



State of Utah
Department of Commerce
Division of Public Utilities

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Memorandum

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Doug Wheelwright, Utility Technical Consultant Supervisor

Brenda Salter, Utility Technical Consultant Supervisor

Justin Christensen, Utility Analyst

Abdinasir Abdulle, Utility Technical Consultant

Date: August 13, 2021

Re: **Docket No. 20-035-20**, RMP Reporting for the Low Income Lifeline Program 2020.

Recommendation

The Division of Public Utilities (Division) recommends the surcharge under Schedule 91 be set to zero for a period of five months and the maximum bill credit under Schedule 3 should be increased to \$13.95 per month. This recommendation is a change in the Division's initial recommendation of switching off the surcharge for six months. The Division also recommends a tariff compliance filing by the Company to implement this change.

Issue

On July 1, 2021, the Public Service Commission (Commission) issued a notice of filing and comment period where any interested party may submit comments on the Division's report on or before July 30, 2021, and may submit reply comments on or before August 16, 2021. On July

30, 2021, Rocky Mountain Power (RMP or The Company) submitted comments on the Division's 2020 report of the Home Electric Lifeline Program (Report). This is the Division's response to the Company's comments.

Discussion

In its initial comments, the Division recommended switching the surcharge off for six months in order to return the account balance to a reasonable level. While the Company agrees that the balance in the HELP program needs to be reduced, it offers a different approach. The Company recommends that the Schedule 91 surcharge be set to zero for a period of five months. The Company also recommends that for Schedule 3 qualifying customers, the credit should be increased by \$0.48 to provide incremental benefits from Schedule 135 Excess Credits to Schedule 3 customers. The Company believes it is reasonable to assume that the portion of the surplus balance was funded from Net Metering Schedule 135 Excess Credits (Excess Credits). The Excess Credits portion of the HELP credit will be \$1.02 under this proposal.

In 2012-2014, RMP collected \$2.3 million more than credits granted in that same time period. In 2015, the Commission approved a one-time Surcharge Refund Credit of \$1.24 million¹ distributed to all customers except Schedule 3 customers. This refund credit was processed through Schedule 92. By setting the Schedule 91 surcharge to zero for a period of five months, the remaining over collection will be satisfied.

In 2019, the Commission approved an increase to the HELP credit of \$0.54 based on Schedule 135 Excess Credits of approximately \$153,000.² Going forward, the Company expects the annual Excess Credits to be around \$200,000. An increase in the HELP credit should address the remaining Excess Credits. The Division will continue to track the Net Metering Schedule 135 Excess Credits and monitor the HELP Balance semi-annually. The Division finds it prudent for RMP to monitor the balance annually and make adjustments to the credit balance as needed.

¹ Docket 14-035-T12.

² Docket 19-035-29 Commission Order.

Conclusion

The Division finds the Company's proposal to be reasonable. The Division recommends the Commission approve the Company's proposal of setting the Schedule 91 surcharge to zero for a period of five months and increase the maximum bill credit under Schedule 3 to \$13.95 per month. The Division recommends the Commission require the Company to make a tariff compliance filing to implement these changes.

Cc: Joelle Steward RMP
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