



Idaho Energy Efficiency and Peak Reduction Annual Report

January 1, 2013 – December 31, 2013

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TABLE OF CONTENTS

List of Abbreviations and Acronyms	5
Executive Summary	6
2013 Performance	9
Regulatory History	10
Schedule 191, Customer Efficiency Services Rate Balancing Account Summary	11
Planning Process	12
Integrated Resource Plan	12
Irrigation Load Control	15
Program Management	15
Program Administration	16
Load Control Events and Performance	16
Evaluation	16
Energy Efficiency Programs	17
Residential Programs	17
Home Energy Saver Program	17
Program Management	18
Program Administration	19
Infrastructure	19
Demographics	23
Evaluation	24
Refrigerator Recycling	24
Program Management	25
Program Administration	25
Infrastructure	26
Evaluation	26
Low Income Weatherization	26
Program Management	27
Program Administration	28
Evaluation	28
Low Income Energy Conservation Education	28
Commercial and Industrial Programs	31
FinAnswer Express	31

Program Management.....	32
Program Administration	32
Infrastructure	33
Evaluation.....	33
Agricultural Energy Services	34
Program Management.....	35
Program Administration	35
Infrastructure	36
Evaluation.....	36
Energy FinAnswer.....	36
Program Management.....	37
Infrastructure	38
Evaluation.....	39
Communications, Outreach and Education.....	40
Idaho Earned Media	40
Customer Communications.....	40
Program Specific	41
Home Energy Savings program.....	41
Residential Refrigerator Recycling	41
FinAnswer Express and Energy FinAnswer.....	42
Agricultural Energy Services.....	42
Evaluations.....	43

LIST OF ABBREVIATIONS AND ACRONYMS

CFLs	Compact Fluorescent Lights
CAPAI	Community Action Partnership Association of Idaho
DSM	Demand-Side Management
EICAP	Eastern Idaho Community Action Plan
HVAC	Heating, ventilation and air conditioning
IECC	International Energy Conservation Code
IDHW	Idaho Department of Health and Welfare
IRP	Integrated Resource Plan
kWh	Kilowatt hour
LEDs	Light-emitting Diode Lights
LIHEAP	Low Income Home Energy Assistance
MW	Megawatt
NTG	Net-to-Gross
PCT	Participant Cost Test
PTRC	Total Resource Cost Test with 10 percent adder
RIM	Ratepayer Impact Measure Test
Schedule 191	Customer Efficiency Services Rate
SEICAA	SouthEastern Idaho Community Action Agency
TRC	Total Resource Cost Test
UCT	Utility Cost Test

EXECUTIVE SUMMARY

Rocky Mountain Power (“Company”) working in partnership with its retail customers and with the approval of the Idaho Public Utilities Commission (“Commission”) acquires energy efficiency and peak reduction resources as cost-effective alternatives to the acquisition of supply-side resources. These resources assist the Company in efficiently addressing load growth and contribute to the Company’s ability to meet system peak requirements. Company energy efficiency and peak reduction programs provide participating Idaho customers with tools that enable them to reduce or assist in the management of their energy usage while reducing the overall costs to the Company’s customers. These resources are relied upon in resource planning as a least cost alternative to supply-side resources.

This report provides details on program results, activities, expenditures, and Customer Efficiency Service Charge - Schedule 191 (“Schedule 191”) - revenue for the performance period from January 1, 2013, through December 31, 2013. The Company, on behalf of its customers, invested \$3.9 million in energy efficiency resource acquisitions during the reporting period. The investment yielded approximately 20.2 gigawatt-hours in first year savings¹ and approximately 3.4 megawatts of capacity reduction from energy efficiency². Net benefits based on the projected value of the energy efficiency program savings over the life of the individual measures are estimated at \$2.4 million³. The cost effectiveness of the energy efficiency portfolio from various perspectives is provided in Table 1.

The company also offers an irrigation load management program to agricultural customers in the state of Idaho. The program is positioned as a system resource and as such its costs are not recovered through Schedule 191. Additional information on the irrigation load management program is provided later in this report.

¹ Reported savings at generation.

² See Appendix 1 for explanation on how the capacity contribution savings values are calculated.

³ See Table 1 – Utility Cost Test Net Benefits.

Table 1 – Cost Effectiveness for the Energy Efficiency Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent (“PTRC”) – total resource cost with the addition of environmental and non-energy benefits ⁴	1.26	\$1,754,222
Total Resource Cost Test (“TRC”) ⁵	1.15	\$1,002,449
Utility Cost Test (“UCT”) ⁶	1.51	\$2,436,051
Participant Cost Test (“PCT”) ⁷	1.95	\$6,128,360
Ratepayer Impact (“RIM”) ⁸	0.63	(\$4,661,724)

The energy efficiency portfolio was cost effective based on four of five standard cost effectiveness tests for the reporting period. The ratepayer impact measure test was less than 1.0 indicating near-term upward pressure was placed on the price per kilowatt-hour given a reduction in sales. Annual performance information for 2013 cost effectiveness is provided in detail in Appendix 2.

In 2013, the Company completed development of the Technical Reference Library which contains preliminary measure-level savings data, including the methods, assumptions and sources for those assumptions used for reporting of energy savings. The Energy Efficiency Measures report is provided in Appendix 3.

Another Company system implementation that began in 2013 was the upgrade of the tracking system which is used by Demand-Side Management (“DSM”) to store information on completed customer projects. The system is known as DSM Central and integrates with the Technical Reference Library.

The Company, working with its third-party delivery administrators⁹ collaborates with the following number of retailers, contractors, and vendors in the delivery of its energy efficiency programs in the state of Idaho:

⁴ The TRC plus 10 percent includes a benefit adder to account for non-quantified environmental and non-energy benefits of conservation resources over supply-side alternatives.

⁵ The TRC compares the total cost of a supply-side resource to the total cost of energy efficiency resources, including costs paid by the customer in excess of the program incentives. The test is used to determine if an energy efficiency program is cost effective from a total cost perspective.

⁶ The UCT compares the total cost incurred by the utility to the benefits associated with displacing or deferring supply-side resources.

⁷ The PCT compares the portion of the resource paid directly by participants to the savings realized by the participants.

⁸ The RIM examines the impact of energy efficiency on utility rates. Unlike supply-side investments, energy efficiency programs reduce energy sales. Reduced energy sales lowers revenues (see UCT) putting upward pressure on rates as the remaining fixed costs are spread over fewer kilowatt-hours.

⁹ See program specific sections for backgrounds on third-party administrators.

Table 2 - Energy Efficiency Infrastructure

Sector	Type	No.
Residential	Lighting Retailers	22
	Appliances Retailers	23
	HVAC ¹⁰ Contractors	14
	Insulation Contractors	17
	Low Income Agencies	2
Commercial and Industrial	Lighting Trade Allies	52
	HVAC Trade Allies	29
	Motors & VFD Trade Allies	28
	Engineering Firms	22

¹⁰ Heating, ventilation and air conditioning

2013 Performance

Program and Sector level results for 2013 are provided in Table 3.

Table 3
Idaho Program Results for January 1, 2013 – December 31, 2013¹¹

Program	kWh/Yr Savings (at site)	kWh/Yr Savings (at generator)	Program Expenditures
Low Income Weatherization (21)	101,771	113,440	\$ 203,741
Refrigerator Recycling (117)	692,799	772,235	\$ 92,353
Home Energy Savings (118)	2,512,467	2,800,547	\$ 825,450
Total Residential	3,307,037	3,686,222	\$ 1,121,544
Energy FinAnswer (125)	425,205	470,910	\$ 74,625
FinAnswer Express (115)	2,207,504	2,444,789	\$ 597,379
Total Commercial	2,632,709	2,915,699	\$ 672,004
Energy FinAnswer (125)	1,914,074	2,058,051	\$ 254,249
FinAnswer Express (115)	2,979,385	3,203,494	\$ 362,573
Total Industrial	4,893,459	5,261,545	\$ 616,822
FinAnswer Express (115)	169,154	188,519	\$ 17,567
Agricultural Energy Services (155)	7,321,543	8,159,713	\$ 1,180,575
Total Agricultural	7,490,697	8,348,232	\$ 1,198,143
Total Energy Efficiency	18,323,902	20,211,698	3,608,512
Commercial & Industrial Evaluation Costs			\$ 73,655
Residential Evaluation Costs			\$ 129,658
Low Income Energy Conservation Education			\$ 25,000
Technical Reference Library			\$ 23,705
DSM Central			\$ 13,566
Total System Benefit Expenditures - All Programs			\$ 3,874,096

See Appendix 4 for breakdown of program expenditures by category.

