



1407 W. North Temple, Suite 330
Salt Lake City, Utah 84116

June 30, 2023

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attention: Gary Widerburg
Commission Secretary

Re: In the Matter of Rocky Mountain Power's Semi-Annual Demand-Side
Management (DSM) Forecast Reports – Docket No. 23-035-31

Dear Mr. Widerburg,

In its order from Docket No. 09-035-T08 dated August 25, 2009 (“Order”), the Public Service Commission of Utah (“Commission”) approved the Phase I stipulation agreed to by parties in the docket and filed with the Commission on August 3, 2009. As specified in the stipulation, Rocky Mountain Power (“Company”) is required to provide to the Commission and Demand Side Management (“DSM”) Advisory Group¹ on a semi-annual basis a Utah DSM deferred account analysis similar to that originally provided by the Company in Advice No. 09-08. This analysis is to include historical and projected monthly DSM expenditures, rate recovery and account balances; as well as historical and projected monthly DSM expenditures by program, Schedule 193 revenue and self-direction credits.

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. With the creation of a DSM regulatory asset, 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, attached hereto as Exhibit A is an accounting analysis, reflecting actual results through May 2023 and projected results through December 2030. As illustrated in Exhibit A, under current assumptions, the Schedule 193 surcharge rate is estimated to remain flat through 2024. Consequently, the Company does not intend to propose a mid-year rate adjustment to Schedule 193 at this time.

¹ In context of this filing, DSM Advisory Group is redefined as the DSM Steering Committee.

Public Service Commission of Utah

June 30, 2023

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It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com
 michael.snow@pacificorp.com

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

Informal inquires may be directed to me at (801) 220-4214.

Sincerely,

A handwritten signature in blue ink that reads "Michael S. Snow". The signature is written in a cursive style with a long horizontal flourish at the end.

Michael S. Snow
Manager, Regulatory Affairs

Enclosures

Exhibit A

	2020 Full Year Total 2020	2021 Full Year Total 2021	2022 Full Year Total 2022	2023 Full Year Total 2023	2024 Full Year Total 2024	2025 Full Year Total 2025	2026 Full Year Total 2026	2027 Full Year Total 2027	2028 Full Year Total 2028	2029 Full Year Total 2029	2030 Full Year Total 2030	All Years
DSM Spend and Collections												
Program Spend	64,090,327	66,013,215	66,172,157	63,690,177	79,174,177	85,952,755	87,663,894	92,331,815	95,834,856	97,040,454	103,137,124	837,010,623
Collections	48,737,866	70,522,433	72,911,534	75,181,800	75,993,331	86,669,603	95,531,012	104,256,576	110,113,720	116,526,973	122,400,826	930,107,808
**Actuals Only-Spend Accruals Change	(839,308)	(697,307)	(874,231)									
Carrying Charge Rate		8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	8.99%	
Estimated Surcharge Rate	3.56%	3.56%	3.56%	3.56%	3.56%	3.56%	4.39%	4.72%	4.90%	5.12%	5.33%	
Regulatory Asset												
Beginning Balance	139,768,454	179,567,371	224,969,697	255,330,349	283,852,803	315,720,310	346,100,584	369,511,166	390,834,387	411,694,786	429,060,645	
Beginning Balance-Accrual		5,051,317										
Program Spend	64,090,327	66,013,215	66,172,157	63,690,177	79,174,177	85,952,755	87,663,894	92,331,815	95,834,856	97,040,454	103,137,124	837,010,623
Program Spend - Accrual	(839,308)	(697,307)	(874,231)									
Amortization	(18,400,788)	(24,964,895)	(31,455,548)	(39,062,895)	(47,306,670)	(55,572,480)	(64,253,313)	(71,008,593)	(74,974,457)	(79,674,595)	(83,913,288)	(572,186,734)
Carrying Charge (8.99% rate)		16,366,228	17,304,530	18,389,783	26,393,569	28,964,476	31,277,700	33,247,983	35,139,263	36,852,378	38,487,538	282,423,446
Paydown of Carrying Charge		(16,366,228)	(17,304,530)	(18,389,783)	(26,393,569)	(28,964,476)	(31,277,700)	(33,247,983)	(35,139,263)	(36,852,378)	(38,487,538)	(282,423,446)
Ending Balance	184,618,685	224,969,701	258,812,075	279,957,630	315,720,310	346,100,584	369,511,166	390,834,387	411,694,786	429,060,645	448,284,481	
Regulatory Liability												
Beginning Balance	(154,075,179)	-	(29,191,311)	(53,340,819)	(4,885,789)	(7,178,881)	(9,311,528)	(9,311,528)	(9,311,528)	(9,311,528)	(9,311,528)	
Collections	(48,737,866)	(70,522,433)	(72,911,534)	(75,181,800)	(75,993,331)	(86,669,603)	(95,531,012)	(104,256,576)	(110,113,720)	(116,526,973)	(122,400,826)	(930,107,808)
Amortization	18,400,788	24,964,895	31,455,548	39,062,895	47,306,670	55,572,480	64,253,313	71,008,593	74,974,457	79,674,595	83,913,288	572,186,734
Carrying Charge (8.99% rate)	(746,049)	-	-	-	-	-	-	-	-	-	-	-
Paydown of Carrying Charge		16,366,228	17,304,530	18,389,783	26,393,569	28,964,476	31,277,700	33,247,983	35,139,263	36,852,378	38,487,538	282,423,446
Coal Accelerated Depreciation Applications	185,158,306	-	-	66,184,152	-	-	-	-	-	-	-	66,184,152
Ending Balance	-	(29,191,311)	(53,342,767)	(4,885,789)	(7,178,881)	(9,311,528)	(9,311,528)	(9,311,528)	(9,311,528)	(9,311,528)	(9,311,528)	
Net Regulatory Asset/(Liability)												
Ending Balance	184,618,685	195,778,390	205,469,308	275,071,841	308,541,428	336,789,056	360,199,638	381,522,859	402,383,258	419,749,117	438,972,953	
Carrying Charge Calculations/Offsets												
Reg Asset Carrying Charge	\$ 17,625,420	\$ 21,238,128	\$ 23,981,054	\$ 26,910,989	\$ 29,704,299	\$ 32,114,806	\$ 34,085,089	\$ 35,976,370	\$ 37,689,484	\$ 39,324,644	\$ 39,324,644	
Reg Liability Carrying Charge	\$ (1,259,192)	\$ (3,611,911)	\$ (5,591,271)	\$ (5,174,420)	\$ (739,823)	\$ (837,106)	\$ (837,106)	\$ (837,106)	\$ (837,106)	\$ (837,106)	\$ (837,106)	
Net	\$ 16,366,228	\$ 17,626,218	\$ 18,389,783	\$ 26,393,569	\$ 28,964,476	\$ 31,277,700	\$ 33,247,983	\$ 35,139,263	\$ 36,852,378	\$ 38,487,538	\$ 38,487,538	

