



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

July 1, 2024

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. 24-035-37

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 (“Stipulation”). As specified in the Stipulation, Rocky Mountain Power (“Company”) is required to provide to the Commission and Demand Side Management (“DSM”) Advisory Group (“Steering Committee”)¹ 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. Additionally, as agreed to in the Stipulation and modified in the Order, in the event that expenditures for the Company’s DSM programs reach 90 percent of the forecasted level prior to December 1st of the current year, the Company must notify the Steering Committee and the Commission that the 90 percent threshold has been reached. Upon notification, parties are free to take any action or seek any changes that are not inconsistent with the Stipulation that are deemed appropriate.

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 2024 and projected results through December 2030. As illustrated in Exhibit A, under current assumptions, the Schedule 193 surcharge rate is estimated to increase beginning in 2025.

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

However, current assumptions will be impacted based on the conclusion of the General Rate Case in Docket No. 24-035-04. Consequently, the Company does not intend to propose a mid-year rate adjustment to Schedule 193 at this time. Additionally, the Company discussed this issue with the DSM Steering Committee during a meeting held June 6, 2024, and the consensus among Steering Committee members was to abstain from a Schedule 193 adjustment until the conclusion of the General Rate Case.

Exhibit A also reflects that projected spend for the Cool Keeper and Wattsmart Battery programs will exceed the original forecast for 2024² by approximately \$900k and \$1.3m, respectively, by December 2024. Program participation for the Cool Keeper program has increased by over 11,000 customers over the past year. Based on the increased participation and growth trajectory for the Cool Keeper program, the increased budget is necessary to purchase and install the additional load control receivers. Program participation in the Wattsmart Battery program has also exceeded participation expectations. If participation continues to increase, the increased budget will be necessary to pay customer incentives. If either program's actual spend exceeds 90 percent of the original forecast for 2024 prior to December 1st, the Company will notify the Steering Committee and the Commission in compliance with the Stipulation. The Company will also continue to monitor program budgets and discuss them with the DSM Steering Committee in the interim.

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,



Michael S. Snow
Manager, Regulatory Affairs

Enclosures

² DSM Forecast Report filed November 1, 2023 in Docket No. 23-035-31.

Exhibit A

DSM Spend and Collections

	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
Program Spend	64,090,327	66,013,215	66,172,157	69,479,820	79,167,451	85,719,243	87,663,894	92,331,815	95,834,856	97,040,454	103,137,124	842,560,028
Collections	48,737,866	70,522,433	72,911,534	75,097,486	76,974,581	86,669,603	88,772,462	97,498,026	103,355,170	109,768,422	115,642,276	897,211,992
**Actuals Only-Spend Accruals Change	(839,308)	(697,307)	(874,231)	5,381,009	(6,734,825)							
Carrying Charge Rate	8.99%	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%	3.97%	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	286,534,255	320,810,427	350,957,190	374,367,771	395,690,993	416,551,391	433,917,251	
Beginning Balance-Accrual		5,051,317		3,479,778	8,860,787							
Program Spend	64,090,327	66,013,215	66,172,157	69,479,820	79,167,451	85,719,243	87,663,894	92,331,815	95,834,856	97,040,454	103,137,124	842,560,028
Program Spend - Accrual	(839,308)	(697,307)	(874,231)	5,381,009	(6,734,825)							
Amortization	(18,400,788)	(24,964,895)	(31,455,548)	(38,275,913)	(47,017,242)	(55,572,480)	(64,253,313)	(71,008,593)	(74,974,457)	(79,674,595)	(83,913,288)	(571,110,324)
Carrying Charge (8.99% rate)		16,366,228	17,304,530	18,346,277	20,732,427	22,509,874	24,519,149	26,489,433	28,380,713	30,093,827	31,728,987	236,471,445
Paydown of Carrying Charge		(16,366,228)	(17,304,530)	(18,346,277)	(20,732,427)	(22,509,874)	(24,519,149)	(26,489,433)	(28,380,713)	(30,093,827)	(31,728,987)	(236,471,445)
Ending Balance	184,618,685	224,969,701	258,812,075	295,395,042	320,810,427	350,957,190	374,367,771	395,690,993	416,551,391	433,917,251	453,141,086	