¹¹ The values at generation include line losses between the customer site and the generation source. The Company's line losses by sector for 2013 are 11.47 percent for residential, 10.75 percent for commercial, 7.52 percent for industrial and 11.45 percent for irrigation.

REGULATORY HISTORY

During the reporting period the Company filed a number of compliance and/or informational reports, updates and requests with the Commission in support of the Company programs. The following is a list of those filings:

- On March 8, 2013, the Commission approved the Company's application filed on December 7, 2012, to cancel Irrigation Tariffs 72 and 72A and approve the new Irrigation Load Control Contract.
- On April 25, 2013, pursuant to Order No. 29976, the Company submitted its 2012 Idaho Energy Efficiency and Peak Reduction Annual Report.
- On May 15, 2013, pursuant to Order No. 32788, the Company filed a revision to Schedule 21 – Low Income Weatherization Services Optional for Income Qualifying Customers, sheet no. 3, to include \$25,000 for the low income conservation education fund. The Commission approved the updated tariff sheet with an effective date of June 1, 2013.
- On May 24, 2013, in Case No. PAC-E-13-10, the Company filed to revise Schedule 155 – Agricultural Energy Services to suspend: (1) the Nozzle Exchange Program; and (2) incentives for the pivot and linear equipment measures listed in the tariff. The Commission approved the request in Order No. 32879, effective August 15, 2013.
- On November 7, 2013, in Case No. PAC-E-13-15, the Company filed for approval of a one-time customer credit to refund over collection of Schedule 191 Customer Efficiency Services rate (“Schedule 191”). The refund was approved by the Commission in Order No. 32967 on January 23, 2014.

Schedule 191, Customer Efficiency Services Rate Balancing Account Summary

In Case Number PAC-E-05-10 (Order No. 29976) the Commission approved the recovery of all DSM program costs through Schedule 191, with exception of the expenses associated with the irrigation load control program¹². Schedule 191 charges appear as a line item on customer bills. The Company books eligible DSM program costs as incurred to the balancing account.

Schedule 191 balancing account activity for 2013 is outlined in Table 4.

Table 4
Schedule 191 Balancing Account Activity

State of Idaho Summary - Balancing Account						
	Monthly Program Cost - Fixed Assets	Monthly Net Accrued Costs *	Rate Recovery	Carrying Charge	Cash Basis Accumulated Balance	Accrual Basis Accumulated Balance
Balance as of 12/31/12					\$ (690,167)	\$ (370,753)
January	\$ 187,387	\$ 91,691	\$ (266,990)	\$ (608)	\$ (770,378)	\$ (359,273)
February	\$ 386,782	\$ (32,874)	\$ (253,184)	\$ (586)	\$ (637,366)	\$ (259,135)
March	\$ 278,520	\$ 35,772	\$ (226,555)	\$ (509)	\$ (585,910)	\$ (171,907)
April	\$ 327,009	\$ (55,624)	\$ (196,836)	\$ (434)	\$ (456,170)	\$ (97,791)
May	\$ 159,914	\$ (90,761)	\$ (287,578)	\$ (433)	\$ (584,268)	\$ (316,649)
June	\$ 148,490	\$ (21,930)	\$ (464,103)	\$ (618)	\$ (900,499)	\$ (654,810)
July	\$ 350,917	\$ (2,503)	\$ (634,228)	\$ (868)	\$ (1,184,678)	\$ (941,493)
August	\$ 232,359	\$ 22,731	\$ (522,502)	\$ (1,108)	\$ (1,475,929)	\$ (1,210,013)
September	\$ 246,269	\$ (8,033)	\$ (403,843)	\$ (1,296)	\$ (1,634,799)	\$ (1,376,916)
October	\$ 353,699	\$ 14,287	\$ (286,305)	\$ (1,334)	\$ (1,568,740)	\$ (1,296,569)
November	\$ 345,194	\$ 23,813	\$ (235,147)	\$ (1,261)	\$ (1,459,953)	\$ (1,163,969)
December	\$ 799,125	\$ (12,667)	\$ (247,067)	\$ (987)	\$ (908,882)	\$ (625,565)
2013 totals	\$ 3,815,666		\$ (4,024,339)	\$ (10,042)		

* December 2013 total accrual \$ 283,317

Column Explanations:

Monthly Program Costs – Fixed Assets: Monthly expenditures for all energy efficiency program activities.

Monthly Net Accrued Costs: Monthly net change of program costs incurred during the period not yet posted.

Rate Recovery: Revenue collected through Schedule 191.

Carrying Charge: Monthly “interest” charge based on “Accumulated Balance” of the account. The current “interest rate” for the Accumulated Balance is 1 percent per year.

Cash Basis Accumulated Balance: Current balance of the account - a running total of account activities. A negative accumulative balance means cumulative revenue exceeds cumulative expenditures; positive accumulative balance means cumulative expenditures exceed cumulative revenue.

Accrual Basis Accumulative Balance: Current balance of account including accrued costs.

¹² The Commission, in Case No. PAC-E-10-07, ordered that the costs associated with the Idaho Irrigation Load Control Program should be allocated as system costs and not situs to Idaho.

PLANNING PROCESS

Integrated Resource Plan

The Company develops a biennial integrated resource plan (“IRP”) as a means of balancing cost, risk, uncertainty, supply reliability/deliverability and long-run public policy goals. The plan presents a framework of future actions to ensure the Company continues to provide safe, reliable, reasonable-cost service with manageable risks to its customers. Energy efficiency and peak management opportunities are incorporated into the plan based on their availability, characteristics and costs.

Energy efficiency and peak management resources can be divided into four general classes based on their relative characteristics, the classes are:

- Class 1 DSM (Resources from fully dispatchable or scheduled firm capacity product offerings/programs) – Capacity savings occur as a result of active Company control or advanced scheduling. Once customers agree to participate, the timing and persistence of the load reduction is involuntary on their part within the agreed limits and parameters.
- Class 2 DSM (Resources from non-dispatchable, firm energy and capacity product offerings/programs) – Sustainable energy and related capacity savings are achieved through facilitation of technological advancements in equipment, appliances, lighting and structures or sustainable verifiable changes in operating and maintenance practices, also commonly referred to as energy efficiency resources.
- Class 3 DSM (Resources from price responsive energy and capacity product offerings/programs) – Short-duration energy and capacity savings from actions taken by customers voluntarily based on pricing incentives or signal.
- Class 4 DSM (Resources from energy efficiency education and non-incentive based voluntary curtailment programs/communications pleas) – Energy and/or capacity reduction typically achieved from voluntary actions taken by customers, to reduce costs or benefit the environment through education, communication and/or public pleas.

As technical support for the IRP, a third-party analysis is conducted to estimate the magnitude, timing and cost of alternative energy efficiency and peak management options.¹³ The main focus of the study is on resources with sufficient reliability characteristics anticipated to be technically feasible and assumed achievable during the IRP’s 20-year planning horizon. The estimated achievable energy efficiency potential identified in the 2013 study for Idaho was 34 average megawatts or 13 percent of retail sales.¹⁴ By definition this is the energy efficiency potential that may be achievable to acquire during the 20-year planning horizon if determined least cost and cost-effective compared to supply-side alternatives within the Company’s integrated resource planning process.

¹³ Assessment of Long-term, System-Wide Potential for Demand-Side and Other Supplemental Resources, www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Demand_Side_Management/DSM_Potential_Study/PacifiCorp_DSMPotential_FINAL_Vol%20I.pdf.

¹⁴Ibid, page 75.

The achievable technical potential for Idaho by sector is shown in Table 5. The 2013 potential study indicates that 5 percent of the achievable technical potential for the Company, excluding Oregon¹⁵, is in Idaho.¹⁶

Table 5
Idaho Energy Efficiency Achievable Technical Potential by Sector

Sector	Average Megawatts in 2032	Percent of Retail Sales
Residential	16	15%
Commercial	9	15%
Industrial	2	8%
Irrigation	7	10%

* Note there is an additional 0.2 aMW associated with street lights

Energy efficiency resources vary in their reliability, load reduction and persistence over time. Based on the significant number of measures identified in the potential study it is difficult to incorporate each measure as a stand-a-lone resource in the IRP. To address this issue, energy efficiency measures are bundled by their relative cost to reduce the number of combinations to a more manageable number.

