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## UTAH DEPARTMENT OF COMMERCE

### Division of Public Utilities

MARGARET W. BUSSE  
Executive Director

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Division Director

## Action Request Response

**To:** Public Service Commission of Utah

**From:** Utah Division of Public Utilities

Chris Parker, Director  
Brenda Salter, Assistant Division Director  
Abdinasir Abdulle, Utility Technical Consultant Supervisor  
Paul Hicken, Technical Consultant  
David Fields, Utility Analyst II

**Date:** November 27, 2024

**Re:** **Docket No. 24-035-37, Compliance Filing** – with Docket No. 09-035-T08, Rocky Mountain Power's Demand Side Management program expenditures.

## Recommendation (Acknowledge)

The Division of Public Utilities (DPU or Division) recommends the Public Service Commission (PSC or Commission) acknowledge Rocky Mountain Power's (Company) compliance with the Phase I Stipulation Order issued on August 25, 2009, in Docket No. 09-035-T08.

## Issue

On November 1, 2024, and in compliance with the Commission Order of August 25, 2009, in Docket No. 09-035-T08, the Company filed a notice (Advice Letter 11-01-24) with the Commission that as of September 2024, the actual year-to-date expenditures for several energy savings programs namely the Wattsmart Battery program (WSB), the Home Energy Reports program (HER), and the Wattsmart Homes program (WSH), would exceed 90 percent of the forecasted amounts for the year.<sup>1</sup> On November 1, 2024, the Commission issued an Action Request to the Division to review and make recommendations of the

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<sup>1</sup> Docket No. 24-035-37, RMP's Advice Letter, November 1, 2024, P.1.

Company's filing by December 2, 2024. This memorandum is in response to the Commission's Action Request.

## **Background**

On August 25, 2009, the Commission issued an Order approving the Phase I Stipulation in Docket No. 09-035-T08. The Phase I Stipulation shows agreement that the Company will provide notice if expenditures for the Company's Demand Side Management (DSM) programs reach 90 percent of the forecasted level prior to December 1<sup>st</sup> of that year.<sup>2</sup> In the DSM Forecast Report filed on July 1, 2024 (July Report), the Company indicated the Wattsmart Battery program (WSB), the Home Energy program (HER), and the Wattsmart Homes program (WSH) had each exceeded 90 percent of the 2024 forecast amounts for those programs. The Company's Advice Letter to the Commission indicated that as of September 2024, the actual year-to-date expenditures for the WSB program totaled approximately \$4.9 million, the HER program totaled \$1.5 million, and the WSB program totaled \$20.8 million. Each of these program expenditure totals exceeded 90 percent of the 2024 forecasted amounts, which were \$4.2 million, \$1.3 million, and \$19.5 million respectively. At the current participation rates, the Company anticipates these program budgeted amounts will exceed the forecasted amounts with total expenditures of \$6.2 million, \$1.7 million and \$24.6 million respectively at year end.<sup>3</sup>

## **Discussion**

The Company explained program overages was due to several reasons. The WSB program continued to see higher than anticipated participation which caused the budget increase. The HER program budget increases were due to upgraded services, namely Advanced Metering Infrastructure capabilities. Also, the 2024 budget for the HER program inadvertently excluded taxes and internal labor. Lastly, the WSH program had higher adoption rates for heat pumps than anticipated which caused its budget increase. The Company claims it has since adjusted the incentive levels for heat pump offerings in order to right-size and stabilize participation. The Company also claims it has accounted for each

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<sup>2</sup> Docket No. 09-035-T08, August 25, 2009, P.2, Item 6.

<sup>3</sup> Docket No. 24-035-37, RMP's Advice Letter, November 1, 2024, P.1-2.

of these issues including the taxes and internal labor, in the 2025 budget forecast filed on November 1, 2024, in Docket No. 24-035-37.

## **Conclusion**

Based on its review of the Company's filing the Division concludes that the Company complies with the Commission order dated August 29, 2009, in Docket No. 09-035-T08. The Division recommends acknowledgement of this filing.

cc: Michael Snow, RMP  
Michele Beck, OCS  
Service List