
Application of Rocky Mountain Power
Requesting Approval for Adjustments to
the Irrigation Load Control Program

DOCKET NO. 24-035-09
ORDER APPROVING APPLICATION

ISSUED: April 30, 2024

I. PROCEDURAL HISTORY

On February 27, 2024, Rocky Mountain Power (RMP) filed an application (“Application”) requesting the Public Service Commission (PSC) approve the renewal of and adjustments to Electric Service Schedule No. 105, Irrigation Load Control (ILC) Program (“Schedule 105”). RMP attached to the Application, as confidential exhibits, copies of its new contract with Enel X North America, Inc. (“Enel X”) for administration of the ILC Program through 2033 (the “Contract,”) and RMP’s cost-effectiveness analyses and attendant workpapers for the ILC Program.

The PSC issued a notice of filing and comment period (“Notice”) on February 27, 2024.

The Division of Public Utilities (DPU) filed comments on March 26, 2024 (“DPU Comments”), and the Office of Consumer Service (OCS) filed comments on March 28, 2024 (“OCS Comments”).

RMP filed reply comments on April 12, 2024 (“RMP Reply Comments”).

II. BACKGROUND AND THE APPLICATION

On March 15, 2013, the PSC approved RMP's application¹ requesting (1) authority to cancel its Dispatchable Irrigation Load Control Credit Rider Program, and (2) approval of a 10-year contract with EnerNoc, Inc., now known as Enel X, to administer the ILC Program. RMP explains the program has remained substantially unchanged since its approval and allows qualified irrigators to voluntarily take service from Schedule 10 and receive cash incentives for curtailing electricity during peak demand periods. The 10-year contract term has now lapsed, and RMP requests approval of the new Contract with Enel X for its continued administration of the ILC Program through 2028 with an option to extend through 2033.

The Contract consists of a Master Professional Services Contract Agreement ("MSA"), providing terms to govern any services Enel X provides across PacifiCorp's service territory, and a Task Order Release Agreement ("TOA"), authorizing specific work pursuant to the MSA and detailing scopes of work and pricing attendant to any project the MSA contemplates. The TOA includes the defined services and pricing for the ILC Program and has an initial five-year term through 2028 with an option (upon mutual agreement) to extend an additional five years through 2033.

¹ *In the Matter of the Application of RMP for Authority to Cancel Electric Service Schedule No. 96A ILC Tariff; Approve a New Demand Side Management Contract and Approve a Schedule No. 105 Irrigation Demand Response*, Docket No. 13-035-20, Order issued March 15, 2013.

The Application states the ILC Program provides incentives for mandatory and voluntary shutoffs of electricity to irrigation sites during the irrigation season called “Dispatch Events.” According to the Application, the program will continue to be a pay-for-performance structure that compensates irrigators for the average available load, measured in kilowatts (kW), that a pump can reliably shut off during program hours, adjusted for event participation. Interested RMP customers enroll their irrigation pumps and are awarded financial incentives based on the number of Dispatch Events they participate in. Enel X’s load control devices shut off irrigation pumps automatically at the start of a dispatch event and release control of the pumps at the end of the event, allowing them to restart. In the fall, after the mandatory dispatch season has ended, Enel X disburses incentives to irrigators based on average available load during program hours, adjusted based on event participation.

Mandatory Dispatch season is effective Monday through Friday from June 1 through August 15 each weekday (excluding holidays) from 2:00 p.m. until 9:00 p.m. Mandatory Dispatch Events are limited to one per day and may last no longer than four hours per event with a maximum of 12 hours per week and 52 hours per season.

RMP categorizes Dispatch Events into “Mandatory” and “Voluntary.” Mandatory Events occur during the Mandatory Dispatch season parameters described in the preceding paragraph.² Voluntary Events are those that occur outside of the

² The Application enumerates the Mandatory Season Dispatch parameters in Table 2 on p.6.

Mandatory Season parameters. Enel X compensates irrigators based on the average available load (in kW) a pump can reliably shut off during program hours, adjusted for event participation. Greater participation will result in more financial incentives with a Bonus Incentive Rate available to customers who participate in all Mandatory Events.³

With respect to projected participation and costs, RMP expects 25 customers to participate, spanning 130 irrigation sites, to maintain a total of approximately 12 MW of curtailable demand response through 2033. Confidential Exhibit C details RMP's estimates of total ILC Program costs along with the method it used to calculate them.

