

BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of the Consideration of the  
Amendment of Title 15 U.S.C. 303(b) by the  
U.S. Energy Independence and Security Act  
of 2007

DOCKET NO. 08-999-06

**Comments of Utah Clean Energy**

Submitted June 15, 2009

**Background**

According to the Utah Public Service Commission's Request for Comments: "On May 28, 2009, the Division of Public Utilities ("Division") filed with the Utah Public Service Commission a recommendation regarding the Public Utility Regulatory Policies Act ("PURPA") Integrated Resource Planning Standards No. 5 – Integrated Resource Planning and No. 6 – Rate Design Modifications to Promote Energy Efficiency Investments applicable to natural gas utilities enacted by the 2007 Energy Independence and Security Act. In its evaluation the Division recommends the Commission adopt both new standards because these standards are essentially in place or are currently being considered, and are consistent with state law. The Division also concludes the Commission's past and present integrated resource planning and demand side management standards meet the two new standards under consideration in this Docket."

The Standards under consideration are as follows:

(b) Establishment. The following Federal standards are hereby established:

Standard 5

(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. 15 USCS § 3203 (a) (5).

Standard 6

(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 non-regulated 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 one 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. 15 USCS § 3203 (a) (6).

### **Utah Clean Energy Comments**

Utah Clean Energy, a 501c3 non-profit organization, strongly supports the Division's recommendation to adopt the aforementioned standards, and we encourage the Commission to adopt these standards. We agree with the Division's assertion that "Standard (5) and Standard (6) are appropriate for the state of Utah and are not inconsistent with state law"<sup>1</sup>; it is our understanding that this is an accurate statement. Regarding the requirements in Standard 6(A) and (B), we agree that these conform with current Commission practice relative to Questar Gas' DSM programs and CET tariff as approved in Docket No. 05-057-T01<sup>2</sup>, as well as the focus of on-going rate design issues. As such, we strongly support the Division's recommendation to adopt Standards (5) and (6).

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<sup>1</sup> Division of Public Utilities Memorandum, May 28, 2009, Docket 08-999-06

<sup>2</sup> Commission orders issued May 26, 2006 and January 16, 2007, Docket No. 05-057-T01