The evaluation of energy efficiency resources within the IRP is also informed by state specific evaluation criteria. While all states generally use commonly accepted cost effectiveness tests, some states require variations in calculating or prioritizing the tests.

- Washington and Oregon utilize the total resource cost but allow for consideration of non-energy benefits and a 10 percent regional conservation credit in the determination of cost effectiveness.
- Utah utilizes the utility cost test as the primary determination of cost effectiveness.

The Company evaluates program implementation cost effectiveness (both prospectively and retrospectively) under a variation of five tests to identify the relative impact and/or value to customers and the Company (i.e. utility cost, total resource cost, near-term rate impact, program value to participants, etc.).

The 2013 Integrated Resource Plan preferred portfolio includes the acquisition of energy efficiency resources. The plan seeks opportunities to accelerate these acquisitions as evidenced by the range of the savings target and expanded set of demand side management related Action Plan activities. The action plan savings targets for the 2013 Integrated Resource Plan¹⁷ are shown in Table 6.

¹⁵ Demand-side Management potential studies are performed by the Energy Trust of Oregon.

¹⁶ Page 75, Table 52 of the 2013 Assessment of Long-term, System-Wide Potential for Demand-Side and Other Supplemental Resources.

¹⁷ 2013 IRP, April, 2013,

www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Integrated_Resource_Plan/2013IRP/PacificCorp-2013IRP_Vol1-Main_4-30-13.pdf, page 248.

Table 6
Preferred Portfolio Energy Efficiency Targets

2013 Preferred Portfolio	Acquire 1,425-1,876 gigawatt hours (GWh) of cost-effective Class 2 (energy efficiency) resources by the end of 2015 and 2,034-3,180 GWh by the end of 2017.
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PEAK REDUCTION PROGRAMS

Peak Reduction programs assist the Company in balancing the timing of customer energy requirements during heavy use summer hours; deferring the need for higher cost investments in delivery infrastructure and generation resources that would otherwise be needed to serve those loads for a select few hours each year. These programs help the Company maximize the efficiency of the Company's existing electrical system and reduce costs for all customers.

Irrigation Load Control

The *Irrigation Load Control* program was offered to irrigation customers receiving electric service on Schedule 10, Irrigation and Soil Drainage Pumping Power Service. Participants enrolled with a third party to allow the curtailment of their electricity usage in exchange for a participation credit. For most participants, their irrigation equipment is set up with a dispatchable two-way control system giving the Company control over their loads. Under this control option, participants are provided a day-ahead notification in advance of control events and have the choice to opt-out of a limited number of dispatch events per season.

A summary of the program performance, participation and cost effectiveness results for the program period of June 10, 2013 – August 16, 2013 are provided in Tables 7 and 8.

Table 7
Irrigation Load Control Program Performance

Total Enrolled MW (Gross – at Gen)	219
Average Realized load (at Gen)	150
Maximum Realized load (at Gen)	186
Participation Customers	232
Participation (Sites)	971

Table 8
Cost Effectiveness for Irrigation Load Control

	Benefit/Cost Ratio
Total Resource Cost Test plus 10 percent	Pass
Total Resource Cost Test	Pass
Utility Cost Test	Pass
Participant Cost Test	N/A
Rate Payer Impact	Pass

Program Management

The program manager who is responsible for the *Irrigation Load Control* program in Idaho is also responsible for the *Irrigation Load Control* program in Utah. For each state the program

manager is responsible for the cost effectiveness of the program, contracting with program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

Program Administration

Starting with the 2013 program season, the Company selected EnerNoc to manage the irrigation load control program through a pay-for-performance structure. See Appendix 5 for EnerNoc's 2013 PacifiCorp Irrigation Load Control Program Report.

Load Control Events and Performance

There were ten control events initiated in 2013. The date, time and estimated impact for each event is provided in Table 9.

Table 9
Irrigation Load Control Events

Date	Event	Event Times	Estimated Load Reduction - Idaho at Gen (MW)
6/18/13	1	3pm-7pm	-151
6/28/13	2	3pm-7pm	-182
7/1/13*	3	3pm-7pm	-128
7/2/13	4	3pm-7pm	-178
7/3/13	5	3pm-7pm	-186
7/9/13	6	3pm-7pm	-172
7/10/13	7	3pm-7pm	-181
7/18/13	8	3pm-7pm	-162
7/25/13	9	3pm-7pm	-88
7/26/13	10	3pm-7pm	-91

*Amps and Camas Subs excluded from dispatch

Evaluation

Performance of the Idaho Irrigation Load Control programs is contained in Appendix 6.

ENERGY EFFICIENCY PROGRAMS

Energy efficiency programs are offered to all major customer sectors: residential, commercial, industrial and agricultural. The overall energy efficiency portfolio includes six programs: *Home Energy Saver* – Schedule 118, *Residential Refrigerator Recycling* – Schedule 117, *Low Income Weatherization* – Schedule 21, *FinAnswer Express* – Schedule 115, *Agricultural Energy Services* – Schedule 155 and *Energy FinAnswer* – Schedule 125. Program savings and cost results for 2013 were provided in Table 3. Additional program information is provided below.

RESIDENTIAL PROGRAMS

The residential energy efficiency portfolio is comprised of three programs, *Home Energy Saver*, *Residential Refrigerator Recycling* and *Low Income Weatherization*. As shown in Table 10, the residential portfolio was cost effective based on four of the five standard cost effectiveness tests for the 2013 reporting period. The ratepayer impact test was less than 1.0 indicating that there is near term upward pressure placed on the price per kilowatt-hour given a reduction in sales.

Table 10
Cost Effectiveness for Residential Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.40	\$614,955
Total Resource Cost Test	1.28	\$435,742
Utility Cost Test	1.20	\$253,336
Participant Cost Test	4.03	\$2,814,578
Rate Payer Impact	0.45	(\$1,803,429)

Home Energy Saver Program

The *Home Energy Saver* program is designed to provide access to and incentives for more efficient products and services installed or received by customers in new or existing homes, multi-family housing units or manufactured homes for residential customers under Electric Service Schedules 1 and 36. Program participation by measure is provided in Table 11.

Table 11
Eligible Program Measures (Units)

Measures	2013 Total Units	2013 Total Participants	2013 kWh @ site
Attic Insulation	280,979	43	356,781
Central A/C Equipment	1	1	98
Clothes Washer	491	490	66,833
Dishwasher	225	225	9,530

Measures	2013 Total Units	2013 Total Participants	2013 kWh @ site
Ductless Heat Pump	16	16	56,000
Electric Water Heater	19	19	2,569
Evaporative Cooler	4	4	1,708
Fixture	12,068	728	291,502
Floor Insulation	3,896	3	9,237
Gas Furnace	5	5	2,640
Ground Source Heat Pump Conversion	1	1	12,525
Heat Pump System Conversion	2	2	10,332
Heat Pump Water Heater	4	4	3,524
Refrigerator	61	61	5,269
Room AC	41	39	1,599
Wall Insulation	2,252	2	3,386
Windows	2,420	19	6,163
Lighting - CFL General	75,351	7,535	1,259,629
Lighting - CFL Specialty	18,230	1,823	413,142
Grand Total	396,066	11,020	2,512,467

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 12.

Table 12
Long-term Cost Effectiveness for Home Energy Saver Program

	Benefit/Cost Ratio	Net Benefits	Benefit/Cost Ratio	Net Benefits
	<i>Including Non-energy benefits</i>		<i>Excluding Non-energy benefits</i>	
Total Resource Cost Test plus 10 percent	1.66	\$726,220	1.24	\$263,502
Total Resource Cost Test	1.54	\$601,741	1.13	\$139,023
Utility Cost Test	1.51	\$419,335	1.51	\$419,335
Participant Cost Test	3.27	\$2,114,020	2.69	\$1,571,911
Rate Payer Impact	0.49	(\$1,284,893)	0.49	(\$1,284,893)

Program Management

The program manager who is responsible for the *Home Energy Saver* program in Idaho is also responsible for the *Home Energy Saver* program in California, Utah, Washington and Wyoming and the *Refrigerator Recycling* program in Idaho, California, Utah, Washington, and Wyoming. For each program and in each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

Program Administration

The *Home Energy Saver* program is administered by PECI. PECI, a private non-profit corporation, has been designing and implementing energy efficiency programs since 1990.

