



Idaho Energy Efficiency and Peak Reduction Annual Report

January 1, 2012 – December 31, 2012

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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
EM&V	Evaluation, Measurement & Verification
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 diodes
MW	Megawatt
NAPEE	National Action Plan for Energy Efficiency
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 Adjustment
SEICAA	SouthEastern Idaho Community Action Agency
SYLR	See ya later, refrigerator®
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 Rocky Mountain Power’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, 2012, through December 31, 2012. The Company, on behalf of its customers invested \$3.4 million in energy efficiency resource acquisitions during the reporting period. The investment yielded approximately 12.6 gigawatt-hours in first year savings¹ and approximately 2.7 megawatts of capacity reduction from energy efficiency². Net benefits to customers 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 portfolio including Low Income Education savings from various perspectives is provided in Table 1.

Table 1 – Long-term 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	1.36	\$1,734,253
Total Resource Cost Test (“TRC”) – effects on both participants and non-participants ⁵	1.23	\$1,068,858
Utility Cost Test (“UCT”) – effect on customers ⁶	1.71	\$2,413,135
Participant Cost Test (“PCT”) – effect on participants ⁷	2.43	\$4,244,173
Ratepayer Impact (“RIM”) – effect on the cost per kilowatt-hour of sales ⁸	0.72	(\$2,239,12)

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.

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.

The 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 2012 cost effectiveness is provided in detail in Appendix 2.

In 2012, the Company began development of a 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. A preliminary Energy Efficiency Measures report is provided in Appendix 3.

During the reporting period, the Company through its third party administrators⁹ worked with the following number of retailers, contractors, and vendors to support the energy efficiency programs in Idaho:

Table 2 - Energy Efficiency Infrastructure

Sector	Type	No.
Residential	Lighting Retailers	24
	Appliances Retailers	42
	HVAC ¹⁰ Contractors	11
	Insulation Contractors	7
	Window Contractors	5
	Low Income Agencies	2
Commercial and Industrial	Lighting Trade Allies	44
	HVAC Trade Allies	34
	Motors Trade Allies	34
	Engineering Firms	24

Performance of the Idaho Irrigation Load Control programs is contained in Appendix 8.

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

¹⁰ Heating, ventilation and air conditioning

2012 Performance

Program and Sector level results for 2012 are provided in Table 3 below.

Table 3
Idaho Program Results for January 1, 2012 – December 31, 2012¹¹

Program	kWh/Yr Savings (at site)	kWh/Yr Savings (at generator)	Program Expenditures
Low Income Weatherization (21)	230,238	256,637	\$ 284,549
Low Income Education Program (21)	20,536	22,891	
Refrigerator Recycling (117)	806,105	898,533	\$ 102,878
Home Energy Saver (118)	2,616,739	2,916,774	\$ 652,248
Total Residential	3,673,618	4,094,835	\$ 1,039,675
Energy FinAnswer (125)	0	0	\$ 21,275
FinAnswer Express (115)	2,205,353	2,442,406	\$ 532,711
Total Commercial	2,205,353	2,442,406	\$ 553,986
Energy FinAnswer (125)	318,915	342,904	\$ 138,323
FinAnswer Express (115)	2,170,785	2,334,071	\$ 216,347
Total Industrial	2,489,700	2,676,975	\$ 354,671
FinAnswer Express (115)	96,974	108,076	\$ 11,943
Agricultural Energy Services (155)	2,954,136	3,292,325	\$ 652,299
Total Agricultural	3,051,110	3,400,401	\$ 664,241
Total Energy Efficiency	11,419,781	12,614,617	2,612,573
	C & I Evaluation Costs		\$ 696,359
	Residential Evaluation Costs		\$ 100,261
	Technical Reference Library		\$ 6,477
	New Programs		\$ 82
	Total System Benefit Expenditures - All Programs		\$ 3,415,751

¹¹ The values at generation include line losses between the customer site and the generation source. The company's line losses by sector for 2012 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:

- February 22, 2012, the Company submitted its annual Demand-Side Management (“DSM”) Balancing Account Review for 2011 to the Commission, pursuant to PAC-E-05-10.
- On April 30, the Company submitted its 2011 Idaho Energy Efficiency and Peak Reduction Annual Report. This report was revised on June 19, 2012 to address minor corrections with participation count and appendix updates and again on August 3, 2012 to address corrections on reported savings from a third party program administrator.
- May 15, 2012, the Company filed an application¹² with the Commission requesting an order approving proposed revisions to FinAnswer Express – Schedule 115, and requesting a change enabling the Company to manage the program outside the tariff and make program changes through a flexible tariff. Changes were effective July 14, 2012.
- June 19, 2012, the Company proposed modifications to the Home Energy Saver Incentive Program – Schedule 118 through the flexible tariff approach approved by the Commission and summarized in the tariff Provision of Service No. 5. Changes took effect August 20, 2012.
- On December 7, 2012, the Company requested authority to cancel schedules 72 and 72A, and sought approval for a new Irrigation Load Control contract¹³.

On February 15, 2102 the Commission directed Commission Staff (“Staff”) to convene a public workshop to explore in greater detail issues related to the funding and evaluation of utility Low Income Weatherization and Energy Conservation Education programs. The Company participated in this workshop on March 19, 2012. On October 23, 2012 Staff prepared and submitted a report of its findings and recommendations. The Company provided comments on Staff’s recommendations pursuant to the Commission’s November 12, 2012 issue of a Notice of Modified Procedures that set deadlines for interested parties to comment on.¹⁴

¹² Case PAC-E-12-10.

¹³ Changes took effect on March 8, 2013 and will be reported on in the 2013 Idaho Energy Efficiency and Peak Reduction Annual Report. Case PAC-E-12-14.

¹⁴ The Commission issued Order No. 32788 for Case No. GNR-E-12-01 on April 12, 2013. Recommendations that would impact the cost effectiveness of Low Income Weatherization program were applied in this annual report.

Schedule 191, Customer Efficiency Services Rate Balancing Account Summary

In Case Number PAC-E-05-10 (Order 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 program¹⁵. Schedule 191 charges appear as a line item on customer bills. The Company books eligible DSM program costs as incurred to the balancing account.

On May 30, 2012, the Company filed an application with Case No. PAC-E-12-11 to decrease the Schedule 191, Customer Efficiency Services Rate, from 3.4 percent to 2.1 percent. The Commission approved the Company's request with an effective date of August 1, 2012.

Schedule 191 balancing account activity for 2012 is outlined in the Table 4 below.

¹⁵ 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.

Table 4
Schedule 191 Balancing Account Activity

State of Idaho		Balance as of 12/31/11						
Summary - Balancing Account							\$ 1,183,202	1,564,182
	Monthly Program Cost - Fixed					Cash Basis Accumulated Balance	Accrual Basis Accumulated Balance	
	Assets	Accrued Costs	Rate Recovery	Carrying Charge				
January	\$ 105,441	\$ 92,972	\$ (392,090)	\$ 867	\$ 897,419	\$ 1,371,372		
February	\$ 221,185	\$ (60,023)	\$ (355,173)	\$ 692	\$ 764,123	\$ 1,178,053		
March	\$ 238,010	\$ 19,830	\$ (336,515)	\$ 596	\$ 666,214	\$ 1,099,973		
April	\$ 203,097	\$ 27,735	\$ (306,199)	\$ 512	\$ 563,623	\$ 1,025,117		
May	\$ 366,808	\$ (18,312)	\$ (452,268)	\$ 434	\$ 478,598	\$ 921,780		
June	\$ 277,173	\$ 29,048	\$ (708,661)	\$ 219	\$ 47,329	\$ 519,559		
July	\$ 306,787	\$ 116,762	\$ (904,683)	\$ (210)	\$ (550,778)	\$ 38,215		
August	\$ 339,574	\$ (2,402)	\$ (687,181)	\$ (604)	\$ (898,989)	\$ (312,399)		
September	\$ 463,651	\$ (143,689)	\$ (406,554)	\$ (725)	\$ (842,617)	\$ (399,716)		
October	\$ 259,877	\$ (90,788)	\$ (257,381)	\$ (701)	\$ (840,822)	\$ (488,709)		
November	\$ 382,426	\$ (8,024)	\$ (216,413)	\$ (632)	\$ (675,441)	\$ (331,352)		
December	\$ 207,729	\$ (24,675)	\$ (221,886)	\$ (569)	\$ (690,167)	\$ (370,753)		
2012 totals	\$ 3,371,757	\$ (61,566)	\$ (5,245,005)	\$ (121)				

Column Explanations:

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

Accrued Costs: 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.

