Wyoming Annual Demand-Side Management Review Report

January 1, 2014 – December 31, 2014

Issued June 16, 2015

ROCKY MOUNTAIN POWER
A DIVISION OF PACIFICORP

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TABLE OF CONTENTS

List of Abbreviations and Acronyms

CCS	Council of Community Services
CFL	Compact Fluorescent Lighting
DSM	Demand-Side Management
GWh	Gigawatt-hour
HVAC	Heating, ventilation and air conditioning
IRP	Integrated Resource Plan
kWh	Kilowatt hour
LED	Lighting-emitting Diode
PCT	Participant Cost Test
PTRC	Total Resource Cost Test with 10 percent adder
RIM	Ratepayer Impact Measure Test
Schedule 191	Schedule 191 Customer Efficiency Service Charges
TRC	Total Resource Cost Test
UCT	Utility Cost Test
WFS	Wyoming Department of Family Services
WWS	Wyoming Weatherization Services

EXECUTIVE SUMMARY

Rocky Mountain Power (the "Company") received approval from the Wyoming Public Service Commission (the "Commission") on October 3, 2008, to offer its customers energy efficiency services and incentives through programs targeting residential, commercial and industrial customers. In its Order in Docket No. 20000-264-EA-06 (Record No. 10960), the Commission approved a Stipulation between Rocky Mountain Power, Office of Consumer Advocates ("OCA"), Wyoming Industrial Energy Consumers ("WIEC") and Southwest Energy Efficiency Project ("SWEEP"), and directed the Company to file reports addressing the performance of Wyoming demand-side management ("DSM") programs through 2012. In keeping with the standard, the Company has completed an annual report for 2014.

This report provides details on program results and activities, expenditures, and Customer Efficiency Service Charge ("Schedule 191") revenue for the performance period from January 1, 2014 through December 31, 2014. The Company, on behalf of its customers, invested $4.7 million in energy efficiency resource acquisition during the reporting period. The investment yielded approximately 17.7 gigawatt-hours (GWh) in first year energy savings[1] and approximately 2.51 megawatts of energy efficiency savings related to capacity reductions.[2] Net benefits based on the projected value of the energy savings[3] over the life of the individual measures are estimated at $4.1 million. The cost effectiveness of the Company's Wyoming energy efficiency program portfolio from various perspectives is provided in Table 1.

Table 1 - Cost Effectiveness for the Energy Efficiency Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost ("PTRC") Test plus 10 percent [4]	1.44	$2,960,842
Total Resource Cost Test ("TRC")[5]	1.31	$2,079,576
Utility Cost Test ("UCT")[6]	1.88	$4,129,853
Participant Cost Test ("PCT")[7]	2.93	$9,732,808
Ratepayer Impact ("RIM")[8]	0.61	($5,670,130)

[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 Net Benefits.
[4] The PTRC is the total resource cost test with an additional 10 percent added to the benefit side of the benefit/cost formula to account for non-quantified environmental and non-energy benefits of conservation resources over supply-side alternatives.
[5] The TRC considers the benefits and costs from the perspective of all utility customers, comparing the total costs and benefits from both the utility and utility customer perspectives. It's assumed to be the closest in valuation methodology to how supply-side resources are valued.
[6] The UCT provides a benefit to cost perspective from that of the utility only, comparing the total cost incurred by the utility to the benefit/value of the energy and capacity saved, it contains no customer costs or benefits in calculation of the ratio.
[7] The PCT provides a comparison of the costs and benefits of the customer installing the measure to taking the energy efficiency action.
[8] The RIM examines the impact of energy efficiency expenditures on non-participating ratepayers overall. Unlike supply-side investments, energy efficiency programs reduce energy sales. Reduced energy sales can lower revenue requirements while putting near-term upward pressure on rates as the remaining fixed costs are spread over fewer kilowatt-hours.

Annual performance information for 2014 cost effectiveness is provided in detail in Appendix 2.

The portfolio was cost effective based on four of the five standard cost effectiveness tests for the reporting period. The ratepayer impact test was less than 1.0 indicating near-term upward pressure was placed on the price per kilowatt-hour ("kWh") given a reduction in sales.

As approved by the Commission in Docket No. 20000-264-EA-06, costs associated with the Company's energy efficiency programs are recovered through Schedule 191 - Customer Efficiency Service Charges ("Schedule 191"). There are unique surcharges for each customer classification as defined below:

Category 1 (Residential) – Residential Schedules 2 and 18
Category 2 (Small Commercial and Industrial) – Schedules 25, 28, 40, 210 and all lighting schedules
Category 3 (Large Commercial and Industrial) – Schedule 33, 46 and 48T

In 2014, the Company further refined and provided on-going maintenance to the Technical Reference Library which documents in an electronic database the preliminary measure-level savings data, including the methods, assumptions and sources for those assumptions used for the reporting of program energy savings.

Another Company system implementation that was still being implemented during 2014 was the upgrade of the Company's tracking system which is used by DSM to store information on completed customer projects. The system is known as DSM Central and integrates with the Technical Reference Library. Together the two systems will improve the process of validating reported savings data and costs.

On November 7, 2014, the Commission approved the consolidation of Electric Service Schedules: No. 115 – Commercial and Industrial Energy Efficiency Incentives Optional for Qualifying Customers; No. 125 – Commercial and Industrial Energy Services Optional for Qualifying Customers; and No. 192 – Self-Direction Credit. This report consolidates the program results previously reported separately under each of these three programs into one program hereafter referred to as "***watts***mart® Business".

The Company, working with its third-party program delivery administrators,[9] collaborates with the following number of retailers, contractors and vendors in the delivery of its energy efficiency programs in Wyoming:

[9] See program specific information for backgrounds on third-party administrators.

