## 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
David Fields, Utility Analyst
Savannah Torman, Utility Analyst

**Date:**   July 11, 2025

**Re:**     **Docket No. 25-035-41** Rocky Mountain Power's Semi-Annual Demand-Side Management (DSM) Forecast Report

## 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) Semi-Annual account analysis 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 approved in the Phase I Stipulation.

## Issue

In compliance with the Commission Order on August 25, 2009, Docket No. 09-035-T08, on June 26, 2025, the Company filed its Utah DSM semi-annual deferred account analysis. The Commission issued an Action Request to the Division on June 26, 2025 to review the filing and make recommendations to the Commission by July 28, 2025. The Commission subsequently issued a Notice of Filing and Comment Period on July 7, 2025, providing interested parties the opportunity to submit comments by August 6, 2025, with reply comments due by August 21, 2025. This memorandum is the Division's 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 required the Company to provide to the Commission and the DSM Advisory Group an analysis semi-annually like the one provided by the Company in Advice No. 09-08. The Utah Semi-Annual DSM Forecast Report and account analysis includes historical and projected monthly DSM expenditures, rate recovery and account balances, as well as historical and projected monthly DSM expenditures by program and Schedule 193 revenue and self-direction credits.

## Discussion

In the Phase I Report and Order issued December 29, 2016, the Sustainable Transportation and Energy Plan (STEP) Docket 16-035-36 capitalized and amortized Schedule 193 DSM rates beginning January 1, 2017, and created a DSM regulatory asset. With the creation of a regulatory asset and liability, the balancing account structure was no longer accurate nor effective for the DSM reporting format. The updated reporting better reflects information on DSM expenditures and collections, regulatory assets, regulatory liabilities, and potential future thermal plant accelerated depreciation balances. Accordingly, the accounting analysis reflects actual results through May 2025 and projected results through December 2030. The Company is currently analyzing the Schedule 193 rates and intends to discuss options with the DSM Steering Committee prior to proposing an adjustment. Consequently, the Company does not currently intend to propose a mid-year rate adjustment to Schedule 193.

Additionally, Exhibit A of the Forecast Report shows the Wattsmart Battery program will exceed the original forecast for 2025 by approximately $4m. The Company states that this budgetary increase is due to a substantial increase in commercial battery incentives. If the program's actual spending exceeds 90% of the original forecast prior to December 1, 2025, the company will notify the DSM Steering Committee and the Commission in compliance with the Stipulation. Meanwhile, the Company will continue to monitor the program budgets and discuss them with the DSM Steering Committee.

## Conclusion

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

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