



State of Utah

Department of Commerce
Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Director, Division of Public Utilities

SPENCER J. COX
Governor

DEIDRE HENDERSON
Lieutenant Governor

Action Request Response

To: Public Service Commission of Utah

From: Utah Division of Public Utilities

Chris Parker, Director

Artie Powell, Manager

Brenda Salter, Utility Technical Consultant Supervisor

Paul Hicken, Technical Consultant

Date: June 24, 2021

Re: **Docket No. 21-035-33 Rocky Mountain Power's Demand Side Management 2020 Annual Energy Efficiency and Peak Load Reduction Report.**

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Public Service Commission (Commission) acknowledge the Utah Demand-Side Management (DSM) Annual Energy Efficiency and Peak Load Reduction Report for 2020 (DSM Annual Report), filed by Rocky Mountain Power (RMP or the Company) as it appears to comply with the Commission requirements as outlined in the Company's Appendix A included with the initial filing.

Issue

On May 28, 2021, the Company filed its DSM 2020 Annual Energy Efficiency and Peak Load Reduction Report. On May 28, 2021, the Commission issued an Action Request for the Division to review the filing and make recommendations by June 28, 2021. The Commission issued on June 2, 2021, a Notice of Filing and Comment Period in this Docket requesting interested parties submit comments on or before June 28, 2021 with reply comments submitted on or before July

13, 2021. This memorandum represents the Division comments on the 2020 DSM Annual Report.

Background

Pursuant to the Commission order dated February 16, 2017, in Docket No. 17-035-04, the format for the DSM Annual Report has been updated to provide streamlined information and to create efficiencies by reporting several detailed components and updates on the Company's website throughout the year. The Company believes this new format still adheres to the reporting requirements identified in Appendix A of the report. The concept of the new reporting format was discussed with the Demand Side Management Steering Committee in the October 20, 2020 meeting and the members were supportive.

Discussion

The 2020 DSM Annual Report provides details on program results, activities, and expenditures of the DSM Cost Adjustment Tariff Rider (Schedule 193) as of the reporting period from January 1, 2020 through December 31, 2020. DSM portfolio for 2020 includes the following programs:

- **Energy Efficiency Programs:**
 - Wattsmart Homes
 - Home Energy Reports
 - Low Income Weatherization
 - Wattsmart Business
- **Peak Reduction Programs:**
 - Irrigation Load Control
 - Cool Keeper
 - Wattsmart Batteries

Rocky Mountain Power invested \$64 million in energy efficiency and peak reduction resource acquisitions during the reporting period. The investment yielded approximately 356,724

megawatt hours (MWh) in first year energy savings.¹ The net benefits based on the projected value of the energy savings over the life of the individual measures is estimated at \$154 million.²

The DSM portfolio was cost effective based on the Utility/Administrator Cost Test (UCT), which is the primary cost benefit test observed in Utah. The Residential Energy Efficiency programs and the Peak Reduction programs showed varying benefit to cost ratios generally above 1.0 as indicated in the pertinent tables of Appendix B³ of the DSM Report. It should be noted that throughout the report there were many references with links back to the company's website that were not working. These links should be repaired in order to facilitate the review of the DSM Annual Report.

Conclusion

The Division has reviewed the report and found that it complies with the Commission requirements. Therefore, the Division recommends that the Commission acknowledge the Company's DSM Annual Report for 2020 as complying with Commission Orders.

Cc: Michael Snow, Rocky Mountain Power
Michel Beck, Office of Consumer Services
Service List

¹ Reported ex-ante savings are gross at generation.

² 2020 DSM Report, Appendix B. Cost Effectiveness, Table 4. p.3/4.

³ 2020 DSM Report, Appendix B. Cost Effectiveness, pp.28-55.