At the beginning of 2012, the underfunded balance was approximately \$1.564 million and decreased by approximately \$1.935 million during the year to show an ending balance of \$371 thousand overfunded which includes the accrued cost.

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 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.¹⁶ The main focus of the study has been 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 2011 study for Idaho was 63 average megawatts or 18 percent of retail sales.¹⁷ By definition this was 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.

¹⁶www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Demand_Side_Management/DSM_VolumeI_2011_Study.pdf. Table 52 on page 49.

¹⁷Ibid.

The achievable technical potential for Idaho by sector is shown in Table 5. The 2011 potential study indicates that 5 percent of the achievable technical potential for the Company, excluding Oregon¹⁸, is in Idaho.¹⁹

Table 5
2011 Idaho Energy Efficiency Achievable Technical Potential by Sector

Sector	Average Megawatts in 2030	Percent of Retail Sales
Residential	36	25%
Commercial	13	14%
Industrial	6	13%
Irrigation	7	10%

* Note there is an additional 0.1 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 weighted-average load shape, lives and costs 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. near-term rate impact, program value to participants, etc.).

Both the 2008 and 2011 Integrated Resource Plan preferred portfolios included the acquisition of energy efficiency resources. The action plan targets for the 2008 and 2011 Integrated Resource Plan updates²⁰ are shown in Table 6.

Table 6
Preferred Portfolio Energy Efficiency Targets

2008 Preferred Portfolio	Acquire 468 – 525 average megawatt hours of energy efficiency by 2018
2011 Preferred Portfolio	Acquire a minimum of 517 average megawatt hours of energy efficiency by 2020

¹⁸ Demand-side Management potential studies are performed by the Energy Trust of Oregon.

¹⁹ Page 49, Table 52 of the Assessment of Long-term, System-Wide Potential for Demand-Side and Other Supplemental Resources.

²⁰ 2008 IRP update, March, 2010, and 2011 IRP LC 52 Revised IRP Action Plan, January, 2012.

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 Savings* – Schedule 111, *Residential Refrigerator Recycling* – Schedule 117, *Low Income Weatherization* – Schedule 118, *Energy FinAnswer* – Schedule 125, *Agricultural Energy Services* – Schedule 155 and *FinAnswer Express* – Schedule 115. Results for 2012 were provided in Table 3.

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 2012 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
Long-term Cost Effectiveness for Residential Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.60	\$796,276
Total Resource Cost Test	1.39	\$527,276
Utility Cost Test	1.63	\$725,002
Participant Cost Test	4.36	\$2,081,289
Rate Payer Impact	0.65	(\$1,004,300)

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. Program participation by measure is provided in Table 11.

Table 11
Eligible Program Measures (Units)

Measures	2012 Total Units
Central Air Conditioner Best Practice Installation	1
Central Air Conditioner Equipment	2
Central Air Conditioner Proper Sizing	1
Central Air Conditioner Tune-up	1
Gas Furnace with Electronically Commutated Motor	1
Electric System to Heat Pump Conversion	3

Measures	2012 Total Units
Electric Water Heater	31
Ceiling Fan	14
Clothes Washer	880
Dishwasher	393
Light Fixture	3,333
Refrigerator	416
Evaporative Cooler	2
Heat Pump, Ductless	2
Insulation-Attic	118,097
Insulation-Floor	1,500
Insulation-Wall	604
Windows	3,342
Lighting	72,764
Grand Total	201,387

Program performance results for the reporting period are provided in Table 12 below.

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

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.83	\$722,270
Total Resource Cost Test	1.66	\$577,218
Utility Cost Test	2.22	\$798,271
Participant Cost Test	2.98	\$1,227,039
Rate Payer Impact	0.74	(\$518,096)

Program Management

The program manager is responsible for the *Home Energy Saver* program 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 PECCI (formerly the Portland Energy Conservation, Inc.). PECCI was incorporated by the City of Portland, Oregon in 1979 to carry out private sector aspects of the Portland Energy Conservation Policy. In 1984 the Company was

spun-off from the City of Portland, becoming a private, non-profit corporation. PECI 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. Summary of the inspection process is in Appendix 4.
- 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 24 retailers to promote CFLs and light-emitting diodes (“LEDs”). Table 13 lists the lighting retailers participating in the program.

