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# State of Utah

## Department of Commerce

### Division of Public Utilities

CHRIS PARKER  
*Executive Director*

ARTIE POWELL  
*Director, Division of Public Utilities*

## Action Request Response

**To:** Public Service Commission of Utah

**From:** Utah Division of Public Utilities

Artie Powell, Director

Brenda Salter, Utility Technical Consultant Supervisor

Paul Hicken, Technical Consultant

**Date:** July 14, 2020

**Re:** **Docket No. 20-035-31**, Rocky Mountain Power's Semi-Annual Demand-Side Management Forecast Reports.

### 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, 2020 the Company filed the Utah DSM tariff rider balancing account analysis. On July 1, 2020 the Commission issued an Action Request to the Division to review the application and make recommendations on the Company's filing by July 31, 2020. On July 6, 2020 the Commission issued a Notice of Filing and Comment Period providing interested parties the opportunity to submit comments by July 31, 2020 with reply comments due August 17, 2020.

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, 2020 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 2020 and 2021 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, looking at the cash basis the balancing account was over-collected by \$20.1 million as of December 31, 2019. In order to address the over-collected balance, the Company issued a one-time customer refund of \$22 million on the February/March 2020 customer billings. With the current Schedule 193 rates the DSM Surcharge would collect enough to cover the anticipated 2020 expenditures. On May 31, 2020, the account was still over-collected by \$2.8 million. The forecast shows an expected over-collection in the amount of \$5.6 million by December 31, 2020 and \$6.7 million by December 31, 2021 using the current Schedule 193 collection rate of 3.54 percent.

At the DSM Steering Committee meeting on June 4, 2020, the Company indicated it will not propose a mid-year rate adjustment to Schedule 193 at this time. It will continue to monitor the balancing account, and propose an adjustment in the 4<sup>th</sup> quarter of 2020 if necessary, based on the then current state of affairs and COVID-19 impacts. The DSM Steering Committee members expressed no concerns with this recommended approach.

## **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