Accelerated Depreciation Applications

Accel Deprec Applied In Current Period? (Y/N)

G/L Balance

Coal Fund Balance

Balance per October 2018 Filing	192,000,000	229,000,000	258,000,000	282,000,000	300,000,000	310,000,000	316,000,000
Balance per current assumptions	185,158,306	214,349,616	238,501,073	256,230,195	258,523,287	260,655,933	260,655,933
Fund Balance Variance: Surplus/(Deficit)	(6,841,694)	(14,650,384)	(19,498,927)	(25,769,805)	(41,476,713)	(49,344,067)	(55,344,067)

Assumptions/Comments

Future collections are estimated based on projected load growth and base rate increase of 1.6% in 2021
Collections surcharge rate is held flat at 3.56% until amortization and carrying charges exceed projected collections, at which point surcharge/collections increased to equal amortization plus carrying charges.
\$185m coal plant buy down applied in 2021; and additional \$66m coal plant buy down in 2023.
Includes actuals through May 2023.

DSM Program Expenditures

	YTD Balance May 2023	Accrual for May	Total thru May 2023	Forecast Jun thru Dec 2023						Projected 2023 Totals	Nov 1, 2022 Forecast	
				Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23			Dec-23
Residential Programs												
A/C Load Control Program (Sch. 114)	\$2,002,405	\$150,919	\$2,153,324	\$620,954	\$620,954	\$620,954	\$620,954	\$620,954	\$620,954	\$620,954	\$ 6,500,000	\$ 6,500,000
Wattsmt Batteries Program (Sch. 114)	\$1,273,401	\$0	\$1,273,401	\$532,371	\$532,371	\$532,371	\$532,371	\$532,371	\$532,371	\$532,371	\$ 5,000,000	\$ 5,000,000
Low Income (Sch. 118)	\$57,223	\$0	\$57,223	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$20,397	\$ 200,000	\$ 250,000
Home Energy Reports (Sch. N/A)	\$18,417	\$724,213	\$742,630	\$115,339	\$115,339	\$115,339	\$115,339	\$115,339	\$115,339	\$115,339	\$ 1,550,000	\$ 1,550,000
wattsmt Homes Program (Sch. 111)	\$5,876,998	\$747,617	\$6,624,615	\$1,520,198	\$1,520,198	\$1,520,198	\$1,520,198	\$1,520,198	\$1,520,198	\$1,520,198	\$ 17,266,000	\$ 19,500,000
	<u>\$9,228,444</u>	<u>\$1,622,749</u>	<u>\$10,851,193</u>	<u>\$2,809,258</u>	<u>\$2,809,258</u>	<u>\$2,809,258</u>	<u>\$2,809,258</u>	<u>\$2,809,258</u>	<u>\$2,809,258</u>	<u>\$2,809,258</u>	<u>\$ 30,516,000</u>	<u>\$ 32,800,000</u>
Commercial & Industrial Sector Programs												
wattsmt Business Commercial (Sch. 140)	\$8,208,302	\$1,298,719	\$9,507,021	\$1,649,089	\$1,649,089	\$1,649,089	\$1,649,089	\$1,649,089	\$1,649,089	\$1,649,089	\$ 23,800,000	\$ 36,000,000
wattsmt Business Industrial (Sch. 140)	\$2,339,232	\$410,122	\$2,749,353									
Industrial Irrigation Load Control (Sch. N/A)	\$6,511	\$549,536	\$556,047	(\$14,446)	(\$14,446)	(\$14,446)	(\$14,446)	\$579	\$579	\$579	\$ 500,000	\$ 500,000
C&I Load Control Program (pending)	\$658,146	\$0	\$658,146	\$823,836	\$823,836	\$823,836	\$823,836	\$823,836	\$823,836	\$823,836	\$ 6,425,000	\$ 6,425,000
	<u>\$11,212,191</u>	<u>\$2,258,376</u>	<u>\$13,470,567</u>	<u>\$2,458,479</u>	<u>\$2,458,479</u>	<u>\$2,458,479</u>	<u>\$2,458,479</u>	<u>\$2,473,505</u>	<u>\$2,473,505</u>	<u>\$2,473,505</u>	<u>\$ 30,725,000</u>	<u>\$ 42,925,000</u>
Outreach and Communications	\$291,960	\$520	\$292,479	\$172,503	\$172,503	\$172,503	\$172,503	\$172,503	\$172,503	\$172,503	\$ 1,500,000	\$ 1,500,000
Portfolio (TRL, DSM Central, Training)	\$146,001		\$146,001	\$14,857	\$14,857	\$14,857	\$14,857	\$14,857	\$14,857	\$14,857	\$ 250,000	\$ 250,000
Program Evaluation Cost - C&I	\$61,725	\$4,631	\$66,356	\$63,463	\$63,463	\$63,463	\$63,463	\$63,463	\$63,463	\$63,463	\$ 510,597	\$ 510,597