Table 2
Energy Efficiency Infrastructure

Sector	Type	No.
Residential	Lighting Retailers	35
	Appliances Retailers	36
	HVAC[10] Contractors	3
	Weatherization Trade Allies	3
	Electronic Retailers	36
	Low Income Agencies	2
Commercial and Industrial	Lighting Trade Allies	128
	HVAC Trade Allies	37
	Motors Trade Allies	45
	Engineering Firms	22

[10] Heating, ventilation and air conditioning

REGULATORY HISTORY

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

- January 9, 2014, in Docket No. 20000-264-EA-06, the Company filed education and promotional materials that were utilized to educate the public concerning energy efficiency and promote the DSM programs from October 1, 2013 – December 31, 2013 in Wyoming.
- January 29, 2014, in Docket No. 20000-383-EA-10, the Company filed its quarterly program status reports with monthly participation levels, energy savings, DSM program cost data and Schedule 191 balances by category.
- February 20, 2014, in Docket No. 20000-264-EA-06, the Company filed with the Commission a 2014 promotional plan to educate the public concerning energy efficiency and to promote its demand-side management programs in Wyoming.
- April 14, 2014, in Docket No. 20000-264-EA-06, the Company filed education and promotional materials that were utilized to educate the public concerning energy efficiency and promote the DSM programs from January 1, 2014 – March 31, 2014 in Wyoming.
- April 25, 2014, in Docket No. 20000-451-EA-14, the Company filed an application requesting authorization to cancel the following Electric Service Schedules: No. 115 – Commercial and Industrial Energy Efficiency Incentives Optional for Qualifying Customers; No. 125 – Commercial and Industrial Energy Services Optional for Qualifying Customers ; and No. 192 – Self-Direction Credit. The Company also requested approval of a new Electric Service Schedule No. 140, Non-Residential Energy Efficiency which would consolidate the program services and incentives currently offered in Electric Service Schedules No. 115, 125 and 192 with an effective date on or before January 1, 2015. The Commission approved the Company's application in its Order issued November 7, 2014, with an effective date of December 1, 2014.
- April 30, 2014, in Docket No. 20000-383-EA-10, the Company filed its quarterly program status reports with monthly participation levels, energy savings, DSM program cost data and Schedule 191 balances by category.
- April 30, 2014, in Docket No. 20000-264-EA-06, the Company filed the Wyoming Annual Demand-Side Management Review Report and appendices for the January 1, 2013 – December 31, 2013 reporting period.
- June 20, 2014 in Docket No. 20000-454-ET-14 the Company filed for approval of tariff modifications to Schedule 117 – Residential Refrigerator Recycling Program. The tariff modifications were to expand the program to include commercial and industrial businesses with qualifying equipment and pick-ups from qualifying retailers. The Commission approved the request on August 11, 2014 with an effective date of September 1, 2014.
- July 24, 2014, in Docket No. 20000-264-EA-06, the Company filed education and promotional materials that were utilized to educate the public concerning energy

efficiency and promote the DSM programs from April 1, 2014 – June 30, 2014 in Wyoming.

- August 1, 2014, in Docket No. 20000-383-EA-10, the Company filed its quarterly program status reports with monthly participation levels, energy savings, DSM program cost data and Schedule 191 balances by category.
- October 15, 2014, in Docket No. 20000-264-EA-06, the Company filed education and promotional materials that were utilized to educate the public concerning energy efficiency and promote the DSM programs from July 1, 2014 – September 30, 2014 in Wyoming.
- October 21, 2014, in Docket No. 20000-383-EA-10, the Company filed its quarterly program status reports with monthly participation levels, energy savings, DSM program cost data and Schedule 191 balances by category.
- November 17, 2014, in Docket No. 20000-460-ET-14, the Company filed for approval to adjust the Schedule 191 Category 2 Surcharge and issue a one-time refund to customers. The Commission approved the Company's request at the open meeting held on January 8, 2015 with an effective date of February 1, 2015. The Commission's final order was issued January 26, 2015.
- November 21, 2014, in Docket No. 20000-264-EA-06, the Company filed with the Commission a 2015 promotional plan to educate the public concerning energy efficiency and to promote its demand-side management programs in Wyoming.
- November 24, 2014, in Docket No. 20000-461-EA-14, the Company filed an application to implement a Home Energy Report program. The Commission approved the Company's application at the open meeting held January 8, 2015 with an effective date on the same day. The Commission's final order was issued February 10, 2015.
- December 8, 2014, in Docket No. 20000-462-ET-14, the Company filed an application to make changes to its Home Energy Savings program. The changes were to expand the program to include new qualifying equipment, retire existing measures, and modify savings and incentives for various existing measures. The Commission approved the Company's application at the open meeting held February 10, 2015, with an effective date of February 16, 2015. The Commission's final order was issued February 12, 2015.
- December 11, 2014, in Docket No. 20000-463-ET-14, the Company filed an application to add an enhanced small business incentive and new measure for submersible pumps to its ***watt***smart® Business program. The Commission approved the Company's request at the open meeting held February 24, 2015 with an effective date of March 1, 2015. The Commission's final order was issued March 2, 2015.

Advisory Group Activities

The Company consulted with the Wyoming DSM Advisory Group throughout 2014 on the following matters:

<u>April 14, 2014 – Phone Conference</u>

- Discussed the proposal to cancel Electric Service Schedules 115, 125, and 192 and to consolidate them under a new Electric Service Schedule No. 140.

July 21, 2014

- Reviewed the 2013 Annual Report;
- Reviewed the current ***watt***smart Business program consolidation filing and provided a preview of future updates to the program;
- Provided residential program updates (i.e. Refrigerator Recycling and Home Energy Savings);
- Presented a proposal for a Home Energy Reports program in Wyoming;
- Provided a surcharge rate analysis;
- Reviewed the Conservation Potential Assessment;
- Reviewed Refrigerator Recycling Evaluation Report and the evaluation schedule.

November 10, 2014

- Discussed EPA 111(d) proposed rule;
- Provided updates to the Home Energy Savings Program;
- Provided updates to the IRP Action Plan;
- Presented on the addition of a midstream commercial LED light program to ***watt***smart Business;
- Reviewed the 2015 Communication and Customer Outreach Plan;
- Reviewed the 2014 MWh Forecast;
- Discussed the 2015 Budget and Plan.

