

**ROCKY MOUNTAIN POWER**  
**ELECTRIC SERVICE SCHEDULE NO. 192**

**STATE OF UTAH**

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**Self-Direction Credit**

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**PURPOSE:** To allow customers to self-direct Schedule 193 DSM Cost Adjustment charges into cost-effective demand side management (DSM) projects within their own facilities.

**APPLICATION:** This Schedule shall be available to an Eligible Customer subject to a DSM Cost Adjustment charge pursuant to Electric Service Schedule No. 193 in accordance with the terms and provisions specified herein.

A customer with multiple meters measuring usage at facilities, one or more of which will be involved in a DSM Project, may aggregate the loads at those facilities to meet minimum usage requirements to qualify as an Eligible Customer, so long as the DSM Project for the aggregated facilities is submitted as a single project. Customers who become Eligible Customers through aggregation of meters must bear any incremental costs and expenses incurred by the Company and the Self-Direction Administrator in excess of the average costs and expenses incurred in connection with customers who are Eligible Customers without consideration of aggregation.

**TERM:** The term of this Self-Direction Credit shall be coterminous with the DSM Cost Adjustment provided in Schedule 193, both of which will expire automatically, absent a Commission order extending the term, on March 31, 2014.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**DEFINITIONS:**

**Commissioning:** The process of verifying and documenting that the performance of an electric energy usage system meets the design intent and Owner's operational requirements. The Self-Direction Administrator may require a Commissioning plan be submitted for projects seeking Pre-Qualification. Completed Projects may be required to provide a Commissioning report that verifies the operational parameters and electric energy savings resulting from an Eligible Project.

**Efficiency Criterion:** A projected Payback Period (or average Payback Period for projects submitted as a package) of between 1 and 5 years. The Self Direction Administrator may utilize an alternative Efficiency Criterion for a project with a projected Payback Period in excess of five years that is demonstrated to the satisfaction of the Self Direction Administrator to provide system benefits and to satisfy the Commission's approved cost-effectiveness tests.

**Eligible Customer:** A customer with a peak load of 1,000 kw or annual usage of 5,000,000 kwh or greater within the prior 12 months at a single meter or at meters that are aggregated. Customers constructing new facilities are eligible if at the Company's sole discretion, the estimated electrical usage at a single meter or meters that are aggregated is greater than or equal to 1,000 kw or 5,000,000 kwh during the first 12 months of operation.

**Eligible Expenses:** All actual expenses reasonably incurred by an Eligible Customer in connection with the construction, installation or implementation of an Eligible Project, including but not limited to equipment costs, engineering and consulting expenses, and finance charges. Expenses incurred in connection with new construction or expansion of existing facilities are Eligible Expenses only to the extent that additional expenses are incurred to achieve energy efficiency levels that exceed standard industry practices for new construction or expansion as determined by the Self-Direction Administrator based on practices generally utilized by energy engineering professionals and/or reference to publicly available resources for energy engineering.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**DEFINITIONS (Continued)**

**Eligible Project:** A DSM Project of an Eligible Customer that satisfies the Efficiency Criterion, is determined by the Self-Direction Administrator to be a project for which Self-Direction Credits will be available, and that was not provided an incentive through another Commission-approved program. To the extent the Company provided engineering services for an Eligible Project, an Eligible Customer may receive Self-Direction Credits only if they first repay direct costs incurred by the Company in connection with such engineering services. Company funded engineering costs will be waived for services completed more than three years from the date of receipt of all of the Required Information for a Pre-Qualification of a Proposed Project or Qualification of a Completed Project submittal.

**DSM Project:** A measure (or package of measures submitted for consideration together), activity or program, meeting reasonable industry standards as determined by the Self-Direction Administrator or the Commission that is designed to promote electric energy efficiency or conservation or more efficient management of electric energy loads at an Eligible Customer's facility.

**Minimum Equipment Efficiency:** Where applicable, eligible measures must meet minimum equipment efficiency and eligibility requirements in Schedule 115 to be eligible for credits available under this Schedule.

**Payback Period:** The projected period for an Eligible Customer to recover all expenses actually incurred in connection with a DSM Project from electric energy and demand cost savings on a simple payback basis.

**Required Information:** Plans, drawings, energy and demand savings calculations, pay-back calculations, usage information, as-built information, receipts, expense itemizations, information regarding Company funding, financing arrangements and/or other data and information needed for determinations of an Eligible Customer, an Eligible Project, Eligible Expenses, or other matters required to be determined by the Self Direction Administrator hereunder. Required Information shall include any information reasonably requested by the Self-Direction Administrator.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**DEFINITIONS** (Continued)

**Self-Direction Administrator:** A qualified person or entity hired or employed by the Company to administer this Self-Direction Credit Schedule 192, after consideration of recommendations from the DSM Advisory Group and other interested parties.

