



Case No: PAC-E-18-12

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Comment deadline set for Rocky Mountain Power proposal to lower efficiency surcharge

BOISE (Jan. 18, 2019) – Rocky Mountain Power has asked for regulatory approval to change the collection rate used to fund the utility’s efficiency programs.

The proposal would lower the bill of the average customer using 800 kilowatt-hours per month by about \$5 annually if it is approved by the Idaho Public Utilities Commission.

Rocky Mountain Power funds its efficiency programs through the Schedule 191-Customer Efficiency Services Rate Adjustment.

The rate adjustment, or surcharge, is currently set at 2.7 percent and is applied to a customer’s energy usage.

Rocky Mountain Power has proposed lowering it to 2.25 percent due to the fact that expenses related to its efficiency programs were lower than projected in 2016 and 2017, even though savings realized through the program exceeded targets.

Rocky Mountain’s efficiency programs, also referred to as Demand Side Management or DSM, include Low Income Weatherization, Home Energy Saver, Home Energy Reports and Non-Residential Energy Efficiency/wattsmart Business.

The programs provide incentives to encourage participating customers to lower their power bills by either using less energy or shifting their usage to off-peak times. This can help lower the utility’s power supply expenses for all customers, in addition to eliminating or postponing the need to build new generation resources.

The Commission initially approved recovery of costs related the programs through the Schedule 191 rate adjustment in 2006. To monitor collections and expenses, the Commission implemented an annual reporting process that includes a review of the programs’ cost-effectiveness.

The current surcharge was set in 2016, when it rose from 2.1 percent to 2.7 percent. Since then, DSM expenses have not kept pace with projections, while revenue from the surcharge has slightly exceeded projections, leading to over-collection of approximately \$2.1 million.

In 2016, for example, Rocky Mountain projected DSM expenditures of \$4.4 million for 2016 and \$5.4 million for 2017, while actual expenditures for those years were \$4.5 million and \$4.0 million.

Collections, meanwhile, exceeded projections by \$100,000 in both years.

Despite the fact that program expenses were lower than projected, the programs exceeded energy-savings target established in the company's 2017 Integrated Resource Plan by 5,696 megawatt-hours or about 17 percent over the two-year period.

Lowering the rate adjustment to 2.25 percent would begin decreasing the over-collected balance and gradually align expenses with revenues over three years, the company said.

Rocky Mountain Power provides electric service to approximately 77,600 customers in eastern Idaho.

The utility requested an effective date of Jan. 1, 2019, but the Commission suspended the proposed effective date by 5 months and 30 days in order to allow time for the public to comment on the case.

Comments can be submitted through Feb. 7.

Go [here](#) submit a comment electronically, or go to the Commission's web site, www.puc.idaho.gov and click on "Case Comment Form" under the "Electric" heading.

Comments can also be submitted via fax to (208) 334-3762 or by mail to P.O. Box 83720, Boise, ID 83720-0074.

Please include the case number, PAC-E-18-12, with your comment.

All documents filed in this case, including Rocky Mountain's application, can be found on the Commission's web site, [here](#) - www.puc.idaho.gov, click on "Open Cases" under the "Electric" heading and scroll down to case number PAC-E-18-12.