Meetings with Wyoming Staff

July 21, 2014

- Reviewed the 2013 Annual Report;
- Presented a proposal for a Home Energy Reports program in Wyoming;
- Presented proposed changes to the Home Energy Savings program;
- Previewed an upcoming small business lighting offer;
- Provided a surcharge rate analysis;
- Reviewed the Conservation Potential Assessment;
- Refrigerator Recycling Evaluation Report and the evaluation schedule.

November 10, 2014

- Discussed EPA 111(d) proposed rule;
- Provided updates to the Home Energy Savings Program;
- Provided updates to the IRP Action Plan;
- Presented on the addition of a midstream commercial LED light program to ***watt***smart Business;
- Reviewed the 2015 Communication and Customer Outreach Plan;
- Reviewed the 2014 MWh Forecast;
- Discussed the 2015 Budget and Plan.

Customer Efficiency Service Charge

In Docket No. 20000-264-EA-06 (Record No. 10960) the Commission approved the recovery of energy efficiency expenditures through Schedule 191. This charge appears as a line item on customer bills. The Company books eligible DSM energy efficiency expenditures as incurred to the balancing account for the appropriate customer category (i.e. residential, small commercial and industrial, and large commercial and industrial).

The Schedule 191 balances by category as of December 31, 2014, are shown in Table 3, Table 4 and Table 5 below.

Table 3
Schedule 191 Balance - Category 1 (Residential)

	Monthly Program Cost	Monthly Net Accrued Costs*	Rate Recovery	Carrying Charge	Cash Basis Accumulated Balance	Accrual Basis Accumulated Balance
December-13						(206,464)
January	81,001	4,726	(187,217)	(601)	(477,971)	(308,555)
February	138,242	3,713	(167,690)	(698)	(508,118)	(334,988)
March	159,120	(74,752)	(151,799)	(715)	(501,512)	(403,135)
April	132,743	2,544	(125,944)	(706)	(495,419)	(394,498)
May	108,631	28,777	(109,843)	(703)	(497,334)	(367,636)
June	150,189	(39,617)	(104,077)	(672)	(451,894)	(361,814)
July	118,662	3,028	(113,581)	(637)	(447,451)	(354,342)
August	144,759	83,491	(127,401)	(622)	(430,715)	(254,116)
September	176,811	(47,699)	(107,172)	(561)	(361,637)	(232,737)
October	134,754	3,098	(100,560)	(488)	(327,932)	(195,934)
November	119,710	30,798	(121,097)	(466)	(329,784)	(166,988)
December	150,903	17,569	(175,671)	(485)	(355,037)	(174,672)
2014 totals	**$ 1,615,522**	**$ 15,675**	**$ (1,592,051)**	**$ (7,354)**		
*December 2014 total accrual		180,365				

Table 4
Schedule 191 Balance - Category 2 (Small Commercial and Industrial)

	Monthly Program Cost	Monthly Net Accrued Costs*	Rate Recovery	Carrying Charge	Cash Basis Accumulated Balance	Accrual Basis Accumulated Balance
December-13						93,616
January	95,795	4,888	(285,310)	(116)	(176,805)	(91,128)
February	123,238	15,293	(267,912)	(353)	(321,832)	(220,861)
March	162,921	34,902	(251,747)	(519)	(411,177)	(275,304)
April	132,871	4,049	(248,207)	(664)	(527,177)	(387,255)
May	74,384	4,790	(251,738)	(872)	(705,403)	(560,691)
June	166,121	(19,710)	(257,877)	(1,064)	(798,223)	(673,221)
July	97,882	4,629	(264,658)	(1,249)	(966,248)	(836,617)
August	125,159	16,655	(285,413)	(1,482)	(1,127,983)	(981,697)
September	86,473	(15,353)	(263,044)	(1,723)	(1,306,278)	(1,175,345)
October	117,505	(18,983)	(256,931)	(1,949)	(1,447,652)	(1,335,702)
November	212,025	77,870	(267,267)	(2,090)	(1,504,984)	(1,315,164)
December	240,018	7,915	(284,635)	(2,164)	(1,551,765)	(1,354,030)
2014 totals	1,634,393	116,946	(3,184,739)	(14,245)		
*December 2014 total accrual		197,735				

Table 5
Schedule 191 Balance - Category 3 (Large Commercial and Industrial)

	Monthly Program Cost	Monthly Net Accrued Costs*	Rate Recovery	Carrying Charge	Cash Basis Accumulated Balance	Accrual Basis Accumulated Balance
December-13						(121,701)
January	99,093	(29,437)	(111,321)	(278)	(202,804)	(163,644)
February	54,011	4,826	(114,787)	(330)	(263,911)	(219,924)
March	166,742	3,584	(206,571)	(402)	(304,142)	(256,571)
April	46,518	2,487	(115,243)	(480)	(373,346)	(323,289)
May	88,671	14,037	(138,816)	(564)	(424,055)	(359,961)
June	77,969	(14,178)	(137,416)	(643)	(484,145)	(434,228)
July	76,737	(1,946)	(165,136)	(748)	(573,292)	(525,320)
August	97,154	50,298	(150,204)	(850)	(627,192)	(528,924)
September	245,228	(21,071)	(148,085)	(820)	(530,869)	(453,671)
October	120,654	(18,130)	(149,306)	(772)	(560,293)	(501,225)
November	127,302	50,384	(147,342)	(808)	(581,141)	(471,690)
December	181,926	46,636	(149,079)	(800)	(549,094)	(393,007)
2014 totals	1,382,005	87,490	(1,733,306)	(7,495)		
*December 2014 total accrual		156,088				

Column Explanations:

Monthly Program Costs: 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 carrying charge is based on "Cash Basis Accumulated Balance" of the account. The rate is a reciprocal interest charge with the Schedule 300 Customer Deposit Interest Rate. For 2014, the rate was 1.70 percent
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; a positive accumulative balance means cumulative expenditures exceed cumulative revenue.
Accrual Basis Accumulative Balance: Current balance of account including accrued costs.

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.[11] The plan presents a framework of future actions to ensure the Company continues to provide reliable and reasonable-cost service with manageable risks to the Company's customers. Energy efficiency and peak management opportunities are incorporated into the IRP based on their availability, characteristics and costs.

Energy efficiency and peak management resources are divided into four general classes:

- 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. After 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.