Program Evaluation Cost - Res	\$2,484	\$8,897	\$11,381	\$14,243	\$14,243	\$14,243	\$14,243	\$14,243	\$14,243	\$14,243	\$ 111,080	\$ 111,080
Potential Study	\$15,585		\$15,585	\$8,845	\$8,845	\$8,845	\$8,845	\$8,845	\$8,845	\$8,845	\$ 77,500	\$ 77,500
Total DSM Program Expenditures	<u>\$ 20,958,389</u>	<u>\$ 3,895,172</u>	<u>\$ 24,853,561</u>	<u>\$ 5,541,648</u>	<u>\$ 5,541,648</u>	<u>\$ 5,541,648</u>	<u>\$ 5,541,648</u>	<u>\$ 5,556,674</u>	<u>\$ 5,556,674</u>	<u>\$ 5,556,674</u>	<u>\$ 63,690,177</u>	<u>\$ 78,174,177</u>

Notes:

Jan-May 2023 actuals and started with Nov 2022 forecast from filing, updated by Prog Mgrs
 Split for WSB program cost was based on 2022 kWh savings (76% / 24%)
 Bill credits are included in WSB program costs
 Accruals added to capture full cost through May
 2024 Forecast Estimate was based on 2023 forecast.

DSM Program Expenditures

	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan - Dec 2024 Totals	2024 Budget Forecast
Residential Programs														
A/C Load Control Program (Sch. 114)	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	\$625,000	7,500,000	\$ 7,500,000
Wattsmart Batteries Program (Sch. 114)	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	\$500,000	6,000,000	\$ 6,000,000
Low Income (Sch. 118)	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	250,000	\$ 250,000
Home Energy Reports (Sch. N/A)	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	\$129,167	1,550,000	\$ 1,550,000
wattsmart Homes Program (Sch. 111)	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	\$1,791,667	21,500,000	\$ 21,500,000
	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	\$3,066,667	36,800,000	36,800,000
Commercial & Industrial Sector Programs														
wattsmart Business Commercial (Sch. 140)	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	\$2,750,000	33,000,000	33,000,000
wattsmart Business Industrial (Sch. 140)														
Industrial Irrigation Load Control (Sch. N/A)	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	\$41,667	500,000	500,000
C&I Load Control Program (pending)	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	\$535,417	6,425,000	6,425,000
	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	\$3,327,083	39,925,000	39,925,000
Outreach and Communications														
Portfolio (TRL, DSM Central, Training)	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	\$20,833	250,000	250,000
Program Evaluation Cost - C&I	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	\$42,550	510,597	510,597
Program Evaluation Cost - Res	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	\$9,257	111,080	111,080
Potential Study	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	\$6,458	77,500	77,500
Total DSM Program Expenditures	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 6,597,848	\$ 79,174,177	79,174,177

Notes:

Jan-May 2023 actuals and started with Nov 2022 forecast from filing, updated by Prog Mgrs
 Split for WSB program cost was based on 2022 kWh savings (76% / 24%)
 Bill credits are included in WSB program costs
 Accruals added to capture full cost through May
 2024 Forecast Estimate was based on 2023 forecast.

CERTIFICATE OF SERVICE

Docket No. 23-035-31

I hereby certify that on June 30, 2023, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Michele Beck mbeck@utah.gov
ocs@utah.gov

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dpudatarequest@utah.gov

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Santiago Gutierrez
Coordinator, Regulatory Operations