



## State of Utah

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## Public Service Commission

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*Commissioner*

January 5, 2023

Ms. Jana Saba  
Rocky Mountain Power  
1407 W North Temple, Suite 330  
Salt Lake City, UT 84116

Data Request Response Center  
PacifiCorp  
825 NE Multnomah St., Suite 2000  
Portland, OR 97232

Re: *Rocky Mountain Power's Demand-Side Management 2021 Annual Energy Efficiency and Peak Load Reduction Report; Docket No. 22-035-27*

Dear Ms. Saba:

The Public Service Commission (PSC) reviewed Rocky Mountain Power's (RMP) October 25, 2022 compliance filing ("Filing") submitted in accordance with the PSC's August 26, 2022 Acknowledgment Letter ("Letter") in the above referenced matter. The Letter requested RMP file additional information within 60 days of the Letter's issuance regarding the reason(s) RMP changed the method of calculating benefits for the Home Energy Reports (HER) program and whether the implementation of the expanded program was consistent with the assumptions of the deemed savings study RMP submitted with its July 22, 2022 reply comments in this docket. The PSC also requested RMP discuss the issues related to the HER program expansion at the next Demand Side Management (DSM) Advisory Group as well as with the DSM Steering Committee.

The Filing states that the original design of the HER program in 2012 used a Randomized Control Trial (RCT) to determine savings. The RCT design requires separate treatment and control groups of customers, and as the number of HER program participants increased over time, separate and unique treatment and control groups were continually created to determine the associated energy savings. RMP explains that in 2019 the HER program reached participation levels that restricted further program expansion with continued use of the RCT design. RMP explains that the RCT design would have required too many customers to be in a control group. Therefore, to expand the HER program further, RMP decided that an alternative method for calculating program savings was necessary.

RMP states it engaged a third party to assess whether the HER program in Utah could reliably be evaluated with a deemed savings approach, which found that RMP's Utah savings estimates from the RCT method were accurate indicators of past program performance and could be used to develop deemed savings values going forward. Based on the results of the third-party assessment, RMP implemented a deemed savings approach in July 2020 to calculate energy savings for HER program participants. RMP explains the savings estimates are regression-based and vary by customers' pre-treatment consumption and length of treatment.<sup>1</sup> According to the assessment, the deemed savings values assumed that home energy reports would continue to be delivered with the same frequency and cadence as previously implemented. RMP affirms it has continued to implement the HER program as the deemed savings study recommended, and has applied the deemed savings values implemented in July 2020. RMP convened a meeting to discuss the HER program issues with the DSM Advisory Group and DSM Steering Committee.

The PSC also reviewed the November 8, 2022 comments of the Division of Public Utilities (DPU). DPU states the Filing responds to the PSC's directives in the Letter. In addition, DPU states RMP held a meeting on September 20, 2022 to discuss the HER deemed savings values, avoided costs and cost effectiveness, incremental versus first year HER energy savings, and how HER is accounted for in the Integrated Resource Plan. According to DPU, RMP also discussed the recently published HER program evaluation for the 2020-2021 period. Accordingly, DPU recommends the PSC acknowledge that the Filing complies with the PSC's Letter.

Based on the PSC's review of the Filing, and the comments and recommendations filed by DPU, the PSC acknowledges that the Filing complies with the PSC's Letter.

Sincerely,

/s/ Gary L. Widerburg

PSC Secretary

DW#326564

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<sup>1</sup> The Filing included Table 1, which represents the recommended deemed savings values that RMP implemented in July 2020.