Class, 1, 2 and 3 DSM resources are included as resource options in the resource planning process. Class 4 DSM actions are not considered explicitly in the resource planning process, however, the impacts are captured naturally in long-term load growth patterns and forecasts.

As technical support for the IRP, a third-party demand-side resource potential assessment (Potentials Assessment) is conducted to estimate the magnitude, timing and cost of energy efficiency and peak management resources.[12] The main focus of the Potentials Assessment is on resources with sufficient reliability characteristics that are 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 2015 Potentials Assessment for Wyoming is 1,790

[11] Information on the Company's integrated resource planning process can be found at the following address: http://www.pacificorp.com/es/irp.html

[12] PacifiCorp Demand-Side Resource Potential Assessment For 2015-2034, http://www.pacificorp.com/es/dsm.html.

GWh by 2034, or 14 percent of projected baseline loads.[13] By definition this is the energy efficiency potential that may be achievable to acquire during the 20-year planning horizon; prior to screening for cost-effectiveness through the Company's integrated resource planning process.

The achievable technical potential of Class 2 (energy efficiency) resources for Wyoming by sector is shown in Table 6. The 2015 Potentials Assessment indicates that approximately 16 percent of the achievable technical potential for the Company, excluding Oregon,[14] is available within its Wyoming service area.[15]

Table 6
Wyoming Energy Efficiency Achievable Technical Potential by Sector

Sector	Cumulative GWh in 2034	Percent of Baseline Sales
Residential	247	21%
Commercial	613	30%
Industrial	925	10%
Irrigation	2	10%
Street Lighting	3	28%

Demand-side resources vary in their reliability, load reduction and persistence over time. Based on the significant number of measures and resource options reviewed and evaluated in the Potentials Assessment, it is impractical to incorporate each as a stand-alone resource in the IRP. To address this issue, Class 2 DSM measures and Class 1 DSM programs are bundled by cost for modeling against competing supply-side resource options reducing the number of discrete resource options the IRP must consider to a more manageable number.

The evaluation of Class 2 DSM (energy efficiency) resources within the IRP is also informed by state-specific evaluation criteria in the development of supply-curves. While all states generally use commonly accepted cost-effectiveness tests to evaluate DSM resources, some states require variations in calculating or prioritizing the tests:

- Utah utilizes the Utility Cost Test (UCT) as the primary determination of cost effectiveness.
- Idaho, Oregon, and Washington utilize the Total Resource Cost (TRC) test and consider the inclusion of quantifiable non-energy benefits.
- Oregon and Washington, in addition to considering quantifiable non-energy benefits, apply an additional 10% benefit to account for non-quantifiable externalities, consistent with the Northwest Power Act.
- Wyoming and California utilize the standard TRC test excluding quantifiable non-energy benefits and the 10% benefit adder Oregon and Washington consider.

[13] Ibid, Volume 2, page 4-2.
[14] Oregon energy efficiency potentials assessments are performed by the Energy Trust of Oregon.
[15] Volume 1, Page 4-2, PacifiCorp Demand-Side Resource Potential Assessment For 2015-2034.

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

ENERGY EFFICIENCY PROGRAMS

Energy efficiency programs are offered to all major customer sectors: residential, commercial, industrial and agricultural. The overall energy efficiency portfolio includes five programs: *Home Energy Savings* – Schedule 111, *Home Energy Reports*, *Residential Refrigerator Recycling* – Schedule 117, *Low Income Weatherization* – Schedule 118, *and Non-Residential Energy Efficiency (**watt**smart Business)* – Schedule 140. In addition to the energy efficiency programs, the Company on behalf of customers invests in outreach and communications to make customers aware of the energy efficiency program services and incentives available, promote the efficient use of electricity and improve program performance. Performance results for 2014 are provided in Table 7.

Table 7
Wyoming Results January 1, 2014 – December 31, 2014[16]

Category and Program	Units	kWh/Yr Savings (at site)	kWh/Yr Savings (at generator)	Program Expenditures
Category 1 - Residential				
Low Income Weatherization (118)	23	57,382	62,840	$ 28,616
Refrigerator Recycling (117)	742	893,563	978,550	$ 144,954
Home Energy Reporting				$ 22,901
Home Energy Savings (111)	25,912	5,990,988	6,560,791	$ 1,261,014
Total Category 1	***26,677***	***6,941,933***	***7,602,180***	***$ 1,457,484***
Category 2 - Agricultural, Commercial & Industrial				
wattsmart Business Agricultural	8	33,751	36,882	$ 4,215
wattsmart Business Commercial	253	4,452,147	4,848,433	$ 1,239,025
wattsmart Business Industrial	23	731,062	772,082	$ 247,825
wattsmart Business Portfolio				$ 26,244
Total Category 2	***284***	***5,216,960***	***5,657,396***	***1,517,309***
Category 3 - Agricultural, Commercial & Industrial				
wattsmart Business Agricultural	0	0	0	$ 133
wattsmart Business Commercial	10	851,568	927,366	$ 358,736
wattsmart Business Industrial	23	3,283,244	3,467,467	$ 725,198
wattsmart Business Portfolio				$ 4,580
Total Category 3	**33**	***4,134,812***	***4,394,833***	***$ 1,088,647***
Total Energy Efficiency (Categories 1, 2 and 3)	**26,994**	**16,293,705**	**17,654,409**	**4,063,441**
Porfolio EM&V($28,039), DSM Central($6,216) and Technical Reference Library($7,684) - Cat 1				$ 41,939
Porfolio EM&V($135,655), DSM Central($6,226) and Technical Reference Library($561) - Cat 2				$ 142,442
Porfolio EM&V($249,912), DSM Central($6,188) and Technical Reference Library($452) - Cat 3				$ 256,553
Outreach & Communication				$ 156,845
				$ 4,661,220

[16] The values at generation include line losses between the customer site and the generation source. The company's line losses by sector for 2014 are 9.51 percent for residential, 8.9 percent for commercial, 5.61 percent for industrial and 9.28 percent for irrigation.