Table 13²¹
Retail Stores – Lighting

Store Name	City
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
Dollar Tree #3691	Rexburg
Downey Food Center	Downey

²¹ To be considered for participation for discounted CFLs and LEDs, sales coming from Rocky Mountain Power customers must be a significant majority of total sales.

Store Name	City
Family Dollar #6349	Preston
Family Dollar #6398	Saint Anthony
Family Dollar #6777	Rexburg
Family Dollar #6790	Montpelier
Mickelsens #2	Rexburg
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

Over 40 local and national retailers now consistently promote high efficiency appliances on behalf of the program. Table 14 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	Evaporative Cooler	Fixture	Refrigerator
1st Street Plumbing	Idaho Falls				✓			
Ace Hardware - Rexburg	Rexburg			✓				
Best Buy #944	Idaho Falls		✓					
Bingham & Sons Furn. & Appl.	Rexburg		✓	✓				✓
Blacker's Home Furnishings	Idaho Falls		✓	✓				✓
Blacker's Complete Home Furnishings	Blackfoot							✓
Blackfoot Appliance	Blackfoot		✓					
Brand Source	Rexburg		✓	✓				✓
Dell's Home Appliance and Mattress Center	Pocatello		✓					✓
Dell's Mountain Electric	Pocatello		✓	✓				✓

Retailer	City	Ceiling Fan	Clothes Washer	Dishwasher	Electric Water Heater	Evaporative Cooler	Fixture	Refrigerator
Denning's Showcase	Idaho Falls		✓	✓				✓
Deranleaus of Lewiston	Lewiston		✓	✓				
El Genes	Rexburg		✓	✓				✓
Electrical Wholesale Supply Co Inc	Rexburg						✓	
Elements Building Specialities Inc.	Driggs		✓	✓			✓	✓
Falls Plumbing Supply, Inc	Idaho Falls				✓			
Ferguson Enterprices	Idaho Falls							✓
Ferguson Enterprises, Inc	Meridian		✓					✓
First Street Plumbing	Idaho Falls				✓			
Gundersen True Value	Montpelier		✓					✓
Home Depot #1802	Idaho Falls	✓	✓	✓	✓		✓	✓
Home Depot #1807	Chubbuck		✓				✓	✓
Home Depot #1808	Lewiston		✓				✓	
Lowe's of Idaho Falls	Idaho Falls	✓	✓	✓	✓	✓	✓	✓
Lowe's of Pocatello	Pocatello		✓	✓				✓
Northgate Appliance	Idaho Falls		✓					✓
Pocatello Electric CO.	Pocatello		✓					✓
RC Willey Appliances-Treasure Valley Store	Meridian		✓					✓
Rocknacks Hardware Plus	Idaho Falls				✓			
Sanders Furniture	Soda Springs		✓	✓				✓
Sears #1060	Chubbuck		✓	✓				✓
Sears #2109	Twin Falls			✓	✓			
Sears #2209	Lewiston		✓					✓
Sears #2278	Idaho Falls		✓	✓	✓			✓
Sears #3121	Nampa							✓
Sears #3192 - Ind/Blackfoot	Blackfoot							✓
Sears #3290 - Ind/Rexburg	Rexburg		✓	✓				✓
Stronks & Sons Do It Best	Ashton		✓	✓				✓
Thomas Electric & Furniture	Malad		✓	✓				✓
True Value - Gundersen True Value	Montpelier		✓	✓				✓
U & I Furniture Co.	Preston			✓				✓
Wolfe Lighting & Accents	Rexburg	✓					✓	

Table 15 and Table 16 list the HVAC, weatherization and window contractors.

