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UTAH DEPARTMENT OF COMMERCE

Division of Public Utilities

MARGARET W. BUSSE
Executive Director

CHRIS PARKER
Division Director

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 28, 2022

Re: **Docket No. 22-035-37**, Rocky Mountain Power's Semi-Annual Demand-Side Management Forecast Reports.

Recommendation (Acknowledge)

The Division of Public Utilities (DPU or Division) recommends that the Public Service Commission (PSC or Commission) acknowledge the Utah Demand-Side Management (DSM) Semi-Annual account analysis and forecast report filed by Rocky Mountain Power (RMP or Company) as 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, Docket No. 09-035-T08,¹ the Company filed the Utah DSM semi-annual account analysis. The Commission issued an Action Request to the Division on July 1, 2022, to review the filing and make recommendations to the Commission by August 1, 2022. The Commission issued a Notice of Filing and Comment Period on July 5, 2022, providing interested parties the opportunity to submit comments by August 1, 2022, with reply comments due August 16, 2022. This

¹ Utah PSC, Docket No. 09-035-T08, Order Granting Approval of Phase I Stipulation, August 25, 2009.

memorandum is the Division's 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 the one provided by the Company in Advice No. 09-08.² The Company filed the Utah Semi-Annual DSM Forecast Report on July 1, 2022, 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 actual collections and expenditures through May 2022 and forecasted amounts from June 2022 through December 2023.

Discussion

In its Phase I Report and Order in Docket 16-035-36, issued December 29, 2016, the Commission approved the capitalized and amortized treatment of the Schedule 193 DSM rates beginning January 1, 2017, creating a DSM regulatory asset and liability.³ With the creation of a DSM regulatory asset and liability, the balancing account structure was no longer accurate nor effective for the DSM reporting format. The updated reporting format better reflects information on DSM expenditures and collections, Regulatory Asset, Regulatory Liability, and potential future thermal plant accelerated depreciation balances.

The Company submitted Exhibit A showing an accounting analysis of DSM Program Spend and Collections with actual results through May 2022, and projected results through December 2030. The Company indicates that Schedule 193 collections surcharge rate of 3.56 % is estimated to remain flat through 2024. Therefore, the Company does not intend to propose a mid-year rate adjustment to Schedule 193 at this time.

Conclusion

Based on its review of the Company's filing, the Division concludes that the Company's Semi-Annual DSM Account Analysis and Forecast Report complies with the Commission Order of

² Ibid. p.5.

³ Utah PSC, Docket No. 16-035-36, Phase One Report and Order, December 29, 2016, p.3.

August 25, 2009, in Docket No. 09-035-T08 approving the Phase I stipulation. The Division recommends the Commission acknowledge the filing.

cc: Michael Snow, Rocky Mountain Power.
Michele Beck, Office of Consumer Services.
Service List.