RESIDENTIAL PROGRAMS

The residential energy efficiency portfolio is comprised of four programs, *Home Energy Savings*, *Home Energy Reports*, *Refrigerator Recycling* and *Low Income Weatherization.* As shown in Table 8, the residential portfolio was cost effective based on four of the five standard cost effectiveness tests for the 2014 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 8
Cost Effectiveness for Residential Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.85	$1,580,537
Total Resource Cost Test	1.68	$1,267,486
Utility Cost Test	2.09	$1,631,089
Participant Cost Test	3.77	$4,288,504
Rate Payer Impact	0.62	($1,903,068)

Home Energy Savings

The *Home Energy Savings* 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. Program participation by measure is provided in Table 9.

Table 9
Eligible Program Measures (Units)[17]

Measures	2014 Total Units	2014 Total Participants	2014 kWh savings at site
Central Air Conditioner Equipment	82	82	11,124
Evaporative Cooler	48	48	29,986
Room Air Conditioner	19	19	779
Duct Sealing & Insulation	103	4	277,883
Heat Pump	1	1	8,790
Ductless Heat Pump	5	5	25,110

[17] Units are dependent on the type of measure (i.e. insulation is in square feet, dishwashers is a straight count of dishwashers receiving an incentive, CFLs are an estimate of total bulbs, etc.)

Measures	2014 Total Units	2014 Total Participants	2014 kWh savings at site
Electric Water Heater	32	16	4,000
Ceiling Fan	3	2	477
Clothes Washer	479	479	64,819
Computer Monitor	3	3	42
Desktop Computer	2	2	154
Dishwasher	288	286	12,948
Flat Panel Television	1,256	1,216	224,824
Freezer	34	34	1,360
Refrigerator	345	342	15,180
Insulation - Attic	166,876	31	449,192
Insulation - Floor	1,550	1	11,780
Insulation - Wall	20,803	14	85,002
Insulation - Combination Bonus	3	3	0
Windows	651	5	2,329
Light Fixture	5,975	411	466,050
CFL Bulbs	229,079	22,908	4,299,160
Grand Total	427,637	25,912	5,990,989

Program performance results for January 1, 2014 – December 31, 2014 are provided in Table 10below.

Table 10
Cost Effectiveness for Home Energy Savings

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.94	$1,524,681
Total Resource Cost Test	1.76	$1,238,381
Utility Cost Test	2.27	$1,601,985
Participant Cost Test	3.30	$3,568,231
Rate Payer Impact	0.64	($1,597,021)

Program Management

The program manager who was responsible for the program in Wyoming was also responsible for the Home Energy Savings program in California, Idaho, Utah and Washington and the *New Homes* program in Utah. 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 Savings* program is administered by CLEAResult.

CLEAResult is responsible for the following:

- Retailer and trade ally engagement – CLEAResult identifies, recruits, supports and assists retailers to increase the sale of energy efficient lighting, appliances and electronics. CLEAResult enters into promotion agreements with each lighting manufacturer and retailer for the promotion of discounted CFL and LED bulbs. The agreements include specific retail locations, lighting products receiving incentives and not-to-exceed annual budgets. Weatherization and HVAC trade allies engaged with the program are provided with program materials, training, and regular updates.
- Inspections – CLEAResult recruits and hires inspectors to verify on an on-going basis the installation of measures. A summary of the inspection process is in Appendix 3.
- Incentive processing and call-center operations – CLEAResult 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 CLEAResult on behalf of the Company is outlined in the Communication, Outreach, and Education section.

Infrastructure

The total number of participating retailers participating in the program is currently 68. The current count of participating retailers by measure group is provided in Table 11. Detail of participating retailers is available in Appendix 4.

Table 11
Participating Retailers[18]

Lighting Retailers	Appliance and Home Electronics Retailers	HVAC and Plumbing Contractors	Weatherization
35	36	4	3

[18] Some retailers/contractors may participate in the promotion of more than one measure group so the count of unique participating firms is less than the total count provide above.

Program Changes

In December 2014, the *Home Energy Savings* program submitted changes to the Public Service Commission of Wyoming. The changes were approved on February 12, 2015 and included the following program additions:

- ***watts***mart Starter Kits with ENERGY STAR® lighting and WaterSense® products, depending on the customers' water heating type.
- Direct install duct sealing for customers in manufactured homes with ducted electric heating systems.
- Direct install of CFLs, LEDs, and plumbing measures as part of in-home visits.

Evaluations

In January 2014, a process and impact evaluation was completed by a third party evaluator for program years 2011-2012. The primary objective of the evaluation report is to determine the extent to which participants in the *Home Energy Savings* program reduced their energy consumption due to the program. Secondary objectives are to report on customer satisfaction, program awareness and motivations for participation in the program. The results of the evaluation can be viewed at www.pacificorp.com/es/dsm/wyoming.html. The Company's response to the recommendations and web link to the evaluation report are included in Appendix 4.

Home Energy Reports

Program development for the *Home Energy Report* program occurred during 2014 in parallel to gaining general support for offering the program in Idaho. The program's implementation schedule was estimated to be between 12 and 18 weeks. No reports were mailed in 2014[19] therefore no savings were claimed and only minimal costs were incurred.

This program is designed to better inform residential customers about their energy usage by providing comparative energy usage data for similar homes located in the same geographical area. In addition, the report provides the customer with information on how to decrease their energy usage. Equipped with this information, customers can modify behavior and/or make structural equipment, lighting or appliance changes to reduce their overall electric energy consumption.

Program Management

The program manager overseeing *Home Energy Reports* program activity in Wyoming was also responsible for the program in Idaho, Utah, and Washington as well as the *See ya later, refrigerator* program in Wyoming, Idaho, California, Utah, and Washington. 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 in each state's compliance requirements.

Program Administration

The *Home Energy Reports* program is administered by Opower.

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 that are a minimum of 10 cubic feet and a maximum of 32 cubic feet in size. Participants receive a $40 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, commercial and industrial customers. Participating retailers receive an incentive of up to $20 for each qualifying refrigerator or freezer picked up. In the third quarter, the program was expanded to include pickups from business customers and retailers.

Program participation by measure is provided in Table 11.

[19] Reports launched beginning in January, 2015.

