



State of Utah

Department of Commerce
Division of Public Utilities

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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: July 13, 2021

Re: **Docket No. 21-035-45**, In the Matter of Rocky Mountain Power's Semi-Annual Demand-Side Management (DSM) Forecast Reports.

Recommendation (Acknowledge)

The Division of Public Utilities (Division) recommends that the Public Service Commission of Utah (Commission) acknowledge the Utah DSM semi-annual account analysis and forecast report filed by Rocky Mountain Power (Company) as being in compliance with the Commission Order of August 25, 2009 in Docket No. 09-035-T08 approved in 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, 2021 the Company filed the Utah DSM tariff rider account analysis. The Commission issued an Action Request to the Division on July 1, 2021, to review the filing and make recommendations to the Commission by July 30, 2021. The Commission issued a Notice of Filing and Comment Period on July 2, 2021, providing interested parties the opportunity to submit comments by August 2, 2021 with reply comments due August 17, 2021. 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 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, 2021 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 and account analysis includes the 2021 and 2022 forecast years. The Division has reviewed the filing and concludes that the Company's Utah DSM tariff rider account analysis complies with the Commission Order of August 25, 2009.

Discussion

The Phase I Report and Order issued December 29, 2016 in the Sustainable Transportation and Energy Plan (STEP) Docket 16-035-36 capitalized and amortized the Schedule 193 DSM rates beginning January 1, 2017, creating a DSM regulatory asset and liability. The first plant accelerated depreciation payment occurred in December 2020 using funds from the STEP Regulatory Liability account. With the creation of a DSM regulatory asset and liability, the balancing account structure was no longer effective for the DSM reporting format. Consequently, the reporting format has been updated from a balancing account style to a more comprehensive style providing information on DSM Spend and Collection, Regulatory Asset, Regulatory Liability, and potential future thermal plant accelerated depreciation balances.

At the DSM Steering Committee meeting on June 30, 2021, the Company indicated it will not propose a mid-year rate adjustment to Schedule 193 at this time and further indicated that the surcharge rate of 3.56 percent is estimated to remain flat through 2025. The DSM Steering Committee members did not express any concerns with this updated format and recommended surcharge rate but they will remain open to further discussion as time goes on.

Conclusion

Based on its review of the Company's filing, the Division concludes that the Company's Utah DSM tariff rider account analysis and forecast report 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