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# UTAH DEPARTMENT OF COMMERCE

## Division of Public Utilities

MARGARET W. BUSSE  
*Executive Director*

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## Action Request Response

**To:** Public Service Commission of Utah

**From:** Utah Division of Public Utilities

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

**Date:** December 2, 2024

**Re:** **Docket No. 24-035-37**, Rocky Mountain Power's Annual Demand Side Management Deferred Account and Forecast Reports.

## Recommendation (Acknowledge)

The Division of Public Utilities (DPU or Division) recommends the Public Service Commission (PSC or Commission) acknowledge the Utah Demand Side Management (DSM) Annual Deferred Account and Forecast Report, filed by Rocky Mountain Power (RMP or Company) as in compliance with the Commission order of August 25, 2009, in Docket No. 09-035-T08, and in Docket No. 10-035-57 issued December 21, 2011.

## Issue

On November 1, 2024, the Company filed the Utah DSM account analysis and forecast of expenditures for the upcoming year, to comply with the above referenced Commission orders. The Company also provided an estimate of capacity and energy savings targets for the approved programs for the 2025 calendar year. The Commission issued an Action Request to the Division on November 1, 2024, to review the filing and make recommendations to the Commission by December 2, 2024. The Commission subsequently

Division of Public Utilities

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issued a Notice of Filing and Comment Period on November 6, 2024, requesting interested parties submit comments by December 6, 2024, with reply comments due by December 23, 2024. This memorandum is the Division's response to the Commission's Action Request and Notice of Filing and Comment Period.

## **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 required that by November 1<sup>st</sup> of each year, the Company should provide to the Commission and the DSM Advisory Group a forecast of expenditures for the approved programs and acquisition targets for the next calendar year. Additionally, in Docket No. 10-035-57 issued December 21, 2011, the Company was instructed to provide an estimate of capacity and energy savings targets for approved programs in the forecast in comparison to DSM Program (Program) targets included in the Company's most recent Integrated Resource Plan (IRP).<sup>1</sup>

## **Discussion**

Exhibit A of the filing shows the 2025 Forecast Report (November Forecast Report) which includes an energy savings forecast comparing Program projected savings to targets mentioned in the Company's most recent IRP. For 2025, the Program forecasted 435 MW savings in Class 1 DSM applications and 47.78 MW savings for Class 2 applications. The IRP targets were 349 MW and 46.34 MW savings for the same applications.

The accounting analysis section of the November Forecast Report shows actual results through September 2024 and projected expenditures and revenues through December 2030. The report shows the Schedule 193 surcharge rate is estimated to increase beginning in 2025. However, current assumptions will be impacted by the outcome of the General Rate Case in Docket No. 24-035-04. Consequently, the Company does not propose a rate adjustment at this time. This issue was discussed with the DSM Steering Committee on June 6, 2024, and the consensus was to abstain from a Schedule 193 adjustment until the conclusion of the rate case. The analysis shows a Net Regulatory Asset balance of

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

\$223,578,928 for Year End 2023 and a Net Regulatory Asset Balance of \$242,441,230 for Year End 2024. This is an increase of \$18.8 million from the prior year.

The DSM expenditure section of the Report shows actual Program expenditures from January through September 2024 and projected expenditures through December 2024. It also shows projected expenditures for each month of 2025. The total DSM Program expenditures projected through the End of Year 2024 are \$88,181,241. The projected Program expenditures for 2025 are \$96,764,177, an increase of 9.7 percent.

The Report also estimates irrigation load control participation and contribution for 2025. The load control program runs for 12 weeks from May 27 through August 12. The Company estimates irrigation load control participation will range from 32% during the week beginning May 27, 2024, and peak with 47% for the weeks of July 22, 2025, and August 5, 2025.

## **Conclusion**

The Division, based on its review of the Company's filing, concludes that the Company's Annual DSM Account and Forecast Report complies with the Commission Order of August 25, 2009, in Docket No. 09-035-T08 approving the Phase I stipulation, and with Docket No. 10-035-57 issued December 21, 2011. The Division recommends the Commission acknowledge the filing.

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