Table 11
Eligible Program Measures (Units)

Measures	2014 Total	2014 kWh at site
Refrigerator Recycling	639	722,238
Freezer Recycling	153	144,388
Energy Savings Kit	742	26,937
Total	1,534	893,563

Program performance results for January 1, 2014 – December 31, 2014 are provided in Table 12.

Table 12
Cost Effectiveness for Refrigerator Recycling

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.25	$36,386
Total Resource Cost Test	1.14	$19,901
Utility Cost Test	1.14	$19,901
Participant Cost Test [20]	NA	$603,890
Rate Payer Impact	0.43	($219,737)

In 2014, more than 102,960 pounds of metal, 15,840 pounds of plastics, and 1,917 pounds of tempered glass were recycled. In addition, the capture, recovery or destruction of more than 880 pounds of ozone depleting Chlorofluorocarbons (greenhouse gases) and Hydrofluorocarbons, commonly used in refrigerants and foam insulation equates to approximately 1,923 metric tons of carbon dioxide.

Program Management

The program manager responsible for the program in Wyoming was also responsible for the *Refrigerator Recycling* program in California, Idaho, Utah and Washington and *Home Energy Reports* program in Wyoming, California, Idaho, Utah and Washington. 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 is one of the largest recyclers of house-hold appliances in the United States. The Company

[20] Participants in See ya later, refrigerator program incur no costs.

contracts with JACO to provide customer scheduling, pick-up, incentive processing, and marketing services for the *See ya later, refrigerator* program.

JACO also 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.
- Incentive processing and call-center operations – All 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 an third-party inspector to conduct ongoing oversight of the program's appliance recycling process, from verification that the units being recycled met 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 3.

Infrastructure

A refrigerator recycling pick-up crew based in Casper, Wyoming collects participating customer appliances across the state and these units are then transported to a JACO facility in Salt Lake City, Utah for disassembly and recycling.

Evaluations

No evaluation activities occurred during 2014.

Low Income Weatherization

The *Low Income Weatherization* program is designed to leverage funds with state and federal grants so that the energy efficiency improvements provided can be delivered to income eligible households at no cost.

Total homes treated under the program in 2014, as well as the type and frequency of specific energy efficiency measures installed in each home, is provided in Table 13.

Table 13
Eligible Program Measures (Units)

	2014 Total
Participation – Total # of Completed/Treated Homes	
Number of Homes Receiving Specific Measures	23
Ceiling Insulation	8
CFLs	22
Duct Insulation	10
Floor Insulation	17
Ground Cover	4
Low Flow Showerheads	11
Replacement Refrigerators	3
Replacement Windows	7
Thermal Doors	6
Wall Insulation	3
Water Pipe Insulation and Sealing	15
Weather-stripping	14

Program performance results for January 1, 2014 – December 31, 2014 are provided in Table 14.

Table 14
Cost Effectiveness for Low Income Weatherization

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	3.95	$84,310
Total Resource Cost Test	3.59	$74,044
Utility Cost Test	3.59	$74,044
Participant Cost Test[21]	NA	$116,384
Rate Payer Impact	0.83	($21,469)

Program Management

The program manager overseeing program activity in Wyoming was responsible for the *Low Income* Weatherization in California, Idaho, Utah and Washington and energy assistance programs in Wyoming, California, Idaho, Oregon, Utah and Washington. For each program and in each state the program manager is responsible for the cost effectiveness of the program, 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 tariff.

[21] Participants in program incur no costs

Program Administration

The Company currently has contracts in place with two agencies providing low income weatherization services throughout the state of Wyoming. These include Council of Community Services ("CCS") and Wyoming Weatherization Services ("WWS"). They subcontract with the Wyoming Department of Family Services ("WFS") to provide low income weatherization services with funding grants. WFS received from state and federal government sources. Company funding of 50 percent of the cost of approved measures is leveraged by the agencies with these government grants so that the services are at no cost to participating households.

By contract with the Company, CCS and WWS are responsible for the following:

- Income Verification – Agencies determine if participants are income eligible based on WFS guidelines. Household's interested in obtaining weatherization services apply through the WFS's Low Income Energy Assistance Program Application. The current income guidelines can be viewed at dfsweb.wyo.gov/economic-assistance/wap
- Energy Audit – Agencies complete a United States Department of Energy approved audit 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 measures listed in Schedule 118.
- Post Inspections – Agencies inspect 100 percent of completed homes and WFS staff randomly inspects 5 - 10 percent for verification of services. See Appendix 3 for verification summary.
- Billing Notification - Agencies are required to submit a billing to Company within 60 days after job completion. A homeowner agreement and invoice form indicating the measures installed and associated cost is submitted on each completed home.

Evaluation

During 2014, a process and impact evaluation was in the process of being completed by a third party evaluator for program years 2011-2013. The evaluation results will be available in 2015.

Non-Residential Energy Efficiency Program

The commercial and industrial energy efficiency program portfolio was consolidated into a *Non-Residential Energy Efficiency* program, Schedule 140, which became effective December 1, 2014. The programs that were consolidated include *FinAnswer Express, Energy FinAnswer* and *Self Direction Credit*. The consolidated *Non-Residential Energy Efficiency* program is promoted to the Company's customers as ***watt***smart Business.

The data below for the year is provided for the commercial/industrial/agricultural portfolio with results by measure group to capture all of the Non-Residential Energy Efficiency activities for the year.

The Non-Residential portfolio for small and large customers was cost effective based on four of the five standard cost effectiveness tests for 2014 reporting period, as shown in Table 15 below.

Table 15
Cost Effectiveness for Non-Residential Energy Efficiency[22]

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.33	$1,537,150
Total Resource Cost Test	1.21	$968,935
Utility Cost Test	1.88	$2,655,609
Participant Cost Test	2.55	5,444,304
Rate Payer Impact	0.61	($3,610,217)

The Non-Residential program, also known as ***watt***smart Business program, is intended to maximize the efficient utilization of electricity for new and existing non-residential customers through the installation of energy efficiency measures and energy management protocols. Qualifying measures are any measures which, when implemented in an eligible facility, result in verifiable electric energy efficiency improvements.