PECI is responsible for the following:

- Retailer and trade ally engagement – PECI identifies, recruits, supports and assists retailers to increase the sale of energy efficient lighting, appliances and electronics. PECI enters into promotion agreements with each lighting manufacturer and retailer for the promotion of discounted compact fluorescent lighting (“CFL”). The agreements include specific retail locations, lighting products receiving incentives and not-to-exceed annual budgets. Weatherization and HVAC contractors engaged with the program are provided program materials, training and receive regular updates.
- Inspections – PECI recruits and hires inspectors to verify on an on-going basis the installation of measures. A summary of the inspection process is in Appendix 7.
- Incentive processing and call-center operations – PECI receives all requests for incentives, determines whether the applications are completed, works directly with customers when information is incorrect and/or missing from the application and processes the application for payment.
- Program specific customer communication and outreach – A summary of the communication and outreach conducted by PECI on behalf of the Company is outlined in the Communication, Outreach and Education section.

Infrastructure

The Company, through its third party vendor, is working with 22 retailers to promote CFLs and light-emitting diodes (“LEDs”). Table 13 lists the lighting retailers participating in the program.

Table 13¹⁸
Retail Stores – Lighting

Store Name	City	CFLs	LEDs
Ace Hardware #14355	Rexburg	√	
Ace Hardware #9479	Saint Anthony	√	
BMC West – Rexburg	Rexburg	√	√
Broulim's Fresh Foods #1	Montpelier	√	
Broulim's Fresh Foods #2	Rexburg	√	
Broulim's Fresh Foods #3	Saint Anthony	√	

¹⁸ To be considered for participation for discounted CFLs and LEDs, sales coming from the Company’s customers must be a significant majority of total sales.

Store Name	City	CFLs	LEDs
Dollar Tree #3691	Rexburg	√	
Downey Food Center	Downey	√	
Mickelsens #2	Rexburg	√	
Platt Electric Supply #53	Pocatello	√	√
Platt Electric Supply #54	Idaho Falls	√	√
Platt Electric Supply #88	Rexburg	√	√
Thomas Market Inc. #1	Malad City	√	
True Value #10119	Preston	√	√
True Value #10217	Montpelier	√	√
True Value #1064	Malad City	√	√
True Value #1654	Rexburg	√	√
True Value #5448	Terreton	√	√
True Value Hardware - CAL Ranch Stores	Rexburg	√	√
Walgreens #9918	Rexburg	√	
Walmart #1878	Rexburg	√	
Wolfe Lighting	Rexburg	√	

Twenty three local and national retailers now consistently promote high efficiency appliances on behalf of the program. Table 14¹⁹ lists the retailers where customers can purchase program qualifying appliances for program incentives.

Table 14
Retail Stores – Appliances

Retailer	City	Ceiling Fan	Clothes Washer	Dishwasher	Electric Water Heater	Freezer	Light Fixture	Portable Evaporative Cooler	Refrigerator	Room Air Conditioner
Ace Hardware #14355	Rexburg									
Ace Hardware #9479	Saint Anthony									
Best Buy #944	Idaho Falls		√	√						
Bingham & Sons Furniture and Appliance	Rexburg		√	√						
Blacker's Home Furnishings	Idaho Falls		√	√						
Denning's Showcase	Idaho Falls		√	√					√	
Do It Best - Stronks and Sons	Ashton		√						√	
Do It Best - Yellowstone	Rigby									
El Gene's TV and Appliance	Rexburg		√	√						

¹⁹ Check mark indicates retailer participation during 2013

Retailer	City	Ceiling Fan	Clothes Washer	Dishwasher	Electric Water Heater	Freezer	Light Fixture	Portable Evaporative Cooler	Refrigerator	Room Air Conditioner
Falls Plumbing Supply	Idaho Falls				√					
Ferguson Enterprises Inc	Idaho Falls		√	√						
First Street Plumbing	Idaho Falls									
Home Depot #1802	Idaho Falls	√	√	√	√		√	√	√	√
Lowe's #1906	Idaho Falls		√	√			√		√	√
Northgate Appliance	Idaho Falls		√	√					√	
Rocknacks Hardware Plus	Idaho Falls				√					
Sanders Furniture	Soda Springs		√	√						
Sears #2278	Idaho Falls		√	√					√	√
Sears #3290	Rexburg		√	√					√	√
Thomas Electric & Furniture	Malad City		√	√					√	√
True Value #10217	Montpelier		√	√						
U&I Furniture	Preston								√	
Wolfe Lighting #1	Rexburg						√			

Table 15 and Table 16²⁰ list the HVAC, weatherization and window contractors.

Table 15
HVAC Contractors

Trade Ally Name	City	Air Source Heat Pump Upgrade	Air Source Heat Pump Conversion	Air Source Heat Pump Best Practices Installation & Proper Sizing	Central Air Conditioner (CAC)	Ductless Heat Pump	Duct Sealing / Duct Sealing & Duct Insulation	Gas Furnace with ECM	Ground Source Heat Pump Conversion	Ground Source Heat Pump Upgrade	Heat Pump Tune-up	Heat Pump Water Heater
Alpine Heating	Idaho Falls					√		√				
Conan Heating	Idaho Falls							√	√			

²⁰ Check mark indicates retailer participation during 2013

Trade Ally Name	City	Air Source Heat Pump Upgrade	Air Source Heat Pump Conversion	Air Source Heat Pump Best Practices Installation & Proper Sizing	Central Air Conditioner (CAC)	Ductless Heat Pump	Duct Sealing / Duct Sealing & Duct Insulation	Gas Furnace with ECM	Ground Source Heat Pump Conversion	Ground Source Heat Pump Upgrade	Heat Pump Tune-up	Heat Pump Water Heater
Ductz of Post Falls	Post Falls											
First Call Jewel, Inc	Idaho Falls		√	√		√		√				
Hallmark Exteriors	Ammon											
Holeshot Plumbing	Ammon											√
Johnson Brothers	Idaho Falls											
Malad Heating and Cooling LLC	Malad City											√
Master Tech LLC	Rigby										√	
Palmer Heating and Cooling LLC	Idaho Falls											
Quantum Group Engineering	Idaho Falls											
Sermon Service and Electric	Idaho Falls											
Sprinter Heating and Hydronics	Rigby				√							
Young Electric, Heating and Air	Shelley					√						

Table 16
Weatherization Contractors

Trade Ally Name	City	Attic Insulation	Floor Insulation	Wall Insulation	Windows
Alpine Heating	Idaho Falls	√			
Advanced Insulation	Idaho Falls	√			
BDI Insulation of Idaho Falls	Idaho Falls				
Bi-State Siding & Windows, Inc	Lewiston	√			

Trade Ally Name	City	Attic Insulation	Floor Insulation	Wall Insulation	Windows
BMC West	Idaho Falls	√			√
Campbell's Quality Exteriors	Idaho Falls				√
Classic Remodeling	Ogden				
Clearwater Custom Carpentry & Construction	Lewiston				
Eco Insulation	Blackfoot	√			
First Call Jewel	Idaho Falls				
Go Green Insulation	Caldwell				
Hallmark Exteriors	Ammon				
Hansen Paint & Glass	Preston				
Holeshot Plumbing	Ammon				
Newt Construction LLC	Idaho Falls				
Precision Glass	Pocatello				
Rocky Mountain Insulation	Pocatello	√			

Demographics

Approximately 64 percent of all *Home Energy Savers* incentive applications in 2013 were received from customers located in Idaho Falls, Rigby, Rexburg, and Ammon. Table 17 summarizes customer applications by city.

