

- BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH -

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In the Matter of the Consideration of the )  
Amendment of Title 15 U.S.C. 303(b) by the ) DOCKET NO. 08-999-06  
U.S. Energy Independence and Security Act )  
of 2007 ) NOTICE OF TECHNICAL  
 ) CONFERENCE  
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ISSUED: January 8, 2009

By The Commission:

Notice is hereby given that a **Technical Conference** will be held in the above-entitled matter, which the Commission designates as an informal proceeding pursuant to Utah Code 63-46b-4, on **Tuesday, January 27, 2009, at 1:30 p.m.** with the Commission in Room 401 on the Fourth Floor of the Heber M. Wells Building, 160 East 300 South, Salt Lake City, Utah. An agenda for this technical conference is attached as Appendix A.

As recommended during the November 5, 2008, technical conference on the same matter, the purpose of this technical conference is to discuss the two new standards applicable to natural gas utilities (Title 15 U.S.C. 3203(b)(5) and (6)) enacted by the 2007 Energy Independence and Security Act (“EISA”). The two standards are as follows:

- (5) **Energy Efficiency**- Each natural gas utility shall--
  - (A) integrate energy efficiency resources into the plans and planning processes of the natural gas utility; and
  - (B) adopt policies that establish energy efficiency as a priority resource in the plans and planning processes of the natural gas utility.
- (6) **Rate Design Modifications To Promote Energy Efficiency Investments**-
  - (A) **In General** - The rates allowed to be charged by a natural gas utility shall align utility incentives with the deployment of cost-effective energy efficiency.
  - (B) **Policy Options** - In complying with subparagraph (A), each State regulatory authority and each nonregulated utility shall consider--
    - (i) separating fixed-cost revenue recovery from the volume of transportation or sales service provided to the customer;

- (ii) providing to utilities incentives for the successful management of energy efficiency programs, such as allowing utilities to retain a portion of the cost-reducing benefits accruing from the programs;
- (iii) promoting the impact on adoption of energy efficiency as 1 of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives; and
- (iv) adopting rate designs that encourage energy efficiency for each customer class.

Participants in the technical conference should be prepared to discuss the standards in light of the purposes of the retail policies for natural gas utilities specified in Title 15, prior state actions addressing the standards and whether they may be considered comparable, recommendations regarding adoption of the standard, and criteria and measurements to determine utility adherence to the standards if adoption is recommended.

Individuals wishing to participate by telephone should contact the Commission at (801) 530-6716 or toll-free 1-866-PSC-UTAH (1-866-772-8824) at least two days prior to the Conference to make arrangements. Participants attending by telephone should then call the Public Service Commission five minutes prior to the beginning of the Conference to ensure participation.

In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during the Conference should notify the Commission, at 160 East 300 South, Salt Lake City, Utah, 84111, (801) 530-6716, at least three working days prior to the Conference.

DATED at Salt Lake City, Utah, this 8<sup>th</sup> day of January, 2009.

/s/ Julie Orchard  
Commission Secretary  
G#60351

**APPENDIX A**

**Docket No. 08-999-06:** In the Matter of the of the Consideration of the Amendment of Title 15 U.S.C. 3203(b) by the U.S. Energy Independence and Security Act of 2007

**Technical Conference Agenda  
Retail Policies for Natural Gas Utilities, Standards 5 and 6  
January 27, 2009 – 1:30 p.m. to 3:30 p.m., Heber Wells Building Room 401**

**Purpose** -- To discuss: (1) the two new natural gas Standards enacted by the 2007 U.S. Energy Independence and Security Act in light of the purposes of the retail policies for natural gas utilities specified in Title 15, (2) prior state or Company actions addressing the Standards and whether they may be considered comparable, (3) recommendations regarding adoption of the Standards, and (4) implementation of the Standards if adoption is recommended.

I. Introductions and background information

II. Review of the two new natural gas utility Standards and applicable U.S. Code

(5) **Integrated Resource Planning** - Each natural gas utility shall--

(A) integrate energy efficiency resources into the plans and planning processes of the natural gas utility; and

(B) adopt policies that establish energy efficiency as a priority resource in the plans and planning processes of the natural gas utility.

(6) **Rate Design Modifications To Promote Energy Efficiency Investments-**

(A) In General - The rates allowed to be charged by a natural gas utility shall align utility incentives with the deployment of cost-effective energy efficiency.

(B) Policy Options - In complying with subparagraph (A), each State regulatory authority and each nonregulated utility shall consider--

(i) separating fixed-cost revenue recovery from the volume of transportation or sales service provided to the customer;

(ii) providing to utilities incentives for the successful management of energy efficiency programs, such as allowing utilities to retain a portion of the cost-reducing benefits accruing from the programs;

(iii) promoting the impact on adoption of energy efficiency as 1 of the goals of retail rate design, recognizing that energy efficiency must be balanced with other objectives; and

(iv) adopting rate designs that encourage energy efficiency for each customer class.

III. Review the “Purposes” specified in the PURPA Retail Policies for Natural Gas Utilities. The purposes are to encourage:

(A) conservation of energy supplied by gas utilities;

(B) the optimization of the efficiency of use of facilities and resources by gas utility systems; and

(C) equitable rates to gas consumers of natural gas.

IV. Discussion, conclusions and further scheduling