Services offered through the program are:

- Typical Upgrades: Provides streamlined incentives for lighting, HVAC, compressed air and other equipment upgrades that increase electrical energy efficiency and exceed code requirements.
- Custom analysis: Offers energy analysis studies and services for more complex projects.
- Energy management: Provides expert facility and process analysis to help lower energy costs by optimizing customer's energy use. (This offer was added in December 2014.)

[22] Cost Effectiveness results include category 2 & 3 portfolio level costs (Evaluation, DSM Central, and Technical Reference Library)

- Energy project manager co-funding: Available to customers who can commit to an annual goal of completing energy project resulting in at least 1,000,000 kWh/year in energy savings.

Program participation and savings by customer category and measure group is provided in Tables 16 – 19 below.

Table 16
Participation by Sector

	Project Count	Measures Installed	kWh Savings (at site)	Cash Incentive	Bill Credits
Category 2					
Commercial	253	1,649	2,241,177	$ 617,225	
Industrial	23	68	264,158	$ 72,850	
Agricultural	8	22	25,267	$ 3,710	
Subtotal Cat 2	284	1,741	5,216,960	$ 693,786	
Category 3					
Commercial	10	26	851,570	$ 69,312	
Industrial	23	24	3,283,244	$ 121,244	$ 234,202
Agricultural					
Subtotal Cat 3	33	50	4,134,814	$ 190,556	$ 234,202
Total	317	1,789	9,351,774	$ 884,342	$ 234,202

Table 17
Installed Program Measures Participation and Savings

Measure Groups	2014 Total	kWh/year at site
Category 2		
Additional Measures	1	261,071
Compressed Air	1	272,014
Freezers	3	3,912
HVAC	15	241,354
Irrigation	24	62,888
Lighting	1643	3,426,063
Motors	49	941,253
Weatherization	4	8,405
Sub-total Category 2	1,740	5,216,960
Category 3		
Compressed Air	3	88,705
HVAC	1	29,600
Irrigation	1	1,475,000
Lighting	5	849,029
Motors	38	1,692,053
Weatherization	1	427
Sub-total Category 3	49	4,134,814
Grand Total	1,789	9,351,774

Program performance results by customer category for January 1, 2014 – December 31, 2014 are provided in Table 18 and Table 19 below.

Table 18
Cost Effectiveness for Non-Residential Category 2

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.20	$576,791
Total Resource Cost Test	1.09	$265,673
Utility Cost Test	2.05	$1,596,368
Participant Cost Test	2.13	$2,866,568
Rate Payer Impact	0.59	($2,166,339)

Table 19
Cost Effectiveness for Non-Residential Category 3

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.93	$1,359,354
Total Resource Cost Test	1.75	$1,102,258
Utility Cost Test	2.31	$1,458,236
Participant Cost Test	3.64	$2,577,736
Rate Payer Impact	0.71	($1,044,882)

Program Management

The program managers overseeing program activity in Wyoming are also responsible for the business energy efficiency programs in California, Idaho, Utah and Washington. For each state the program managers are responsible for the management of the program administrators, cost effectiveness, identifying and contracting with the program administrators through a competitive bid process, program marketing, achieving and monitoring program performance and compliance, and recommending changes in the terms and conditions of the program.

Program Administration

The program is primarily administered through two channels that are differentiated based upon customer needs. The first channel generally targets typical opportunities which serve small to medium sized business customers and to lesser extent large business customers. Administration is provided through Company contracts with Nexant, Inc. (“Nexant”) and Cascade Energy (“Cascade”) who manage trade ally coordination, training and application processing services for commercial measures and industrial/agricultural measures respectively. The second channel

targets large energy users who generally have multiple opportunities for energy efficiency improvements, such as those that require custom analysis, is administered by internal project managers allowing for a single point of contact to assist customers with their various opportunities.

Nexant and Cascade are responsible for the following:

- Trade ally engagement to help increase and improve the supplier and installation contractor infrastructure for energy-efficient equipment and services – 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.
- Custom analysis and project facilitation for small/medium customer projects
- Inspections – Nexant and Cascade verify on an on-going basis the installation of measures. Summary of the inspection process is in Appendix 3.

The current lists of the trade allies that have applied and been approved as participating vendors are posted on the Company website and are included in Appendix 5 to this report. Customers are not required to select a vendor from these lists to receive an incentive.

The total number of participating trade allies is currently 153. The current counts of participating trade allies by technology are in Table 20.

Table 20
Participating Trade Allies[23]

	Lighting trade allies	HVAC trade allies	Motors and VFD trade allies
List dated 3/19/2015	128	37	45

Internal Project Managers are responsible for the following:

- Single point of contact for large customers to assist with their energy efficiency projects.
- Large customer outreach and education of energy efficiency opportunities
- Providing custom energy efficiency analysis, quality assurance and verification of savings through a pre-contracted group of engineering firms
- Managing engineering firms to ensure program compliance, quality of work, and customer satisfaction

[23] 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.

- Managing ***watt***smart business projects through the whole project lifecycle

Given the diversity of the non-residential 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 services. Each customer's project is directly managed by one of the Company's in-house project managers. The project manager works directly with the customer or through the appropriate Company account manager located in Wyoming. Table 21 lists the engineering firms currently under contract with the Company.

Table 21
Engineering Firms

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

Evaluation

During 2014, an independent third-party process and impact evaluation of the Company's non-residential programs for program years 2011-2013 was in the process of being completed. The results of this evaluation work will be available in 2015.

COMMUNICATIONS, OUTREACH AND EDUCATION

wattsmart is an overarching energy efficiency campaign with the overall goal to engage customers in reducing their energy usage through behavioral changes, and pointing them to the programs and information to help them do it. "Rocky Mountain Power wants to help you save energy and money" is the key message, and the Company utilizes earned media, customer communications advertising and program specific marketing 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 programs, services and incentives.

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 2014, 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.

