#### - BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

Rocky Mountain Power's Proposed Changes to Schedule 140, Non-Residential Energy Efficiency Program

DOCKET NO. 22-035-T13

**ORDER** 

ISSUED: January 27, 2023

#### PROCEDURAL HISTORY

On December 29, 2022, Rocky Mountain Power (RMP) filed Advice No. 22-07 ("Application"), proposing revisions to Electric Service Schedule No. 140, Non-Residential Energy Efficiency ("Schedule 140") of its Tariff P.S.C.U. No. 51 ("Tariff"). The Application proposes to (a) adjust, discontinue, or add certain incentives and offerings to the Non-Residential Energy Efficiency Program ("Program"); and (b) expand the Mid-Market component of the Program incentive structure to include market actors. RMP now refers to the Mid-Market component as the "Market program." The Application includes proposed Second Revision of Sheet No. 140.2, First Revision of Sheet No. 140.3, Second Revision of Sheet No. 140.4, Second Revision of Sheet No. 140.8, and Second Revision of Sheet No. 140.9, and requests an effective date of February 1, 2023.

On December 30, 2022, the Public Service Commission (PSC) issued a Notice of Filing and Comment Period. On January 10, 2023, the Division of Public Utilities (DPU) filed comments ("DPU Comments") in support of the Application. The PSC received no other comments.

<sup>&</sup>lt;sup>1</sup> RMP explains the program currently only offers incentives to end-use customers and that it proposes to expand the Market program to a broader structure for prescriptive lamps and fixtures, which "will allow the Market program to provide incentives at the most effective point(s) in the supply chain to influence the market." Application at 4.

- 2 -

#### THE APPLICATION

The Application provides detailed explanations of the proposed changes to Schedule 140. RMP states the proposed changes align with its 2023 Savings Forecast of 211,384 MWh,<sup>2</sup> and 2023 Budget Forecast of \$36,000,000,<sup>3</sup> as presented in the Demand Side Management (DSM) Deferred Account and Forecast Report filed on November 1, 2022, in Docket No. 22-035-37.

The Application and Exhibit A list the following proposed adjustments:

- 1. New offerings for Network Lighting Controls and Controls Commissioning.
- 2. New offerings for Advanced Rooftop Controls.
- 3. New offerings for Engine Block Heater Controls.
- 4. Miscellaneous updates to incentives and eligibility criteria for the following categories:
  - a. Lighting System Retrofits.
  - b. New Construction/Major Renovation Lighting Incentives.
  - c. Motor Incentives.
  - d. HVAC Incentives.
  - e. Incentives for Wastewater, Oil and Gas, Fleet Vehicle, and Other Refrigeration Energy Efficiency Measures.
  - f. Market Incentives Lighting.
  - g. Market Incentives HVAC.
  - h. HVAC Check-up Incentives.

Exhibit B of the Application contains a cost effectiveness analysis and Exhibits C and D contain sensitivity studies for RMP's Wattsmart Business Program. RMP reports various expected benefit-to-cost ratios, including a Utility Cost Test (UCT) score of 1.76, a PacifiCorp

<sup>&</sup>lt;sup>2</sup> See Rocky Mountain Power's Semi-Annual Demand-Side Management (DSM) Forecast Reports, Docket No. 22-035-37, RMP's Annual DSM Deferred Account and Forecast Report filed Nov. 1, 2022, Exhibit A, Tab styled "Savings Forecast."

<sup>&</sup>lt;sup>3</sup> *Id.* at Exhibit A, Tab styled "DSM Expenditures."

- 3 -

Total Resource Cost Test (PTRC) of 1.06, and a Participant Cost Test (PCT) of 2.20. Based on the results of the studies, which assume the proposed changes adopted under low, expected, and high participation assumptions, RMP expects the Program will remain cost effective.

The Application also states RMP discussed the proposed changes with the DSM Steering Committee on October 27, 2022, and it circulated a draft Application for Committee review and comments on December 15, 2022.

#### **DPU COMMENTS**

DPU recommends the PSC approve the revised Tariff Schedule 140, effective February 1, 2023. DPU comments RMP's proposed adjustments are reasonable and appropriate and will enable RMP to update the Program for market conditions. DPU further states the Program changes are expected to be cost effective under the UCT, PTRC, and PCT tests. DPU agrees with RMP the proposed Tariff sheets do not constitute a violation of state law or PSC rule.<sup>4</sup>

## DISCUSSION, FINDINGS, AND CONCLUSIONS

We appreciate, consistent with our prior directives, RMP's having sought input about its proposed adjustments to Schedule 140 from the DSM Committee before filing its request for approval. We further appreciate and rely on DPU's Comments representing the proposed Schedule 140 adjustments will maintain the Program's cost effectiveness and allow RMP to update the Program for current market conditions. We therefore find and conclude that RMP's proposed adjustments to Schedule 140 continue to meet cost-efficiency measures and are just, reasonable, and in the public interest. Based on our review of RMP's Application, DPU's

-

<sup>&</sup>lt;sup>4</sup> DPU Comments, at 3-4.

- 4 -

Comments and recommendations, and there being no opposition to the Application, we approve RMP's Application and associated revisions to Schedule 140 as filed, effective February 1, 2023.

# **ORDER**

The Application and related revisions to Schedule 140, specifically, Second Revision of Sheet No. 140.2, First Revision of Sheet No. 140.3, Second Revision of Sheet No. 140.4, Second Revision of Sheet No. 140.8, and Second Revision of Sheet No. 140.9, are approved, effective February 1, 2023.

DATED at Salt Lake City, Utah, January 27, 2023.

/s/ Thad LeVar, Chair

/s/ David R. Clark, Commissioner

/s/ Ron Allen, Commissioner

Attest:

/s/ Gary L. Widerburg PSC Secretary DW#326763

- 5 -

# Notice of Opportunity for Agency Review or Rehearing

Pursuant to §§ 63G-4-301 and 54-7-15 of the Utah Code, an aggrieved party may request agency review or rehearing of this Order by filing a written request with the PSC within 30 days after the issuance of this Order. Responses to a request for agency review or rehearing must be filed within 15 days of the filing of the request for review or rehearing. If the PSC does not grant a request for review or rehearing within 30 days after the filing of the request, it is deemed denied. Judicial review of the PSC's final agency action may be obtained by filing a petition for review with the Utah Supreme Court within 30 days after final agency action. Any petition for review must comply with the requirements of §§ 63G-4-401 and 63G-4-403 of the Utah Code and Utah Rules of Appellate Procedure.

- 6 -

### CERTIFICATE OF SERVICE

I CERTIFY that on January 27, 2023, a true and correct copy of the foregoing was delivered upon the following as indicated below:

# By Email:

Data Request Response Center (<u>datareq@pacificorp.com</u>, <u>utahdockets@pacificorp.com</u>) *PacifiCorp* 

Michael S. Snow (<u>michael.snow@pacificorp.com</u>) *Rocky Mountain Power* 

Patricia Schmid (pschmid@agutah.gov)
Patrick Grecu (pgrecu@agutah.gov)
Robert Moore (rmoore@agutah.gov)
Utah Assistant Attorneys General

Madison Galt (<u>mgalt@utah.gov</u>)

Division of Public Utilities

Alyson Anderson (<u>akanderson@utah.gov</u>)
Bela Vastag (<u>bvastag@utah.gov</u>)
Alex Ware (<u>aware@utah.gov</u>)
Jacob Zachary (<u>jzachary@utah.gov</u>)
(<u>ocs@utah.gov</u>)
Office of Consumer Services

Administrative Assistant