**Self-Direction Credit:** A credit equal to the applicable percentage of an Eligible Customer's total Eligible Expenses to be applied against that Eligible Customer's monthly Schedule 193 DSM Cost Adjustment charges until the entire credit has been utilized or until Schedule 192 expires.

**Transition Project:** A DSM Project completed prior to September 23, 2003 that receives qualification as a Completed Project in accordance with Section 2 of the Provisions of Service and for which an Application for qualification is filed within six months of the Commission Approval Date of this Schedule 192. The customer bears the burden of documenting to the satisfaction of the Self-Direction Administrator the existence and the amount of all claimed expenditures.

**AVAILABILITY OF SELF-DIRECTION CREDIT:** An Eligible Customer that completes an Eligible Project on or after the Commission Approval Date of this Schedule 192 shall receive a Self-Direction Credit in the amount of eighty percent (80%) of Eligible Expenses, as determined in accordance with the Provisions of Service. Total credits (including Self-Direction Credits and Fifty Percent Self Direction Credits) that may be utilized to offset the monthly Schedule 193 DSM Cost Adjustment charges shall not exceed \$5,000,000 in any year. To the extent the Self-Direction Administrator determines at the time an Eligible Customer seeks pre-qualification or qualification of an Eligible Project under Sections 1 or 2 of the Provisions of Service that providing the credit would result in total credits that are projected to exceed \$5,000,000 in any year, such Eligible Customer will not be pre-qualified or qualified for Self-Direction Credits for that year in excess of such maximum value, and the Self-Direction Administrator shall provide written notice of such determination to the Eligible Customer, the Commission, the Division and the Committee.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**AVAILABILITY OF FIFTY PERCENT SELF DIRECTION CREDIT:** An Eligible Customer shall receive a credit equal to one-half of its monthly Schedule 193 DSM Cost Adjustment charges for 24 consecutive monthly billings if the Eligible Customer demonstrates to the satisfaction of the Self Direction Administrator through an energy audit performed at the expense of the Eligible Customer by an auditor retained by the Self-Direction Administrator that there are no remaining Eligible Projects or other DSM Projects with a Payback Period of eight (8) years or less available at all of the Eligible Customer’s facilities served through a meter or aggregated meters used as the basis for determining Eligible Customer status. Such demonstration shall be based on publicly available resources, including, but not limited to: United States Department of Energy, Industrial Technologies Program, Best Practices Screening Tool and the United States Green Building Council Green Building Rating System for New Construction and Major Renovations Version 2.1 or successor versions. This credit may be renewed every 24 months based upon a new energy audit. This Fifty Percent Self Direction Credit will not be available to an Eligible Customer during any time the Eligible Customer is receiving a Self-Direction Credit. Total credits (including Fifty Percent Self-Direction Credits and Self Direction Credits) that may be utilized to offset the monthly Schedule 193 DSM Cost Adjustment charges shall not exceed \$5,000,000 in any year. To the extent the Self-Direction Administrator determines at the time an Eligible Customer seeks a credit under this Section that providing the credit would result in total credits that are projected to exceed \$5,000,000 in any year, such Eligible Customer will not be entitled to Fifty Percent Self-Direction Credits for that year in excess of such maximum value, and the Self-Direction Administrator shall provide written notice of such determination to the Eligible Customer, the Commission, the Division and the Committee.

**PROVISIONS OF SERVICE:**

- (1) Pre-Qualification of a Proposed Project.
  - a. An Eligible Customer may submit Required Information to the Self-Direction Administrator for pre-qualification of a proposed DSM Project as an Eligible Project. A proposed project shall be pre-qualified as an Eligible Project if the Self-Direction Administrator determines that the proposed project is reasonably projected to satisfy the Efficiency Criterion, assuming it is installed and completed in general conformity with the submitted plans and operated as contemplated.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**PROVISIONS OF SERVICE (Continued)**

- b. The Self-Direction Administrator shall notify the Eligible Customer and the Company within 30 days after receipt of all Required Information of its determination that the proposed DSM Project is pre-qualified as an Eligible Project, or explaining why it is not pre-qualified as proposed.
  - c. Following substantial completion of a pre-qualified DSM Project, the Eligible Customer shall submit Required Information to the Self-Direction Administrator for a determination of whether the Eligible Project is substantially completed and generally consistent with the project as pre-qualified. The Eligible Customer shall provide such cooperation and access as is reasonably required for the Self-Direction Administrator to make such determination. An Eligible Customer whose proposed project is pre-qualified as an Eligible Project need not thereafter demonstrate that the Eligible Project actually met the Payback Period requirement of the Efficiency Criterion in order to receive the Self-Direction Credit.
  - d. The Self-Direction Administrator shall notify the Eligible Customer and the Company within 30 days after receipt of all Required Information of its determination that the Eligible Project is complete and generally consistent with the project as pre-qualified, or explaining why it is not.
- (2) Qualification of a Completed Project.
- a. Following substantial completion of an Energy Efficiency Project that was not pre-qualified, an Eligible Customer may submit Required Information to the Self-Direction Administrator for a determination of whether a completed project is an Eligible Project. An Eligible Customer seeking such determination shall provide such cooperation and access as is reasonably required for the Self-Direction Administrator to make the determination.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**PROVISIONS OF SERVICE (Continued)**