Paid Media/ watt*smart campaign*

The overall paid media plan objective is to effectively reach our customers through a multi-media mix that extends both reach and frequency. Tapping into all resources with consistent messaging has been the Company's approach and will continue to be refined.
Key strategies with this plan, keeping objectives and budgets in the forefront include:

- Implementing an advertising campaign featuring ***watt***smart energy efficiency messaging.
- Promoting customer conservation (behavioral changes) and increasing participation and savings through the Company's ***watt***smart DSM programs.
- Motivating Wyoming customers to reduce consumption independently or to do so by participating in the Company's ***watt***smart DSM programs.
- Educating customers on how these programs can help them save money on their utility bills, reduce energy consumption and keep costs down for all the Company's customers in Wyoming.

Links to the Company's current portfolio of advertisements is also included in Appendix 7.

The audiences for these messages were prioritized as follows:

- *PRIMARY*: Households in Rocky Mountain Power's Wyoming service area
- *SECONDARY*: Small and large business

New creative developed in 2014 which included TV, radio, print and digital.

- In the campaign the Company developed a fictitious, idyllic town called ***watt***smart, Wyoming. In ***watt***smart siblings argue about doing the dishes, kids eat all their veggies, all energy comes from puppies and thermostats are set to 68 degrees all winter long. The payoff to the campaign is: ***We can't all live in wattsmart, but we can learn to live watt***smart**.**
- Each of the ads is focused on a different piece of messaging that we want to deliver to customers.
  - Incentives
  - Weatherization
  - Lighting (LED)
  - Turning off the lights and unplugging electronics when not in use
  - Keeping the thermostat set to 68 degrees in the winter

Table 22 outlines the value each communication channel provides the overall effort and the impressions achieved to date.

Table 22
Communication Channels

Communication Channel	Value to Communication Portfolio	Placement to date
Television	Television has the broadest reach and works as the most effective media channel	Rotation of advertisements Both 30 and 15 seconds spots *973 placements* *446,200 impressions*
Radio	Given the cost relative to television, radio builds on communications delivered via television while providing for increased frequency of messages	Rotation of advertisements *503 placements* *175,800 impressions*
Newspaper	Supports broadcast messages and guarantees coverage in areas harder to reach with broadcast	*60 insertions* *341,440impressions*
Outdoor	Supports the broadcast and print media while increasing awareness in areas harder to reach with broadcast	11 outdoor boards (20 weeks) 3,252,540 impressions
Digital Display	Online advertising – banner ads	860,211 impressions
Search		81,689 impressions
Twitter (@RMP_Wyoming)	Awareness regarding energy	733 followers As of December 31, 2014

	efficiency tips Tweets posted on a weekly basis	
Facebook www.facebook.com/ rockymountainpower.wattsmart	Awareness regarding energy efficiency tips and a location to share information	2,100 fans in Wyoming on ***watt***smart Facebook page as of December 31, 2014.
Website	***watt***smart.com, Wyoming residential and business energy efficiency pages	72,727 pageviews (April 17-December 31, 2014)

The total number impressions (plus page views) for the ***watt***smart campaign were 5,230,607.

Program Specific

All energy efficiency program marketing and communications are under the ***watt***smart 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 ***watt***smart campaign.

Home Energy Savings

The Home Energy Savings program communicates to customers, retailers and trade allies through a variety of channels. Main areas of focus in 2014 included website enhancements and seasonal promotions to drive energy savings and create awareness in Wyoming.

Program website enhancements in April improved navigation, streamlined content and made it easier for customers on mobile devices and tablets to access information and apply for incentives.

In the summer, communications focused on cooling measures, using artwork from 2013 to extend the message about incentives for cooling equipment through bill inserts, newsletter articles, trade ally training material, point of purchase material, website and social media content.

Self-installed insulation was a key targeted measure for the heating season. Insulation incentives were communicated to Wyoming customers through bill inserts, newsletter articles and social media content.

Residential Refrigerator Recycling

The Company promotes the *See ya later, refrigerator* program through informational television and digital display advertisements and other customer communications. In 2014, the program garnered 578,502 impressions. Breakdown of impressions by media type is shown in Table 23.

The Company developed a new creative campaign with a magic theme to highlight the convenience of having your old fridge recycled. For maximum exposure, these same messages

and artwork were used in digital advertising, email, social media, website, bill inserts and newsletter articles.

In the fall, the Company communicated the program offering to businesses through Wyoming chamber outreach and added program information to the business portion of the website.

Table 23
See ya later, refrigerator Program

Communications Channel	2014
TV	111,000
Digital	467,502

FinAnswer Express and Energy FinAnswer/ ***watt***smart Business

During 2014, communications reminded customers to inquire about incentives for lighting, HVAC, compressed air, irrigation and other energy efficiency measures. Radio communications encouraged business customers to make energy efficiency upgrades and print ads featured case study examples from program participants which were repurposed in social media. Quarterly eblasts and digital display and search ads directed viewers to the company's website[24]. Targeted direct mail was sent to irrigation customers to encourage irrigation retrofits. This was in addition to customer direct contact by Company project managers and corporate and community managers, trade ally partners, articles in the Company newsletters, Chamber newsletter outreach and content on the Company website and on Facebook.

wattsmart Business program consolidation became effective November 13, 2014. With the consolidation, the incentive process was streamlined and an enhanced lighting retrofit offering for small business customers was added. The Company updated all the marketing materials for the program change (overview, brochure, applications, catalog, case studies, energy management, small business lighting) and added the materials to our streamlined website.

The Company continued to utilize a ***watt***smart "open sign" for businesses and approved vendors to display. Customers were photographed with the open sign and the photos were used in the print advertising, case studies, newsletter articles and on Facebook.

Breakdown of impressions are below by media type is shown in Table 24.

Table 24
Impressions by Media Type

Communications Channel	2014
Radio	52,000
Newspaper	369,250
Magazine	64,240
Eblasts	6,700
Digital Display	296,567
Digital Search	9,557
Irrigation Direct Mail	896

[24] www.***watt***smart.com

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 3.

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 2014 is summarized in the chart below. Summary of the recommendations are provided in Appendix 6. The evaluation report is available at www.pacificorp.com/es/dsm/wyoming.html

Program / Activities	Years Evaluated	Evaluator	Progress Status
Home Energy Savings	2011-2012	The Cadmus Group	Completed