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Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 114, Load Management Program	<u>DOCKET NO. 20-035-T07</u>
	<u>ORDER</u>

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ISSUED: September 30, 2020

### **PROCEDURAL HISTORY**

On September 3, 2020, Rocky Mountain Power (RMP) filed Advice No. 20-08 (“Application”), proposing revisions to Tariff P.S.C.U. No. 50, Electric Service Schedule No. 114, Load Management Program (“Schedule 114”), Sheet Nos. 114.1 and 114.2. RMP’s proposed modifications to Schedule 114 add a new Demand Side Management (DSM) Battery Demand Response Program (“Program”). RMP requests an effective date of October 3, 2020 for these changes.

On September 4, 2020, the Public Service Commission (PSC) issued a Notice of Filing and Comment Period. On September 18, 2020, the Division of Public Utilities (DPU), the Office of Consumer Services (OCS), Utah Clean Energy (UCE), and Western Resource Advocates (WRA) filed comments. On September 25, 2020, RMP filed reply comments.

### **THE APPLICATION**

RMP’s Application proposes revisions to Schedule 114 to promote and incentivize the installation of individual batteries for system-wide integration and use for overall grid management. RMP explains the Program will help ensure installation of battery equipment behind the meter by customers will be safely integrated with RMP’s electrical system and provide benefits for both customers and the grid. RMP expects the Program to create

opportunities associated with utility grid management, load shaping, utility integration of behind-the-meter batteries, and use of distributed battery grid management solutions.

The Application identifies incentive levels and commitment terms. Further, batteries must meet program participation requirements to qualify for an incentive, including the requirements for integration into RMP's system. The Application also provides details on the operation and administration of the Program and includes information on the proposed Program's expected cost effectiveness. With the exception of the Participant Cost Test (PCT), which RMP asserts is not applicable, all of the filed cost-effectiveness tests had a passing score of greater than 1.0. RMP forecasts the Program will achieve approximately 100 MW of battery demand response by 2029.

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

DPU, OCS, and WRA recommend the PSC approve RMP's proposed Program and support ongoing Program review.

DPU recommends continuous program oversight and a minimum of semi-annual reporting on the Program's performance and cost effectiveness. DPU states the program appears to have significant benefits for RMP and its customers, the Application is reasonable, and the Program can be an important component of Schedule 114.

OCS agrees that RMP's analysis demonstrates the Program will be cost effective. OCS anticipates RMP will provide frequent status updates to the DSM Steering Committee, asserting that ongoing review will ensure the Program works well and facilitate necessary program adjustments.

WRA supports the Program and recommends RMP continue to provide updates about the Program to the DSM Steering Committee and Advisory Group, including identifying necessary

changes and enhancements to the Program. WRA states the Program will provide a new demand response asset for RMP that will be useful during peak load times, as well as provide grid management benefits.

UCE supports Program approval but recommends RMP address certain issues relating to battery degradation, source of battery charging energy, and dispatch criteria prior to PSC approval. UCE maintains the Program “is an important first step to gauge customer interest in allowing utility control of behind-the-meter devices” and will “allow the utility to gain experience operating a fleet of distributed energy resources to provide grid management services, and collect data.”

In reply, RMP acknowledges UCE’s concerns relating to dispatch parameters, noting that the Program is new and will evolve over time. RMP explained the Program is different from other utility programs in that it incorporates more than just traditional demand response, and that it requires broader dispatch parameters to ensure the Program is cost effective. RMP maintains the Program as currently designed is a reasonable starting point to gain knowledge on its design. RMP commits to continually evaluate the Program and to discuss issues, challenges, and Program changes with the DSM Steering Committee.

Further responding to UCE’s comments, RMP clarifies its intent that batteries will be charged by excess solar generation, and for customers without solar, their batteries will need to be charged from the grid. However RMP states the Program will not be ready to facilitate participation from customers without behind the meter generation resources at the outset.<sup>1</sup> RMP

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<sup>1</sup> Proposed modifications to Schedule 114 does not limit Program to solar generation, however the Tariff refers to RMP’s website for Program details.

also clarifies that as designed the Program contemplates pushing energy back to the grid under certain circumstances. RMP states “[i]f customers choose to participate in the Program, [they] will be agreeing to allow [RMP] to use their battery for grid management, and will be compensated through their enrollment incentive and annual incentive for ongoing voluntary participation.”<sup>2</sup>

Based on our review of the Application, filed comments and reply comments, RMP’s commitment regarding ongoing Program evaluation and communication with the DSM Steering Committee, and RMP’s responses to UCE’s concerns, we find and conclude RMP’s proposed Program is just and reasonable, and in the public interest. Correspondingly, we approve RMP’s proposed changes to Schedule 114, Sheet Nos. 114.1 and 114.2, effective October 3, 2020.

**ORDER**

We approve RMP’s proposed changes to Electric Service Schedule No. 114, Load Management Program, Sheet Nos. 114.1 and 114.2, as filed, effective October 3, 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#315695

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<sup>2</sup> RMP September 25, 2020 Reply Comments at 3.

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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