Regulatory Liability

Beginning Balance	(154,075,179)	-	(29,191,311)	(53,340,819)	(71,816,115)	(81,041,027)	(89,628,275)	(89,628,275)	(89,628,275)	(89,628,275)	(89,628,275)	
Collections	(48,737,866)	(70,522,433)	(72,911,534)	(75,097,486)	(76,974,581)	(86,669,603)	(88,772,462)	(97,498,026)	(103,355,170)	(109,768,422)	(115,642,276)	(897,211,992)
Amortization	18,400,788	24,964,895	31,455,548	38,275,913	47,017,242	55,572,480	64,253,313	71,008,593	74,974,457	79,674,595	83,913,288	571,110,324
Carrying Charge (8.99% rate)	(746,049)	-	-	-	-	-	-	-	-	-	-	
Paydown of Carrying Charge		16,366,228	17,304,530	18,346,277	20,732,427	22,509,874	24,519,149	26,489,433	28,380,713	30,093,827	31,728,987	236,471,445
Coal Accelerated Depreciation Applications	185,158,306	-	-	-	-	-	-	-	-	-	-	-
Ending Balance	-	(29,191,311)	(53,342,767)	(71,816,115)	(81,041,027)	(89,628,275)	(89,628,275)	(89,628,275)	(89,628,275)	(89,628,275)	(89,628,275)	-

Net Regulatory Asset/(Liability)

Ending Balance	184,618,685	195,778,390	205,469,308	223,578,928	239,769,400	261,328,914	284,739,496	306,062,718	326,923,116	344,288,975	363,512,811	
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Carrying Charge Calculations/Offsets

Reg Asset Carrying Charge	\$ 17,625,420	\$ 21,238,128	\$ 23,918,922	\$ 27,612,918	\$ 30,175,582	\$ 32,576,731	\$ 34,547,015	\$ 36,438,295	\$ 38,151,409	\$ 39,786,569	
Reg Liability Carrying Charge	\$ (1,259,192)	\$ (3,611,911)	\$ (5,572,645)	\$ (6,880,490)	\$ (7,665,708)	\$ (8,057,582)	\$ (8,057,582)	\$ (8,057,582)	\$ (8,057,582)	\$ (8,057,582)	
Net	\$ 16,366,228	\$ 17,626,218	\$ 18,346,277	\$ 20,732,428	\$ 22,509,874	\$ 24,519,149	\$ 26,489,433	\$ 28,380,713	\$ 30,093,827	\$ 31,728,987	

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	256,976,369	266,201,281	274,788,529	274,788,529				
Fund Balance Variance: Surplus/(Deficit)	(6,841,694)	(14,650,384)	(19,498,927)	(25,023,631)	(33,798,719)	(35,211,471)	(41,211,471)				

