



State of Utah

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Public Service Commission

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January 12, 2023

Mr. Michael S. Snow
Rocky Mountain Power
1407 West 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 Semi-Annual Demand-Side Management Forecast Reports;*
Docket No. 22-035-37

Dear Mr. Snow:

The Public Service Commission (PSC) reviewed the Semi-Annual Demand-Side Management (“DSM”) Forecast Report and Exhibit A (“Report”) filed by Rocky Mountain Power (RMP) on November 1, 2022.

RMP states the phase I stipulation approved by the PSC on August 25, 2009 in Docket No. 09-035-T08 (“Order”) required it to provide the PSC and the DSM Advisory Group, on a semi-annual basis, a Utah DSM deferred account analysis that includes historical and projected monthly cumulative and program-specific DSM expenditures, rate recovery and account balances, and Schedule 193 revenue and self-direction credits. RMP explains that, with the creation of a DSM regulatory asset,¹ the DSM fund ceased to be a balancing account structure. The updated DSM reporting format reflects information on DSM spend and collections, Regulatory Asset, Regulatory Liability, and potential future thermal plant accelerated depreciation balances. Accordingly, RMP represents Exhibit A provides an accounting analysis that reflects actual results through May 2022 and projected results through December 2030. RMP states that under current assumptions, it estimates the Schedule 193 collections surcharge rate of 3.56% will remain flat through 2024. Consequently, RMP does not currently plan to propose a Schedule 193 mid-year rate adjustment.

The Division of Public Utilities (DPU) and the Office of Consumer Services (OCS) filed comments on November 23, 2022 and December 1, 2022, respectively, and no other comments

¹ 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.

were filed. Based on its review, DPU recommends the PSC acknowledge the DSM Report as complying with the Order. DPU highlights the regulatory liability shown on line 27 of Exhibit A styled “Coal Accelerated Depreciation Applications.” DPU states that in 2020, the item showed an amount of \$185.2 million applied for coal plant depreciation buydown. DPU explains that at the time, RMP estimated there would be another depreciation buydown of \$45 million in 2023 as described in the footnote comments. DPU explains that a combination of underspending and increased collections caused a \$21 million surplus, which RMP added to the depreciation buydown estimate for 2023, shown by the \$66.1 million amount on line 27 for year 2023. DPU indicates, however, that RMP inadvertently left the reference to a \$45 million depreciation buydown for 2023 in the footnote comments.

The OCS states it has reviewed RMP’s Report and recommends the PSC approve the 2023 energy savings and expenditure forecasts.

Based on the PSC’s review of the Report and the comments and recommendations of DPU and OCS, the PSC acknowledges that the Report complies with the Order.

Sincerely,

/s/ Gary L. Widerburg
PSC Secretary
DW#326604