



1407 W. North Temple, Suite 330
Salt Lake City, Utah 84116

December 11, 2018

VIA OVERNIGHT DELIVERY

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attn: Diane Hanian
Commission Secretary

RE: Case No. PAC-E-18-07

In the Matter of the Application of Rocky Mountain Power Requesting a Prudency
Determination on Demand-Side Management Expenditures
Reply Comments

Please find enclosed an original and seven (7) copies of Rocky Mountain Power's Reply
Comments in the above referenced matter.

Informal questions related to this matter may be directed to me at (801) 220-4214.

Sincerely,

Michael S. Snow
Manager, DSM Regulatory Affairs

Enclosures

Daniel E. Solander, (ISB# 8931)
Rocky Mountain Power
1407 West North Temple, Suite 320
Salt Lake City, Utah 84116
Telephone: (801) 220-4014
Email: daniel.solander@pacificorp.com

Attorney for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF ROCKY MOUNTAIN POWER) CASE NO. PAC-E-18-07
REQUESTING A PRUDENCY)
DETERMINATION ON DEMAND-SIDE) REPLY COMMENTS
MANAGEMENT EXPENDITURES.)**

COMES NOW, Rocky Mountain Power, a division of PacifiCorp (the “Company”), in accordance with RP 052 and RP 201, *et. seq.*, and hereby respectfully submits reply comments to the Idaho Public Utilities Commission (the “Commission”) in the above referenced matter.

BACKGROUND

1. On August 24, 2018, the Idaho Public Utilities Commission (“Commission”) issued a Notice of Modified Procedure in Order No. 34175 for the above referenced matter, allowing parties to file comments by December 4, 2018, with the Company’s reply comments due by December 11, 2018. Commission Staff (“Staff”) and PacifiCorp Idaho Industrial Customers (“PIIC”) filed comments December 4, 2018. The Company provides these reply comments in response to comments filed by Staff to add some clarifications.

2. First, the Company notes that PIIC does not dispute the prudence of the Company’s 2016–2017 Demand Side Management (“DSM”) expenditures, and Staff recommends the Commission order that the Company prudently incurred \$4,491,122 in 2016 and \$4,038,931 in 2017 DSM tariff rider expenses.

REPLY COMMENTS

3. The title of Table 1 in Staff’s comments was listed as the “Customer Efficiency Services Tariff Rider Balance – *Cash Basis*.” The Company would like to clarify that the values listed in Table 1 account for the *Accrual Basis* rather than Cash Basis and should be listed as such.

4. Table 2 in Staff’s comments compares the Company’s energy savings at site against the Integrated Resource Plan (“IRP”) targets at generator. The Company has included an updated Table 2 below with an additional row to show the achieved energy savings at generator for clarity.

Table 2. Rocky Mountain Power’s Idaho DSM Portfolio, 2016 and 2017 (UPDATED)

METRIC	2016	2017
SAVINGS (AT SITE)	19,450 MWh	15,830 MWh
SAVINGS (AT GENERATOR)	21,551 MWh	17,514 MWh
IRP TARGET (AT GENERATOR)	15,800 MWh	17,570 MWh
EXPENDITURES	\$4,500,332	\$4,038,931
UTILITY COST TEST	2.22	2.19
TOTAL RESOURCE COST TEST	1.59	1.71

5. Staff recommended two possible solutions for ensuring that evaluation costs are fully reflected in cost-effectiveness calculations, but do not inordinately impact cost-effectiveness results from year-to-year. The Company will discuss these options with Staff, as well as other options, to identify an agreeable solution going forward.

6. When commenting on the Company’s Low Income Weatherization (“LIW”) Program, Staff noted that it was almost cost-effective in 2016 with a Total Resource Cost (“TRC”) ratio of 0.96, and cost-effective in 2017 with a TRC ratio of 1.41. The Company

would like to clarify that the LIW Program's cost-effectiveness is determined by the PacifiCorp TRC ("PTRC"), per the Commission's Order No. 32788. That being the case, the LIW Program was cost-effective in 2016 and 2017 with a PTRC of 1.04 and 1.45, respectively.

7. Staff also recommended the Company resume meeting with Staff at least semi-annually to allow sufficient time to discuss DSM programs. The Company agrees with this recommendation and will work with Staff to schedule meetings accordingly.


8. On December 7 and 10, 2018, the Company discussed Staff's comments with Staff, and Staff supports the clarifications the Company has included in these reply comments.

REQUEST FOR RELIEF

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission find that the 2016-2017 DSM expenditures were prudently incurred as recommended by Staff.

DATED this 11th day of December, 2018.

Respectfully submitted,

By  _____

Daniel E. Solander
Attorney for Rocky Mountain Power

CERTIFICATE OF SERVICE

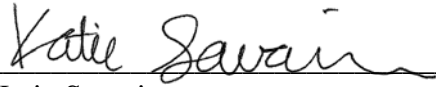
I hereby certify that on this 11th of December, 2018, I caused to be served, via E-mail a true and correct copy of **Rocky Mountain Power's Reply Comments** in PAC-E-18-07 to the following:

Service List

PACIFICORP IDAHO INDUSTRIAL CUSTOMERS (PIIC)	
Ronald L. Williams Williams Bradbury, P.C. P.O. Box 388 Boise ID, 83701 ron@williamsbradbury.com	Jim Duke Idahoan Foods jduke@idahoan.com
Kyle Williams BYU Idaho williamsk@byui.edu	Val Steiner Nu-West Industries, Inc. val.steiner@agrium.com
MONSTANTO	
Randall C. Budge Racine Olson, PLLP P.O. Box 1391 201 E. Center Pocatello, ID 83204-1391 rcb@racinelaw.net	Thomas J. Budge Racine Olson, PLLP P.O. Box 1391 201 E. Center Pocatello, ID 83204-1391 tjb@racinelaw.net
Brubaker & Associates 16690 Swingley Ridge Rd., #140 Chesterfield, MO 63017 mbrubaker@consultbai.com	
IDAHO IRRIGATION PUMPERS ASSOCIATION, INC (IIPA)	
Eric L. Olsen ECHO HAWK & OLSEN, PLLC 505 Pershing Ave., Ste. 100 P.O. Box 6119 Pocatello, Idaho 83205 elo@echohawk.com	Anthony Yankel 12700 Lake Avenue, Unit 2505 Lakewood, Ohio 44107 tony@yankel.net
COMMISSION STAFF	
Edith Pacillo Deputy Attorney General Idaho Public Utilities Commission 472 W. Washington (83702) PO Box 83720 Boise, ID 83720-0074 edith.pacillo@puc.idaho.gov	

PACIFICORP, DBA ROCKY MOUNTAIN POWER	
Ted Weston PacifiCorp, dba Rocky Mountain Power 1407 West North Temple Suite 330 Salt Lake City, UT 84116 ted.weston@pacificorp.com	Daniel Solander PacifiCorp, dba Rocky Mountain Power 1407 West North Temple Suite 330 Salt Lake City, UT 84116 daniel.solander@pacificorp.com
Michael Snow PacifiCorp, dba Rocky Mountain Power 1407 West North Temple Suite 330 Salt Lake City, UT 84116 michael.snow@pacificorp.com	Data Request Response Center PacifiCorp 825 NE Multnomah, Suite 2000 Portland, OR 97232 datarequest@pacificorp.com

Dated this 11th day of December, 2018.



 Katie Savarin
 Coordinator, Regulatory Operations