Table 15
HVAC Contractors

Contractor Name	City	Central Air Conditioner (CAC)	Air Source Heat Pump Upgrade	Air Source Heat Pump Conversion	Air Source Heat Pump Best Practices Installation & Proper Sizing	Ductless Heat Pump	Heat Pump Tune-up	Heat Pump Water Heater	Duct Sealing/Duct Sealing & Duct Insulation
Holeshot Plumbing	Ammon							✓	
Alpine Heating	Idaho Falls	✓	✓	✓	✓	✓	✓		✓
Conan Heating	Idaho Falls	✓	✓	✓	✓	✓	✓		✓
First Call Jewel, Inc	Idaho Falls	✓	✓	✓	✓	✓	✓		
Palmer Heating and Cooling LLC	Idaho Falls	✓	✓	✓	✓	✓	✓		✓
Quantam Group Engineering	Idaho Falls	✓	✓	✓	✓	✓	✓		✓
Sermon Service and Electric	Idaho Falls	✓	✓	✓	✓	✓	✓		✓
Malad Heating and Cooling LLC	Malad City	✓	✓	✓	✓	✓			
Master Tech LLC	Rigby	✓	✓	✓	✓	✓			
Sprinter Heating and Hydronics	Rigby	✓	✓	✓	✓	✓			
Young Electric, Heating and Air	Shelley	✓	✓	✓	✓	✓	✓		

Table 16
Weatherization Contractors

Contractor Name	City	Attic Insulation	Floor Insulation	Wall Insulation	Windows
Hallmark Exteriors	Ammon	✓	✓	✓	✓
Eco Insulation	Blackfoot	✓	✓	✓	
Go Green Insulation	Caldwell	✓	✓	✓	
Alpine Heating	Idaho Falls	✓	✓	✓	
BMC West	Idaho Falls	✓	✓	✓	
Campbell's Quality Exteriors	Idaho Falls	✓	✓	✓	✓
First Call Jewel	Idaho Falls				✓
Valley Glass	Idaho Falls				✓
Precision Glass	Pocatello				✓
Rocky Mountain Insulation	Pocatello	✓	✓	✓	

Evaluation

In February 2012, a process and impact evaluation was completed by a third party evaluator for program years 2009-2010. The impact evaluation provided data on the gross realized savings and the Net-to-Gross (“NTG”) ratio²². 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 5.

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. 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 17.

²² NTG is a factor representing net program savings divided by gross program savings that is applied to gross program impacts. This ratio is most often calculated as $NTG = 1 - \text{freeridership rate} + \text{spillover rate}$.

Table 17
Eligible Program Measures (Units)

Measures	2012 Total
Refrigerator Recycling	492
Freezer Recycling	169
Energy Savings Kit	604

Program performance results for the reporting period are provided in the Table 18 below.

Table 18
Long-term Cost Effectiveness for Refrigerator Recycling

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	2.87	\$148,535
Total Resource Cost Test	2.61	\$127,800
Utility Cost Test	2.02	\$104,473
Participant Cost Test ²³	NA	\$427,909
Rate Payer Impact	0.65	(\$110,429)

In 2012, more than 85,269 pounds of metal, 13,200 pounds of plastics, and 1,983 pounds of tempered glass were recycled. In addition, the capture, recovery or destruction of more than 912 pounds of ozone depleting Chlorofluorocarbons (greenhouse gases) and Hydro fluorocarbons, commonly used in refrigerants and foam insulation equates to approximately 2,750 metric tons of carbon dioxide.

Program Management

The program manager is responsible for the *Refrigerator Recycling* program 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 See ya later, refrigerator® program.

²³ Participants in SYLR program incur no costs.

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 Environmental is responsible for the following:

- Customer and field services – JACO handles all customer and field service operations for the program. Pick-up of refrigerators and freezers from customers and transporting the units to the de-manufacturing facility is done by JACO.
- 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.

Independent third party contract inspectors are employed by the Company to ensure JACO’s performance. The summary of the inspection process is included in Appendix 4.

Infrastructure

A crew from Salt Lake City, Utah picks-up units in Idaho and trucks the units to a JACO facility in Salt Lake City for disassembly and recycling.

Evaluation

In February 2012, a process and impact evaluation was completed by a third party evaluator for program years 2009-2010. 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 5.

Low Income Weatherization

The *Low Income Weatherization* program provides energy efficiency services through a partnership between Rocky Mountain Power and local non-profit agencies to income-eligible households. Services are at no cost to the program participants.

Program participation and number of homes receiving specific measures is provided in Table 19.