A completed project shall be qualified as an Eligible Project if the Self-Direction Administrator determines that the project as installed is reasonably projected to satisfy the Efficiency Criterion, assuming it is operated as contemplated. An Eligible Customer whose completed project is qualified as an Eligible Project need not thereafter demonstrate that the Eligible Project actually met the Payback Period requirement of the Efficiency Criterion in order to receive the Self-Direction Credit.

- b. The Self-Direction Administrator shall notify the Eligible Customer and the Company within 30 days after receipt of all Required Information of its determination that the DSM Project is complete and qualifies as an Eligible Project, or explaining why it is not.
- (3) At the time an Eligible Customer submits Required Information under (1) or (2), above, for a determination of eligibility, the Eligible Customer shall pay a non-refundable administrative fee set at a minimum of \$500 per DSM Project.
- (4) Determination of Eligible Expenses and Implementation of Self-Direction Credit.
- a. Following substantial completion of a DSM Project, and no earlier than 30 days before the DSM Project becomes operational, an Eligible Customer may submit Required Information to the Self-Direction Administrator for a determination of Eligible Expenses.
  - b. The Self-Direction Administrator shall notify the Eligible Customer and the Company within 30 days after receipt of all Required Information of its determination of the amount of Eligible Expenses and the amount of the Self-Direction Credit.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**PROVISIONS OF SERVICE (Continued)**

- c. The Company shall reflect the available Self-Direction Credit on the Eligible Customer's monthly bills in an amount equal to the Eligible Customer's full monthly Schedule 193 DSM Cost Adjustment charge beginning as soon as practicable, no later than the first monthly bill issued more than 30 days after the Company's receipt of the Self-Direction Administrator's determination of the Self-Direction Credit. Nothing contained in this schedule shall prohibit the Eligible Customer and the Company from agreeing upon an alternative method of reflecting the credit.
  - d. Each month, the Company shall provide the Self-Direction Administrator with the amount of actual Self-Direction Credits applied to the prior month's bills for each Eligible Customer.
  - e. The Self-Direction Administrator shall notify the Company and the Eligible Customer at least 60 days before the month when the Self-Direction Credit for an Eligible Customer is projected by the Self-Direction Administrator to be exhausted, and the billing month in which the credit should be terminated.
  - f. The Self-Direction Administrator shall notify the Company and the Eligible Customer of any adjustment necessary to true-up the Self-Direction Credit in the event of under or over collection.
- (5) The Self-Direction Administrator shall make determinations based upon information provided by the Company and the customers on all matters under this Schedule 192, including, but not limited to, determinations as to Eligible Customers, pre-qualification or qualification of Eligible Projects, satisfaction of Efficiency Criterion, Minimum Equipment Efficiency, Eligible Expenses, Self-Direction Credits, Fifty Percent Self-Direction Credits, incremental expenses for projects in excess of industry practices, financing costs for prior projects, incremental costs for aggregated meters and prior Company funding. All determinations made by the Self- Direction Administrator shall be documented and provided to the appropriate parties.

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**ELECTRIC SERVICE SCHEDULE NO. 192 – Continued**

**PROVISIONS OF SERVICE (Continued)**

- (6) The Self-Direction Administrator shall file annual reports with the Commission and the Company summarizing its determinations during the year and providing an accounting of Self-Direction Credits, energy and demand savings and the expenses of the Self-Direction Administrator under this Schedule. The Self-Direction Administrator shall demonstrate program performance and cost effectiveness using Commission accepted tests on a regular basis, the first report of such demonstration being submitted no later than eighteen months after the effective date of this Schedule. Each Eligible Customer shall be required to cooperate reasonably and in good faith with the Self-Direction Administrator for purposes of evaluating program performance, performing any required functions, or preparing any required reports.
- (7) This Schedule 192 shall become effective for purposes of reflecting credits on an Eligible Customer's bill as of the Effective Date specified by the Commission. A Self-Direction Credit shall be available for an Eligible Customer in any month when a Schedule 193 DSM Cost Adjustment charge appears on the Eligible Customers' monthly bill from the Company.
- (8) Transition Projects submitted prior to March 23, 2004 and approved by the Self-Direction Administrator shall receive Self-Direction Credits pursuant to Schedule 192 effective September 23, 2003. Additional Transition Projects are not eligible for credits.
- (9) An Eligible Customer may utilize any available mechanism to resolve disputes that may arise under this Schedule 192, including, but not limited to, discussions with the Company, informal mediation with the Division of Public Utilities, and formal or informal Commission procedures.