Table 17
Customer Application by City

City	% of Total - Appliance & Fixture Applications	% of Total - HVAC Applications	% of Total - Weatherization Applications	% of Total - All Applications
IDAHO FALLS	25.80%	27.30%	12.50%	25.30%
RIGBY	14.60%	3.00%	7.80%	14.10%
REXBURG	12.80%	6.10%	32.80%	13.40%
AMMON	11.10%	18.20%	15.60%	11.40%
SHELLEY	5.20%	9.10%	6.30%	5.30%
PRESTON	4.50%	0.00%	9.40%	4.60%
SUGAR CITY	2.60%	0.00%	3.10%	2.60%
SAINT ANTHONY	2.20%	3.00%	1.60%	2.20%
IONA	1.80%	0.00%	0.00%	1.70%
MALAD CITY	1.40%	3.00%	0.00%	1.30%

City	% of Total - Appliance & Fixture Applications	% of Total - HVAC Applications	% of Total - Weatherization Applications	% of Total - All Applications
ASHTON	1.30%	0.00%	0.00%	1.20%
FIRTH	1.00%	9.10%	0.00%	1.10%
UCON	0.80%	3.00%	3.10%	1.00%
45 Additional Cities				< 1%

Evaluation

During 2013, a process and impact evaluation was initiated by a third party evaluator for program years 2011-2012. The process and impact evaluation was completed in first quarter of 2014.

Refrigerator Recycling

The *Refrigerator Recycling* program, also known as “*See ya later, refrigerator®*,” is designed to decrease electricity use through voluntary removal and recycling of inefficient refrigerators and freezers for residential customers served on Electric Service Schedule 1. Participants receive a \$30 incentive for each qualifying refrigerator or freezer recycled through the program and an energy-saving kit which includes two CFLs, a refrigerator thermometer card, energy-savings educational materials, and information on other efficiency programs relevant to residential customers.

Program participation by measure is provided in Table 18.

Table 18
Eligible Program Measures (Units)

Measures	2013 Total	2013 kWh @ site
Refrigerator Recycling	437	520,030
Freezer Recycling	129	134,289
Energy Savings Kit	520	38,480

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 19.

Table 19
Long-term Cost Effectiveness for Refrigerator Recycling

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.63	\$58,099
Total Resource Cost Test	1.48	\$44,421
Utility Cost Test	1.48	\$44,421
Participant Cost Test ²¹	N/A	\$377,135
Rate Payer Impact	0.48	(\$149,359)

In 2013, more than 73,580 pounds of metal, 11,320 pounds of plastics, and 1,311 pounds of tempered glass were recycled as a result of the program. In addition, the capture, recovery or destruction of more than 737 pounds of ozone depleting Chlorofluorocarbons (greenhouse gases) and Hydro fluorocarbons, commonly used in refrigerants and foam insulation equates to approximately 2,143 metric tons of carbon dioxide.

Program Management

The program manager who is responsible for the *Refrigerator Recycling* program in Idaho is also responsible for the *Refrigerator Recycling* program in California, Utah, Washington and Wyoming and *Home Energy Saver* program in Idaho, California, Utah, Washington, and Wyoming. For each program and in each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

Program Administration

The Refrigerator Recycling program is administered by JACO Environmental (“JACO”). JACO started over 20 years ago in Snohomish County, north of Seattle, Washington, JACO has grown to become one of the largest recyclers of house-hold appliances in the United States. The Company contracts with JACO to provide customer scheduling, pick-up, incentive processing and marketing services for the program.

JACO’s process ensures that over 95 percent of the components and materials of the discarded appliance are either recycled for beneficial uses or eliminated in an environmentally responsible way. The remaining 5 percent can then be productively used as “fluff” to facilitate the decomposition of biodegradable landfill material.

JACO is responsible for the following:

- Appliance handling – JACO handles all customer and field service operations for the program including pick-up of refrigerators and freezers from customers, transporting the units to the de-manufacturing facility and recycling of the appliances.

²¹ Participants in *See ya later, refrigerator*® program incur no costs.

- Incentive processing and call-center operations – Customer service calls, pick-up scheduling and incentive processing are handled by JACO.
- Program specific customer communication and outreach – Working in close coordination with the Company, JACO handles all the marketing for the program. The program is marketed through bill inserts, customer newsletters and TV, newspaper and online advertising.

As part of the program control process, the Company contracts with a third-party independent inspector to conduct ongoing oversight of the program’s appliance recycling process, from verification that the units being recycled meet the program eligibility criteria to verifying they are being recycled and that the program records are accurate.

A summary of the inspection process is included in Appendix 7.

Infrastructure

A crew from Salt Lake City, Utah, picks up units collected through the program in Idaho and transports the units to a JACO facility in Salt Lake City for disassembly and recycling.

Evaluation

In October 2013, a process and impact evaluation was completed by a third party evaluator for program years 2011-2012. The impact evaluation provided data on the gross realized savings and the Net-to-Gross (“NTG”) ratio. The process evaluation investigated participant satisfaction, implementation and delivery processes, marketing methods and quality assurance. The Company’s response to the recommendations and web link to the evaluation report are included in Appendix 8.

Low Income Weatherization

The *Low Income Weatherization* program provides energy efficiency services through a partnership between the Company and local non-profit agencies to residential customers that meet the income-eligible guidelines. Services are at no cost to the program participants.

Program participation and number of homes receiving specific measures in 2013 are provided in Table 20.

Table 20
Homes Receiving Specific Measures

Participation – Total # of Completed/Treated Homes	74
<i>Number of Homes Receiving Specific Measures</i>	
Attic Ventilation	23
Ceiling Insulation	26

Compact Fluorescent Light Bulbs	68
Duct Insulation	19
Floor Insulation	20
Furnace Repair	34
Health & Safety Measures	26
Infiltration	47
Refrigerators	3
Replacement Windows	38
Thermal Doors	35
Wall Insulation	6
Water Heater Repair	6
Water Pipe Insulation	58

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 21.

Table 21
Cost Effectiveness for Low Income Weatherization

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	0.81	(\$39,705)
Total Resource Cost Test	0.60	(\$80,763)
Utility Cost Test	0.60	(\$80,763)
Participant Cost Test	N/A	\$323,423
Rate Payer Impact	0.34	(\$239,519)

As shown in Table 21, the *Low Income Weatherization* program ex-ante results suggest the program was not cost effective based on the five standard cost effectiveness tests for the 2013 reporting period. This is largely due to a decrease in number of homes served and measures installed by over 28 percent from the program's 2012 program results and a decrease in the Company's avoided costs.²² All applicable and identifiable non-energy benefits recommended in Order No. 32788 were applied. The Company is investigating possible program improvements while awaiting the results of the 2014 program evaluation before making a determination on what broader actions will be necessary to ensure program cost effectiveness going forward.

Program Management

The program manager who is responsible for the *Low Income Weatherization* program in Idaho is also responsible for the *Low Income Weatherization* program in California, Utah, Washington and Wyoming; energy assistance programs in Idaho, California, Oregon, Utah, Washington and Wyoming; and bill discount programs in California, Utah and Washington. The program manager is responsible for the cost effectiveness of the weatherization program in each state,

²² The 2013 Integrated Resource Plan filed in March, 2013, generated lower avoided costs for energy efficiency resources than the value previously provided in the Company's 2011 Integrated Resource Plan and used in the calculation of the program's economics in the 2012 annual report.

partnerships and agreements in place with local agencies that serve income eligible households, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the agency contracts and state specific tariffs.

Program Administration

The Company currently has contracts in place with Eastern Idaho Community Action Partnership (“EICAP”) and SouthEastern Idaho Community Action Agency (“SEICAA”) to provide services through the low income weatherization program. These two agencies receive federal funds allocated to the Idaho Department of Health and Welfare (“IDHW”) and administered by the Community Action Partnership Association of Idaho (“CAPAI”) through subcontracting non-profit agencies. Energy efficiency measures are installed in the homes of income eligible households throughout the Company’s service area by EICAP and SEICAA. Company funding of 85 percent of the cost of approved measures is leveraged by the agencies with the funding received by IDHW.

By contract with the Company, EICAP and SEICAA are responsible for the following:

- Income Verification – Agencies determine participants are income eligible based on CAPAI guidelines. Household’s interested in obtaining weatherization services apply through the agencies. The current income guidelines are included in Appendix 9.
- Energy Audit – Agencies use a United States Department of Energy approved audit tool to determine the cost effective measures to install in the participant’s homes (audit results must indicate a savings to investment ratio of 1.0 or greater).
- Installation of Measures – Agencies install the energy efficiency measures.
- Post Inspections – Agencies inspect 100 percent of completed homes. IDHW and CAPAI also inspect a random sample of homes. See Appendix 7 for verification summary.
- Billing Notification – Agencies are required to submit a billing to Company within 120 days after job completion. The agencies include a form indicating the measures installed and associated cost on each completed home along with their invoice.

Evaluation

The *Low Income Weatherization* program will be evaluated in 2014 by Smith & Lehmann Consulting. This firm was selected through an RFP process and will complete the evaluation by the end of 2014.