RMP will continue to furnish detailed reports on the ILC Program in its Demand Side Management (DSM) reporting, due annually by June 1.

The Contract allows RMP to make periodic adjustments to incentives, dispatch parameters, and other program design elements, as needed, to manage costs and to improve the program, but RMP anticipates minimal changes to the Contract's terms will be necessary. RMP commits to discuss the ILC Program with the DSM Steering Committee and to "post notices to [RMP's] website and/or submit filings for [PSC] approval as needed for future ILC Program adjustments."⁴

The new incentive for customers, beginning in 2024, will increase 30 percent over previous years with an additional 2.5 percent increase each subsequent year. RMP states abnormally dry weather, inconsistent seasonal weather, and inflationary

³ The Application details the incentive structure in Table 1 of the Application at p.5.

⁴ Application at 8.

pressures have caused the program to experience a general decline in available load reduction. RMP believes the increased incentives will allow the ILC Program to retain its current enrollment of customers and may encourage other irrigation customers who have previously unenrolled from the ILC Program to rejoin.

III. COMMENTS AND RECOMENDATIONS

DPU represents the new, contemplated ILC Program passed all applicable cost-effectiveness tests, and DPU concludes the Application and Contract are just, reasonable, and in the public interest. DPU recommends approving the Application with an effective date of May 1, 2024.

OCS supports the Application's approval, effective May 1, 2024, conditioned on its recommendation that any updates to the ILC Program involve regulatory examination, including DSM Steering Committee discussion, enhanced customer notice, and a regulatory filing before the PSC. OCS contends RMP's proposal to provide notice on its website and communicate with customers and the DSM Steering Committee regarding changes to the ILC Program's parameters is ambiguous and insufficient.

In its Reply Comments, RMP agrees it will seek approval of any future changes to any component of the ILC Program the DSM Steering Committee deems consequential. Additionally, RMP commits to collaborate with OCS and the DSM

Steering Committee members to provide meaningful communication to irrigators and stakeholders regarding the program.

IV. FINDINGS OF FACT AND CONCLUSIONS OF LAW

Peak reduction programs assist RMP in balancing the timing of customer energy requirements during high load hours and are intended to defer higher infrastructure investment costs that would otherwise be necessary to serve these high loads for a few select hours each year. These programs help RMP maximize the efficiency of its existing electrical system and reduce costs for all customers. Schedule 105 has provided DSM benefits to RMP's system during the 10 years of its effective operation, which weighs in favor of its continuation. Based on the Application, DPU Comments, OCS Comments, and the commitments made by RMP in its Reply Comments, we find continuation of Schedule 105 and approval of the Application and underlying Contract to be just, reasonable, and in the public interest. We further find the incentive rates proposed in the Application to be just, reasonable, and in the public interest.

V. ORDER

Based on the findings and conclusions above, the Application is granted and the Contract is approved, effective May 1, 2024.

DATED at Salt Lake City, Utah, April 30, 2024.

/s/ Michael J. Hammer
Presiding Officer

Approved and confirmed April 30, 2024 as the Order of the Public Service
Commission of Utah.

/s/ Jerry D. Fenn, Chair

/s/ David R. Clark, Commissioner

/s/ John S. Harvey, Ph.D., Commissioner

Attest:

/s/ Gary L. Widerburg
PSC Secretary
DW#333581

Notice of Opportunity for Agency Review or Rehearing

Pursuant to Utah Code Ann. §§ 63G-4-301 and 54-7-15, a party may seek agency review or rehearing of this written order by filing a request for review or rehearing with the PSC within 30 days after the issuance of the 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 fails to grant a request for review or rehearing within 30 days after the filing of a request for review or rehearing, 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 Utah Code Ann. §§ 63G-4-401, 63G-4-403, and the Utah Rules of Appellate Procedure.

CERTIFICATE OF SERVICE

I CERTIFY that on April 30, 2024, a true and correct copy of the foregoing was delivered upon the following as indicated below:

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