DSM Program Expenditures

	YTD Balance May 2024	Accrual for May 2024	Total thru May 2024	Forecast June thru Dec 2024						Projected 2024 Totals	Nov 1, 2023 Forecast	
				Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24			Dec-24
Residential Programs												
A/C Load Control Program (Sch. 114)	\$2,180,387	\$297,524	\$2,477,912	\$1,031,727	\$1,031,727	\$1,031,727	\$1,031,727	\$1,031,727	\$1,031,727	\$1,031,727	\$ 9,700,000	\$ 8,801,345
Wattsart Batteries Program (Sch. 114)	\$2,265,401	\$315,820	\$2,581,221	\$416,968	\$416,968	\$416,968	\$416,968	\$416,968	\$416,968	\$416,968	\$ 5,500,000	\$ 4,200,000
EV Charging Demand Response	\$54,870		\$54,870	\$15,376	\$15,376	\$15,376	\$15,376	\$15,376	\$15,376	\$15,376	\$ 162,500	\$ 162,500
Low Income (Sch. 118)	\$57,891		\$57,891	\$27,444	\$27,444	\$27,444	\$27,444	\$27,444	\$27,444	\$27,444	\$ 250,000	\$ 250,000
Home Energy Reports (Sch. N/A)	\$771,078		\$771,078	\$75,560	\$75,560	\$75,560	\$75,560	\$75,560	\$75,560	\$75,560	\$ 1,300,000	\$ 1,300,000
wattsart Homes Program (Sch. 111)	\$11,605,797	\$243,903	\$11,849,700	\$1,092,900	\$1,092,900	\$1,092,900	\$1,092,900	\$1,092,900	\$1,092,900	\$1,092,900	\$ 19,500,000	\$ 19,500,000
	\$16,935,425	\$857,247	\$17,792,673	\$2,659,975	\$2,659,975	\$2,659,975	\$2,659,975	\$2,659,975	\$2,659,975	\$2,659,975	\$ 36,412,500	\$ 34,213,845
Commercial & Industrial Sector Programs												
wattsart Business Commercial (Sch. 140)	\$16,400,864	\$928,595	\$17,329,459	\$2,474,631	\$2,474,631	\$2,474,631	\$2,474,631	\$2,474,631	\$2,474,631	\$2,474,631	\$ 39,330,636	\$ 39,330,636
wattsart Business Industrial (Sch. 140)	\$4,385,517	\$293,240	\$4,678,757									
Industrial Irrigation Load Control (Sch. N/A)	\$41,791		\$41,791	\$65,458	\$65,458	\$65,458	\$65,458	\$65,458	\$65,458	\$65,458	\$ 500,000	\$ 500,000
C&I Load Control Program	\$521,807		\$521,807	\$296,885	\$296,885	\$296,885	\$296,885	\$296,885	\$296,885	\$296,885	\$ 2,600,000	\$ 2,600,000
	\$21,349,979	\$1,221,835	\$22,571,814	\$2,836,975	\$2,836,975	\$2,836,975	\$2,836,975	\$2,836,975	\$2,836,975	\$2,836,975	\$ 42,430,636	\$ 42,430,636
Outreach and Communications	\$292,154		\$292,154	\$172,549	\$172,549	\$172,549	\$172,549	\$172,549	\$172,549	\$172,549	\$ 1,500,000	\$ 1,500,000
Portfolio (TRL, DSM Central, Training)	\$144,472	\$7,140	\$151,612	\$14,055	\$14,055	\$14,055	\$14,055	\$14,055	\$14,055	\$14,055	\$ 250,000	\$ 250,000
Program Evaluation Cost - C&I	\$65,262	\$0	\$65,262	\$63,619	\$63,619	\$63,619	\$63,619	\$63,619	\$63,619	\$63,619	\$ 510,597	\$ 510,597
Program Evaluation Cost - Res	\$101,023	\$27,126	\$128,149	(\$2,438)	(\$2,438)	(\$2,438)	(\$2,438)	(\$2,438)	(\$2,438)	(\$2,438)	\$ 111,080	\$ 111,080
Potential Study	\$21,008	\$12,613	\$33,621	\$6,268	\$6,268	\$6,268	\$6,268	\$6,268	\$6,268	\$6,268	\$ 77,500	\$ 77,500
Total DSM Program Expenditures	\$ 38,909,323	\$ 2,125,962	\$ 41,035,285	\$ 5,751,004	\$ 5,751,004	\$ 5,751,004	\$ 5,751,004	\$ 5,751,004	\$ 5,751,004	\$ 5,751,004	\$ 81,292,313	\$ 79,093,658

Notes:

Jan-May 2024 actuals
Split for WSB program cost was based on 2023 kWh savings (76% / 24%)
Bill credits are included in WSB program costs
Accruals added to capture full cost through May
2025 Forecast Estimate was based on 2024 forecast.

DSM Program Expenditures

	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan - Dec 2025 Totals	2025 Budget Forecast
Residential Programs														
A/C Load Control Program (Sch. 114)	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	\$800,000	9,600,000	\$ 9,600,000
Wattsmart Batteries Program (Sch. 114)	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	\$600,000	7,200,000	\$ 7,200,000
EV Charging Demand Response	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	\$83,333	1,000,000	\$ 1,000,000
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)	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	1,200,000	\$ 1,200,000
wattsmart Homes Program (Sch. 111)	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	\$1,875,000	22,500,000	\$ 22,500,000
	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	\$3,479,167	41,760,000	41,760,000
Commercial & Industrial Sector Programs														
wattsmart Business Commercial (Sch. 140)	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	\$2,700,006	32,400,066	32,400,066
wattsmart Business Industrial (Sch. 140)	\$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
Industrial Irrigation Load Control (Sch. N/A)	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	\$710,000	8,520,000	8,520,000
C&I Load Control Program	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	\$3,451,672	41,420,066	41,420,066
Outreach and Communications	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	\$133,333	1,600,000	1,600,000
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	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 7,143,270	\$ 85,719,243	85,719,243

Notes:

Jan-May 2024 actuals
Split for WSB program cost was based on 2023 kWh savings (76% / 24%)
Bill credits are included in WSB program costs
Accruals added to capture full cost through May
2025 Forecast Estimate was based on 2024 forecast.

CERTIFICATE OF SERVICE

Docket No. 24-035-37

I hereby certify that on July 1, 2024, 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

Division of Public Utilities

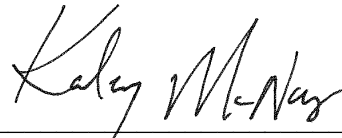
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Kaley McNay
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