Low Income Energy Conservation Education

Commission Order No. 32788 dated April 12, 2013, ruled that the Company’s funding of *Low Income Energy Conservation Education* should be \$25,000 annually. These services are provided by EICAP whose main office is located in Idaho Falls, Idaho, and SEICAA whose main office is in Pocatello, Idaho. They target the Company’s customers that receive Low Income Home Energy Assistance (“LIHEAP”) funds. EICAP, SEICAA and the Company staff discussed the allocation of the annual funding amount and the agencies determined the efficiency

measures they wanted to distribute. These measures were discussed with Commission staff. EICAP received \$13,250 and SEICAA \$11,750 for a total of \$25,000 prior to the beginning of their 2013/2014 LIHEAP program year. While the conservation education activities do result in energy savings, the savings are not considered when calculating the performance results of the Low Income Weatherization program, other energy efficiency programs or portfolios results.²³

The agencies provided a conservation education curriculum to households and reported the following activities and program specifics for 2013:

Eastern Idaho Community Action Partnership

Number households served: 679

Number kits distributed: 679

Cost of each kit: \$19.50/kit, \$13,240.50 in total

Items in kits: 1 showerhead, 1 window insulation kit, 10 outlet gaskets, 10 switch plate gaskets, rope caulk, 1 compact fluorescent light bulb (20 watt), 1 compact fluorescent light bulb (13 watt), 1 refrigerator thermometer, 1 hot water temperature card, 1 bath aerator, 1 kitchen aerator, 1 night light, Teflon tape and 1 air filter whistle

Program design: Educate the Company's customers on how to conserve energy and understand their bill.

Target audience: The Company's customers receiving energy assistance.

Gauge program's success in meeting goals: Acceptance of energy conservation tools after education.

Indicate how Company funds are used: Purchase items that encourage energy conservation.

Describe how the program benefits participants: Households receive useful tips and tools to help them save energy while applying for LIHEAP.

SouthEastern Idaho Community Action Agency

Number households served: 128

Number old kits distributed: 75

Number of new measures distributed: shower timers = 27, night lights = 26

Cost of new measures: shower timers = \$2.63 each, night lights = \$2.95 each, total cost incurred of new measures purchased = \$7,681.30

Program design: Reduce electricity usage and monthly bills for participants of the LIHEAP program.

²³ Order No. 32788

Target audience: LIHEAP recipients that have not had weatherization program services as a high priority. Households can also be identified through SEICAA's other programs. The Company may refer customers for possible participation using current LIHEAP income guidelines as the first criteria.

Gauge program's success in meeting goals: The program's success will be gauged through periodic reporting and the response from the participants through surveys.

Indicate how Company funds are used: To purchase energy conservation measures (energy saving night lights and shower timers). Funds are also used for educator salaries.

Describe how the program benefits participants: Households are educated on how they can reduce kWh usage through behavioral changes as well as the installation and benefits of the energy conservation measures they receive during LIHEAP intake.

SEICAA is continuing to distribute kits purchased from the Company funding provided in 2010. These kits include 1 compact fluorescent light bulb (13 watt), 1 compact fluorescent light bulb (19 watt), 1 compact fluorescent light bulb (23 watt), 10 outlet gaskets, 1 kitchen aerator, 1 refrigerator temperature card and 1 night light. As of 12/31/13 they have 106 old kits yet to distribute.

COMMERCIAL AND INDUSTRIAL PROGRAMS

The commercial and industrial energy efficiency portfolio is comprised of three programs, *FinAnswer Express*, *Agricultural Energy Services* and *Energy FinAnswer*. The commercial and industrial portfolio was cost effective based on four of the five standard cost effectiveness tests for the 2013 reporting period, as provided in Table 22.

Table 22
Cost Effectiveness for Commercial and Industrial Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.24	\$1,201,537
Total Resource Cost Test	1.12	\$628,978
Utility Cost Test	1.64	\$2,244,985
Participant Cost Test	1.60	\$3,313,782
Rate Payer Impact	0.70	(2,796,025)

FinAnswer Express

The *FinAnswer Express* program is designed to help commercial and industrial customers improve the efficiency of their new or replacement lighting, HVAC, motors, building envelope, and other equipment by providing prescriptive or pre-defined incentives for the most common efficiency measures listed in the program incentive tables.²⁴ The program also includes custom incentives and technical analysis services for measures not listed in the program incentive tables that improve electric energy efficiency. The program provides incentives for both new construction and retrofit projects, and is designed to operate in conjunction with the Energy FinAnswer program. Program participation by measure group is provided in Table 23.

Table 23
Installed Program Measures (applications)

Measure Groups	2013 Total
Building Shell	2
Compressed Air	2
Dairy Farm Equipment	10
Food Service	4
HVAC	6
Lighting	99
Program Total	123

²⁴ Incentive tables can be found online at

https://www.rockymountainpower.net/content/dam/rocky_mountain_power/doc/Business/Save_Energy_Money/ID_FinAnswerExpress_Brochure_Retrofit.pdf for retrofits and

https://www.rockymountainpower.net/content/dam/rocky_mountain_power/doc/Business/Save_Energy_Money/ID_FinAnswerExpress_Brochure_NCMR.pdf for new construction/major renovation projects

Program savings by measure group is provided in Table 24.

Table 24
Installed Program Measures (gross kWh/year at site)

Measure Groups	2013 Total
Building Shell	150,075
Compressed Air	56,783
Dairy Farm Equipment	169,154
Food Service	46,424
HVAC	455,257
Lighting	4,478,350
Program Total	5,356,043

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 25.

Table 25
Cost Effectiveness for FinAnswer Express

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.58	\$849,841
Total Resource Cost Test	1.44	\$639,095
Utility Cost Test	2.16	\$1,129,944
Participant Cost Test	2.63	\$2,690,900
Rate Payer Impact	0.61	(\$1,367,018)

Program Management

The program manager who is responsible for the *FinAnswer Express* program in Idaho is also responsible for the *FinAnswer Express* program in California, Utah, Washington and Wyoming and the *Agricultural Energy Services* program in Idaho. For each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrators through a competitive bid process, program marketing, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions of the program.

Program Administration

The program is primarily marketed through local trade allies who receive support from one of two program administrators hired by the Company. The Company contracts with Nexant, Inc. (“Nexant”) and Cascade Energy (“Cascade”) for trade ally coordination, training and application processing services for commercial and industrial/agricultural measures respectively.

Nexant and Cascade are responsible for the following:

- Trade ally engagement – Nexant and Cascade identify, recruit, train, support and assist trade allies to increase sales and installation of energy efficient equipment at qualifying business customer facilities.
- Incentive processing and administrative support – Nexant and Cascade handle incoming inquiries as assigned, process FinAnswer Express incentive applications, develop and maintain simplified analysis tools and provide program design services, evaluation and regulatory support upon request.
- Inspections – Nexant and Cascade verify on an on-going basis the installation of measures. Summary of the inspection process is in Appendix 7.

In addition, the Company's project managers coordinate FinAnswer Express projects and provide customers with program services and incentives using the energy engineering consultants described further in the Energy FinAnswer program section.

Infrastructure

To help increase and improve the supplier and installation contractor infrastructure for energy-efficient equipment and services, the Company established and developed trade ally networks for lighting, HVAC and motors. This work includes identifying and recruiting trade allies, providing program and technical training and providing sales support on an ongoing basis. The current list of the trade allies who have applied and been approved as participating vendors are posted on the Company website and included as Appendix 10 to this report. Customers are not required to select a vendor from this list to receive an incentive.

The total number of participating trade allies is currently 91. The current count of participating trade allies by technology is in Table 26.

Table 26
Participating Trade Allies²⁵

	Lighting trade allies	HVAC trade allies	Motor and VFD trade allies
List dated 4/3/2013	52	29	28

Evaluation

In February 2013, a process and impact evaluation was completed by a third party evaluator for program years 2011-2012. The impact evaluation provided data on the gross realized savings and the NTG ratio. The process evaluation investigated participant satisfaction, implementation and delivery processes, marketing methods and quality assurance. The Company's response to the recommendations and web link to the evaluation report are included in Appendix 8.

²⁵ Some trade allies may participate in more than one technology so the count of unique participating firms is less than the total count by technology.

