

Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 140, Non-Residential Energy Efficiency Program	<u>DOCKET NO. 20-035-T06</u>  <u>ORDER</u>
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ISSUED: September 30, 2020

### **PROCEDURAL HISTORY**

On September 2, 2020, Rocky Mountain Power (RMP) filed Advice No. 20-07 (“Application”), proposing revisions to Electric Service Schedule No. 140, Non-Residential Energy Efficiency (“Schedule 140”) of its Tariff P.S.C.U. No. 50 (“Tariff”). The filing proposes updates to incentives and eligibility criteria for certain non-residential measure categories and streamlining of Schedule 140 Tariff sheets. RMP requested an effective date of October 2, 2020 for these modifications.

On September 3, 2020, the Public Service Commission (PSC) issued a Notice of Filing and Comment Period. On September 16 and 17, 2020, respectively, the Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) filed comments. No party filed reply comments.

### **THE APPLICATION**

RMP's Application proposes revisions to Schedule 140 that update certain incentives and eligibility criteria for the following measure categories: lighting, motors, HVAC equipment, food service equipment, office equipment, irrigation, farm and dairy equipment, mid-market lighting, and HVAC check-up measures. RMP's Application states “[t]he purpose of these changes is to better align with current measure research and market conditions, and cost-effectiveness

thresholds,” attaching its analysis as to the cost-effectiveness of the proposed changes.<sup>1</sup> RMP represents the proposed changes align with the budget and savings forecasts presented in its November 1, 2019 Annual Demand Side Management Deferred Account and Forecast Report filed in an earlier docket.<sup>2</sup>

The Application also proposes to streamline Schedule 140 to accommodate flexibility associated with its numerous offerings. RMP states the level of content and formatting in Schedule 140 has largely remained the same since 2013. In light of “the increasingly volatile shifts in the market, frequent new technologies and standards, and uncertainty of COVID-19 impacts, [RMP] believes its energy efficiency programs need to be increasingly fast, fluid, and flexible to avert missed energy savings opportunities and keep up with market trends, industry standards, qualified equipment, and other eligibility criteria in order to meet customers’ needs and achieve energy savings targets cost-effectively.”<sup>3</sup>

RMP’s proposed modifications to Schedule 140 remove some of the granularity in various tables. RMP also proposes that “[a]ll requirements, eligibility, and other detailed information necessary for participation [in the various program measures] will be posted and maintained on [RMP]’s website, application materials, and other prominent places for transparency and to keep customers informed ... [and that a]ny changes to the granular offering criteria will be managed through the day to day operation of [RMP’s] energy efficiency portfolio.”<sup>4</sup>

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<sup>1</sup> Application at 2 and Ex. C.

<sup>2</sup> See *Rocky Mountain Power’s Semi-Annual Demand-Side Management (DSM) Forecast Reports*, Docket No. 19-035-28.

<sup>3</sup> Application at 5.

<sup>4</sup> *Id.*

According to RMP, the core measure offerings and maximum incentive amounts, changes to which will still require PSC approval, will remain in Schedule 140. In addition, any additional new offerings will still require PSC approval and the pre-established 45-day notice process will continue for adjustments of any offered incentive amount. Finally, the Application summarizes RMP's customer communication plans and efforts pertaining to Schedule 140.

### **PARTIES' COMMENTS**

DPU recommends the PSC approve the Application, effective October 2, 2020. DPU states the Application is reasonable and that it is appropriate to streamline Schedule 140 to provide RMP with agility to respond to market conditions. DPU further states the non-residential measure changes are expected to be cost-effective under the Utility Cost Test (UCT) the PSC has determined to be the standard cost-effectiveness test.

Based on its review of the Application and DPU's comments, OCS recommends the PSC approve the Application. OCS states that, given a PSC-preferred UCT benefit/cost ratio of 1.96, Schedule 140 is forecasted to remain cost-effective through 2021.

### **DISCUSSION, FINDINGS, AND CONCLUSIONS**

Based on RMP's Application and the associated cost-effectiveness analysis, and the comments of DPU and OCS — particularly those related to the anticipated continued cost-effectiveness of the non-residential energy efficiency program — we find and conclude that RMP's proposed changes to Schedule 140 are in the public interest. Therefore, we approve RMP's modifications to Schedule 140 and to Index Sheet No. B.1 as filed, effective October 2, 2020.

**ORDER**

- 1) We approve the Application as filed.
- 2) We approve the revisions to Schedule 140, Sheet Nos. 140.1 and 140.3 through 140.9, cancelation of Sheet Nos. 140.10 through 140.23, and the modifications to Index Sheet No. B.1 as filed, effective October 2, 2020.

DATED at Salt Lake City, Utah, September 30, 2020.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg  
PSC Secretary  
DW#315689

Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the PSC within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC does not grant a request for review or rehearing within 30 days after the filing of the request, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on September 30, 2020, a true and correct copy of the foregoing was delivered upon the following as indicated below:

By Email:

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