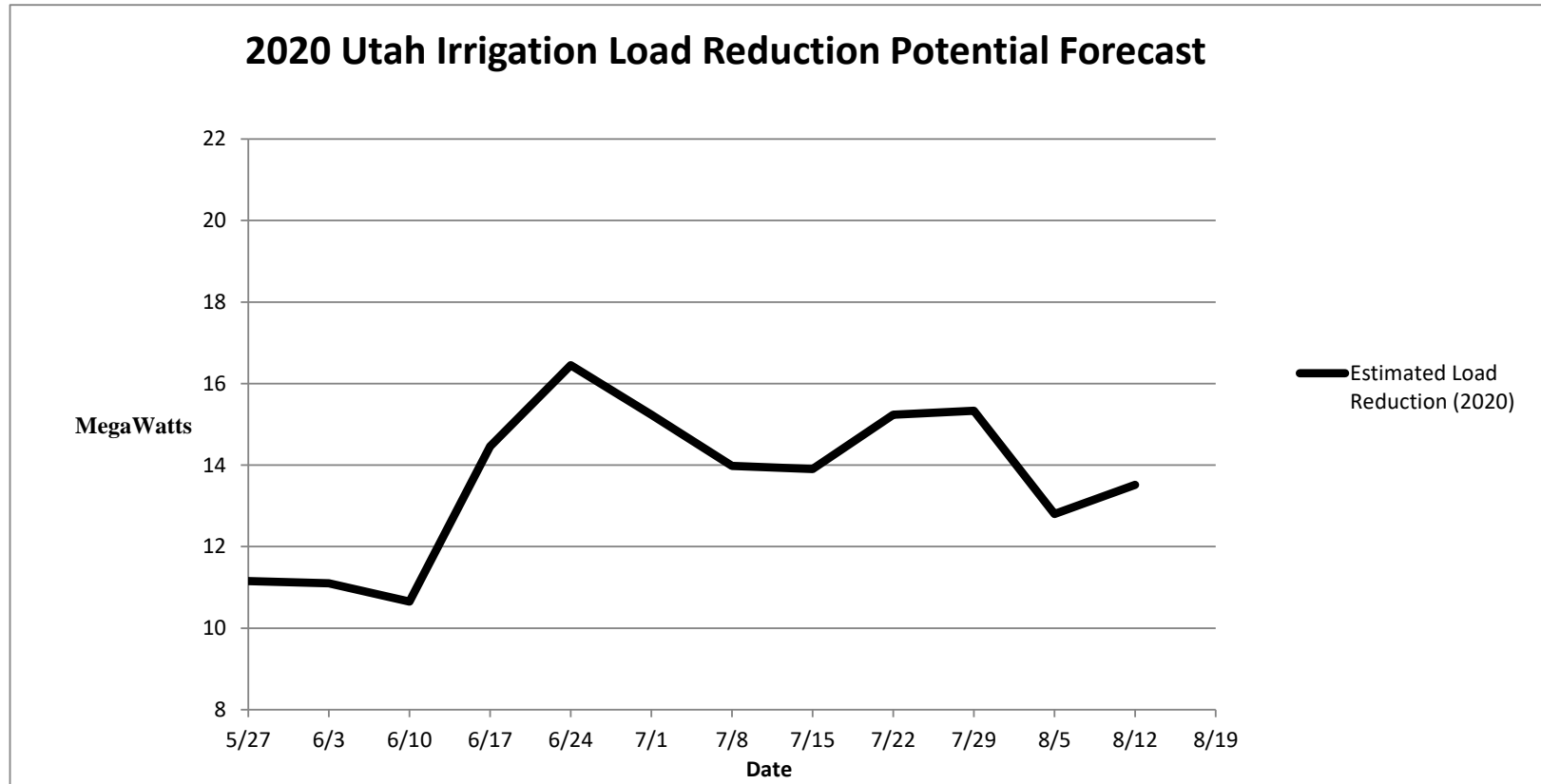
51,495,613 Deferred Acct Balance 2019 expenditure total  
4,495,950 Diff is accrual at state level (cell C25)  
55,991,562

**Notes;**  
Jan-Sept 2019 actuals  
Accruals added to capture full cost through Sept  
Split for WSB program cost was based on 2018 kWh  
savings (75% / 25%)



### Estimated Peak Impact of Irrigation Load Control By Week

Program Weeks	25-May	3-Jun	10-Jun	17-Jun	24-Jun	1-Jul	8-Jul	15-Jul	22-Jul	29-Jul	5-Aug	12-Aug
Estimated Load Reduction (2020)	11	11	11	14	16	15	14	14	15	15	13	14
Participating Load (2020)	38	38	38	38	38	38	38	38	38	38	38	38
Percent Participating Load	30%	30%	28%	38%	44%	41%	37%	37%	41%	41%	34%	36%



**Note:**

2020 expected impact is based on weekly load availability results for Utah's irrigation program during the 2015 - 2019 control seasons. Actual impact at peak will be dependent on when monthly peaks occur throughout the 2020 control months

**CERTIFICATE OF SERVICE**

Docket No. 19-035-28

I hereby certify that on November 1, 2019, a true and correct copy of the foregoing was served by electronic mail to the following:

**Utah Office of Consumer Services**

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Mary Penfield  
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