Agricultural Energy Services

The *Irrigation Energy Savers* program is designed to improve the overall energy efficiency of irrigation systems by promoting energy efficient irrigation practices and the installation of energy efficient measures for customers on Schedule 10 and who qualify as a “Farm Load” under the Pacific Northwest Electric Power Planning and Conservation Act, P.L. 96-501. The program also complements the Irrigation Load Control program by focusing on improving the efficiency and management of these seasonal loads.

In an effort to address the “high degree of uncertainty regarding the program energy savings” identified through third party evaluations, the Company filed to revise Schedule 155 – Agricultural Energy Services to suspend: (1) the Nozzle Exchange Program; and (2) incentives for the pivot and linear equipment measures listed in the tariff on May 24, 2013 (Case No. PAC-E-13-10). The Commission approved the request in Order No. 32879, effective August 15, 2013.

The 2013 program included the following:

- Equipment exchange – Provides new standard brass sprinkler nozzles, gaskets, and drains to replace worn equipment on hand lines, wheel lines and solid set sprinklers systems. This offer ended effective August 15, 2013.
- Pivot and linear equipment upgrades – Incentives were provided for certain pivot and linear system measures including sprinkler packages, pressure regulators, and drains. The list of prescriptive incentives that were available until August 15, 2013 was not designed to be exhaustive and other pivot measures are eligible for incentives if energy savings can be calculated and the customer incurs costs to make the changes.
- System consultation – This service provides a simple site specific audit of a customer’s irrigation system to promote irrigation water management and identify energy savings opportunities. This consultation provides information prior to a full pump test.
- Pump testing – The pump test includes directly measuring pump lift, flow, electrical demand, and system pressures and is performed after the pump has been screened and the owner’s financial investment criteria understood.
- System Analysis – The program provides energy engineering to help growers quantify the costs and savings of their system efficiency upgrades. Often these upgrade decisions are made in conjunction with operational production change considerations impacting a growers equipment needs. Incentives are based on a standard formula tied to costs and first year energy savings.

A summary of the program savings by measure group for 2013 is provided in Table 27.

Table 27
Installed Program Measures (gross kWh/year at site)

Measure Groups	2013 Total
Equipment Exchange	443,942
Pivot/Linear Upgrade	4,584,301
System Redesigns	2,293,300
Program Total	7,321,543

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 28. The cost effectiveness for the system redesign measure group is being provided to show its results in support of Order No. 32879 that was approved August 15, 2013.

Table 28
Cost Effectiveness for Agricultural Energy Services

	Benefit/Cost Ratio	Net Benefits	Benefit/Cost Ratio	Net Benefits
	<i>Program Level</i>		<i>System Redesign Level</i>	
Total Resource Test plus 10 percent	0.92	(\$219,310)	2.43	\$1,544,965
Total Resource Cost Test	0.84	(\$458,284)	2.21	\$1,305,992
Utility Cost Test	1.14	\$289,167	5.41	\$1,948,112
Participant Cost Test	0.86	(444,822)	1.00	\$6,471
Rate Payer Impact	0.78	(\$904,624)	2.39	\$1,376,221

The results for TRC plus 10 percent and the TRC are not cost effective at the program level which was expected. The Company encountered an increase of nozzle exchanges and pivot and linear equipment upgrades as a result of qualifying customers learning of the application filing submitted with Commission for program changes.

Program Management

The program manager who is responsible for the *Irrigation Energy Savers* program in Idaho is also responsible for the *FinAnswer Express* program in Idaho, California, Utah, Washington, and Wyoming. For each program and in each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrators through a competitive bid process, program marketing, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

Program Administration

The program was primarily marketed through irrigation specialists, trade allies and retailers serving local irrigators. These efforts in 2013 were supported by the program administrator, Nexant.

The Company contracted with Nexant to provide trade ally coordination and application processing services for *Irrigation Energy Savers* program. Nexant was responsible for the following:

- Trade ally engagement – identify, recruit, train, support and assist trade allies to increase sales and installation of energy efficient equipment at qualifying customer site.
- Incentive processing and administrative support – handle incoming inquiries as assigned, process incentive applications and provide program design services, evaluation and regulatory support upon request.

- Inspections – verify equipment installation on a sample basis for Equipment Exchange and every installation for System Analysis.
- Engineering analysis – provide site specific engineering as required by the program for System Analysis.

Infrastructure

To help increase and improve the supplier and installation contractor infrastructure for energy-efficient equipment and services, the Company developed trade ally networks for irrigation equipment. The current lists of the trade allies who are participating vendors are posted on the Company website²⁶.

Evaluation

In May 2013, a process and impact evaluation was completed by a third party evaluator for program years 2011-2012. The impact evaluation provided data on the gross realized savings and the NTG ratio. The process evaluation investigated participant satisfaction, implementation and delivery processes, marketing methods and quality assurance. The Company's response to the recommendations and web link to the evaluation report are included in Appendix 8.

Energy FinAnswer

The *Energy FinAnswer* program is offered to all non-residential new construction, retrofit commercial (buildings 20,000 square feet and larger) and industrial customers. The program is designed to target comprehensive projects requiring project specific energy savings analysis and operates in concert with the more streamlined *FinAnswer Express* program. The program provides Company-funded energy engineering, incentives of \$0.12 per kilowatt hour ("kWh") for first year energy savings and \$50 per kilowatt of average monthly demand savings, up to a cap of 50 percent of the approved project cost. In addition to customer incentives, the program provides design team honorariums (a finder fee for new construction projects) and design team incentives for new construction projects exceeding International Energy Conservation Code ("IECC") 2009 energy code by at least 10 percent.

Projects completed by sector during 2013 are provided in Table 29.

Table 29
Projects Completed

	2013 Total
Energy FinAnswer Commercial	1
Energy FinAnswer Industrial	16
Total Projects Completed	17

²⁶

http://www.rockymountainpower.net/content/dam/rocky_mountain_power/doc/Business/Save_Energy_Money/Irrigation_Energy_Savers_Participating_Dealers.pdf

Program savings by measure group is provided in Table 30.

Table 30
Installed Program Measures (gross kWh/year at site)

Measure Groups	2013 Total
Additional Measures	236,902
Controls	362,311
HVAC	337,755
Irrigation	27,684
Lighting	97,846
Motors	949,422
Refrigeration	327,359
Program Totals	2,339,279

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 31.

Table 31
Long-term Cost Effectiveness for Energy FinAnswer

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.91	\$644,662
Total Resource Cost Test	1.74	\$521,821
Utility Cost Test	3.74	\$899,530
Participant Cost Test	2.64	\$1,067,703
Rate Payer Impact	0.73	(\$450,728)

Program Management

The program manager who is responsible for the *Energy FinAnswer* program in Idaho is also responsible for the *Energy FinAnswer* program in California, Utah, Washington, and Wyoming; the *Self-Direction* program in Utah and Wyoming; and the *Commercial & Industrial Re-Commissioning* program in Utah. The Company employs five full-time project managers²⁷ in support of the program manager.

The *Energy FinAnswer* program is administered by the Company. Consequently, the program manager is responsible for the following:

- Program cost effectiveness and performance
- Ensuring the program is operated in compliance with commission tariffs and Company guidelines including but not limited to qualification of customers
- Customer communication and outreach
- Monitoring code and standard changes

²⁷ Based on the volume of projects, temporary project managers and/or support staff are employed from time-to-time

- Qualification of materials and equipment
- Engineering analysis of customer opportunities
- Quality control and assurance
- Customer service, including the delivery of services and incentive
- Verification of installation and savings²⁸

The program is marketed primarily via the Company's customer and community managers, trade allies, Energy FinAnswer consultants and project staff. Other leads come via advertising in business publications, company newsletters, word-of-mouth, past participants returning for additional projects and a combination of other Company outreach efforts.

Infrastructure

Given the diversity of the commercial and industrial customers served by the Company, a pre-approved, pre-contracted group of engineering firms are used to perform facility specific energy efficiency analysis, quality assurance and verification. This being said, the individual projects are directly managed by one of the Company's project managers. The project manager works directly with the customer or through the appropriate community and customer account manager located in Idaho. Table 32 lists the engineering firms currently under contract with the Company.

