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State of Utah
DEPARTMENT OF COMMERCE
Office of Consumer Services

MICHELE BECK
Director

To: Utah Public Service Commission

From: Office of Consumer Services
Michele Beck, Director
Alex Ware, Utility Analyst

Date: July 31, 2020

Re: In the Matter of Rocky Mountain Power's Semi-Annual Demand-Side Management (DSM) Forecast Reports – Docket No. 20-035-31

Background

On July 1, 2020, Rocky Mountain Power (RMP) filed with the Public Service Commission (PSC) its Semi-Annual Demand Side Management (DSM) Forecast Report (Forecast Report). On July 6, 2020, the PSC issued a Notice of Filing and Comment Period wherein July 31, 2020 and August 17, 2020 were set as the dates by which interested parties may submit comments and reply comments, respectively. The Office of Consumer Services (OCS) provides the following comments pursuant to that schedule.

Discussion

As specified in the stipulation in Docket No. 09-035-T08, approved by the PSC in its order dated August 25, 2009, RMP is required to provide to the PSC and the DSM Advisory Group on a semi-annual basis a Utah DSM tariff rider balancing account analysis. RMP 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, 2020², RMP submitted its Forecast Report and Attachment A, which provides the DSM balancing account analysis. Attachment A presents the actual results through May 2020

¹ RMP's July 1, 2019 Semi-Annual Demand-Side Management (DSM) Forecast Reports, page 1. Docket No. 20-035-31.

² The PSC 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.

and projected results through December 2021. The balancing account shows Schedule 193 revenue was in excess of DSM expenditures by approximately \$2.88 million as of May 2020. RMP projects the excess to increase to approximately \$6.70 million as of December 2020 using the current Schedule 193 collection rate of 3.54 percent and the projected expenses for approved DSM programs.

Because there is uncertainty around the current COVID-19 impacts, RMP 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 2020 if necessary. The Office believes that this approach is reasonable under the current circumstances.

Changes in Forecast

Each year in November, RMP is required to provide a forecast of DSM program expenses for the upcoming year. In this semi-annual DSM Forecast Report, RMP presents that while the A/C Load Control Program was originally slated for an increase of \$700,000 (from \$6.3 million to \$7 million), the forecast has been updated in May 2020 to be an increase of about \$100,000 to a total of about \$6.4 million. Regarding the rest of the residential programs, from the June 2019 forecast to the May 2020 forecast, there is an estimated increase in program costs of about \$260,000. Total DSM projected expenses for 2020 are increased from 2019 by about \$1.3 million, quite evenly split between increases to residential, commercial, and other areas such as outreach, evaluation, and study costs.

Recommendation

The OCS recommends that the PSC acknowledge RMP's Semi-Annual DSM Forecast Report as meeting the PSC's requirements for the Report.

Copies to:

Rocky Mountain Power
Jana Saba, Regulatory Affairs Manager
Division of Public Utilities
Artie Powell, Director