Table 32
Engineering Firms

Engineering Firm	Main Office Location
Abacus Resource Management Company	Beaverton, OR
Brendle Group	Fort Collins, CO
Cascade Energy Engineering	Cedar Hills, UT
Compression Engineering Corp	Salt Lake City, UT
Ecova	Portland, OR
EMP2, Inc	Richland, VA
Energy Resource Integration, LLC	Sausalito, CA
Energy and Resource Solutions	North Andover, MA
EnerNOC Inc.	Portland, OR
EnSave, Incorporated	Richmond, VT
ETC Group, Incorporated	Salt Lake City, UT
Evergreen Consulting Group	Beaverton, OR
Fazio Engineering	Weston, OR
kW Engineering, Inc.	Salt Lake City, UT
Lincus Incorporated	Tempe, AZ
Nexant, Incorporated	Salt Lake City, UT
QEI Energy Management, Inc.	Beaverton, OR
RM Energy Consulting	Pleasant Grove, UT
Rick Rumsey, LLC	Ammon, ID
SBW Consulting, Inc.	Bellevue, WA
Solarc Architecture & Engineering, Inc.	Eugene, OR
Triple Point Energy	Portland, OR

²⁸ Summary of inspection process is in Appendix 7.

Evaluation

In February 2013, a process and impact evaluation was completed by a third party evaluator for program years 2011-2012. The impact evaluation provided data on the gross realized savings and the NTG ratio. The process evaluation investigated participant satisfaction, implementation and delivery processes, marketing methods and quality assurance. The Company's response to the recommendations and web link to the evaluation report are included in Appendix 8.

COMMUNICATIONS, OUTREACH AND EDUCATION

The Company utilizes earned media, customer communications, paid media and program specific media in an effort to communicate the value of energy efficiency, provide information regarding low-cost, no-cost energy efficiency measures, and to educate customers on the availability of technical assistance, services and incentives. The overall goal is to engage customers in reducing their energy usage through behavioral changes as well as changes in equipment, appliances and structures.

Idaho Earned Media

Earned media is managed by the Company's communications department in cooperation with the company's customer and community managers in Idaho. The company identified one news story in 2013 that mentioned its energy efficiency programs (there may be additional news stories not posted online):

- 11/8/13 – Idaho State Journal: Rocky Mountain Power proposes credit for Idaho customers early next year
http://www.idahostatejournal.com/news/local/rocky-mountain-power-proposes-credit-for-idaho-customers-early-next/article_a2ce9262-48d5-11e3-9b8c-001a4bcf887a.html

The company distributed three news releases to media in Idaho during 2013 that included information about its energy efficiency programs:

- 9/19/13 – See ya Later, Refrigerator! 2013 Refrigerator Roundup is underway
<https://www.rockymountainpower.net/about/nr/nr2013/slrrru.html>
- 11/8/13 – Rocky Mountain Power proposes credit for Idaho customers early next year
https://www.rockymountainpower.net/about/nr/nr2013/rocky_mountain_powerproposescreditforidahocustomersearlynextyear.html
- 12/2/13 – Idaho communities shine during Rocky Mountain Power's Refrigerator Roundup
<https://www.rockymountainpower.net/about/nr/nr2013/icsdrmpr.html>

Customer Communications

As part of the Company's regular communications to its customers, newsletters across all customer classes promote energy efficiency initiatives and case studies on a regular basis. Inserts and outer envelopes featuring energy efficiency messages and programs have also been used on a consistent basis. In 2013, the Company also issued two newsletters focused entirely on seasonal energy efficiency information targeted in the fall and spring.

The Company also utilizes social media, such as Twitter and Facebook to communicate and engage customers on DSM offers and incentives.

Program Specific

All energy efficiency program marketing and communications are under the *wattsmart* umbrella to ensure a seamless transition from changing customer behavior to the actions they could take by participating in specific programs. Separate marketing activities administered by and specific to the programs ran in conjunction with the *wattsmart* campaign.

Home Energy Savings program

The *Home Energy Savings* program communicates to customers, retailers and trade allies through a variety of channels. A new program brochure was developed, which highlights the benefits of energy-efficient appliances and equipment and lists the incentives available in Idaho. In addition, a sales kit folder with marketing materials was used by program field staff as a resource for retailer and trade ally engagement.

In the summer, program communications focused on cooling measures. The cooling campaign included:

- Point of purchase materials
- Handout material for retailers and trade allies to use in their sales to customers
- Web features
- Bill insert
- Social media

A similar heating campaign was developed for the fall and winter, including:

- Web features
- Sales handout and outreach to trade allies
- Bill insert and incentive check insert
- Email
- Social media

In November, program communications emphasized the deep discounts and incentives available for the GE GeoSpring Hybrid Water Heater. This offer was communicated to Idaho customers via newsletters, email, website and social media.

To make it easier for customers to submit and track online applications, program staff worked to enhance the system to allow customers to upload electronic receipts and other documents. Other improvements were also made to the online system for appliance and lighting applications.

Residential Refrigerator Recycling

The Company promotes its *See ya later, refrigerator*® program through digital advertising and other customer communications. In April and May 2013, the program garnered 270,000 impressions through digital display ads and paid search.

Inserts promoting the *See ya later, refrigerator*® program went out in February, April and September bills. In addition, a postcard was sent in February to customers who had recently purchased a new refrigerator and received an incentive through the *Home Energy Savings* program.

From August through October, the Company promoted the “refrigerator roundup” to Idaho customers and reported the communities that recycled the most refrigerators and freezers during this time through news releases, social media and on the website.

FinAnswer Express and Energy FinAnswer

During 2013 communications continued to emphasize the change in federal lighting standards that took place July 14, 2012. This standard applies to manufacturers of general service fluorescent lamps. Spring radio ads encouraged customers to retrofit their older linear fluorescent lighting and the Company added a video²⁹ and retained a page³⁰ on the website dedicated to this topic. The program’s breakdown of impressions by media type is shown in Table 33.

Table 33
Impressions by Media Type

Communications Channel	2013
Radio	200,229
Print	135,897
Digital	1,573

Agricultural Energy Services

The Company promotes the *Agricultural Energy Services* program at key events and reaches out directly to participating customers and dealers when there are updates or changes to the program. Communication activities during 2013 included:

- Letter with Irrigation Hotline brochure was mailed on March 21, 2013, to Idaho irrigation customers to inform them about upcoming changes to the Irrigation Load Control program and introducing EnerNoc, our contractor overseeing the program.
- Letter and frequently asked questions mailing on May 31, 2013, to Idaho irrigation customers to inform them about requested changes to the Irrigation Energy Savers program, effective August 15, 2013. The changes affected incentives for nozzles, gaskets and drains as well as pivot and linear system upgrades.

²⁹ www.rockymountainpower.net/idsave

³⁰ www.rockymountainpower.net/lightingstandards

EVALUATIONS

Evaluations are performed by independent external evaluators to validate energy and demand savings derived from the Company's energy efficiency programs. Industry best practices are adopted by the Company with regards to principles of operation, methodologies, evaluation methods, definitions of terms, and protocols including those outlined in the National Action Plan for Energy Efficiency Program Impact Evaluation and the California Evaluation Framework guides.

A component of the overall evaluation efforts is aimed at the reasonable verification of installations of energy efficient measures and associated documentation through review of documentation, surveys and/or ongoing onsite inspections.

Verification of the potential to achieve savings involves regular inspection and commissioning of equipment. The Company engages in programmatic verification activities, including inspections, quality assurance reviews, and tracking checks and balances as part of routine program implementation and may rely upon these practices in the verification of installation information for the purposes of savings verifications in advance of more formal impact evaluation results. A summary of the inspection process is included in Appendix 7.

Evaluation, measurement and verification tasks are segregated within the Company's organization to ensure they are performed and managed by personnel who have a neutral interest in the benefits associated with anticipated savings.

Information on evaluation activities completed or in progress during 2013 is summarized in the chart below. Summary of the recommendations are provided in Appendix 8. The evaluation report is available at www.pacificorp.com/es/dsm/idaho.html

Program / Activities	Years Evaluated	Evaluator	Progress Status
See ya later, refrigerator®	2011-2012	The Cadmus Group	Completed
FinAnswer Express	2009-2011	Navigant Consulting, Inc.	Completed
Irrigation Energy Savers	2009-2011	Navigant Consulting, Inc.	Completed
Energy FinAnswer	2009-2011	Navigant Consulting, Inc.	Completed
Home Energy Savings	2011-2012	The Cadmus Group	Q1 of 2014
Low-Income	2010-2012	Smith & Lehmann	In Progress