Table 19
Homes Receiving Specific Measures

Participation - Total number of Homes Served	104
Ceiling Insulation	50
Attic Ventilation	33

Floor Insulation	26
Wall Insulation	6
Water Pipe Insulation	85
Water Heater Repair	9
Water Heater Replacement	4
Furnace Repair	46
Furnace Replacements	2
Duct Insulation	13
Replacement Windows	47
Infiltration	59
Thermal Doors	45
Refrigerators	3
Compact Fluorescent Light Bulbs	87
Health & Safety Measures	64

Program performance results for 2012 are provided in the Table 20.

Table 20
Long-term Cost Effectiveness for Low Income Weatherization

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.06	\$16,808
Total Resource Cost Test	0.70	(\$85,594)
Utility Cost Test	0.70	(\$85,594)
Participant Cost Test	N/A	\$418,178
Rate Payer Impact	0.42	(\$275,463)

Program Management

The program manager is responsible for the *Low Income Weatherization* program in Idaho, 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, 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

Rocky Mountain Power 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 Rocky Mountain Power’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 6.
- 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 4 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

A Request for Proposal will be issued during the third quarter of 2013 to perform Low Income Weatherization process and impact evaluations.

Low Income Energy Conservation Education

The *Low Income Energy Conservation Education* program is designed to provide group and individual in-home education sessions to qualifying participants, as well energy efficiency instant savings kits with easy to install measures. The energy efficiency kits include one 13 watt CFL, one 19 watt CFL, one 23 watt CFL, ten electrical outlet insulation gaskets, one low flow kitchen aerator, one refrigerator temperature card and one low wattage luminescent night light. The kits compliment the education sessions which the agencies began offering in May, 2011.

A total of 151 households completed the conservation education sessions and received kits in 2012 resulting in a total estimated first year energy savings of 20,536 kWh at site. The program was designed to reach 500 households with its original funding of \$50,000 in 2010 and 2011. As of December 31, 2012, a total of 319 households have been served. No additional funds were issued in 2012.

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 2012 reporting period, as provided in Table 21 below.

Table 21
Long-term Cost Effectiveness for Commercial and Industrial Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.28	\$944,536
Total Resource Cost Test	1.16	\$548,141
Utility Cost Test	1.75	\$1,694,691
Participant Cost Test	1.92	\$2,162,884
Rate Payer Impact	0.76	(\$1,228,254)

FinAnswer Express

The *FinAnswer Express* program is designed to assist 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 22.

Table 22
Installed Program Measures (applications)

Measure Groups	2012 Total
Dairy Farm Equipment	3
Building Shell	1
Food Services	2
HVAC	2
Lighting	72
Motors	1
Program Total	81

²⁴ Incentive tables can be found online at <http://www.rockymountainpower.net/bus/se/epi/idaho/ilc/fe2.html> for retrofits and <http://www.rockymountainpower.net/bus/se/epi/idaho/nfmr/fe.html> for new construction/major renovation projects

Program savings by measure group is provided in Table 23.

Table 23
Installed Program Measures (gross kWh/year at site)

Measure Groups	2012 Total
Dairy Farm Equipment	96,974
Building Shell	753
Food Services	26,580
HVAC	131,654
Lighting	4,216,144
Motors	1,009
Program Total	4,473,114

Program performance results for 2012 are provided in Table 24 below.

Table 24
Long-term Cost Effectiveness for FinAnswer Express

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.72	\$1,178,589
Total Resource Cost Test	1.56	\$921,863
Utility Cost Test	3.37	\$1,806,263
Participant Cost Test	1.76	\$1,199,195
Rate Payer Impact	0.98	(\$66,472)

Program Management

The program manager is responsible for the *FinAnswer Express* program in Idaho, 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. The Company contracts with Nexant, Inc. (“Nexant”) and Cascade Energy (“Cascade”) for trade ally coordination, training and application processing services for commercial measures and industrial/agricultural measures respectively.

Nexant services include design, implementation, and evaluation of commercial, industrial, and residential energy efficiency programs in the United States. The Company contracts with Nexant

to provide trade ally coordination and application processing services for the commercial measures in the FinAnswer Express program.

Cascade is an industrial energy efficiency consulting firm providing both retrofit and new construction capital studies; tune-ups and retro-commissioning; utility demand-side management program design and administration; research and development; and energy management services. The Company contracts with Cascade Energy to provide trade ally coordination and application processing services for the industrial and farm/dairy measures in the FinAnswer Express program.

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 4.

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 7 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 78. The current counts of participating trade allies by technology are in the Table 25.

Table 25
Participating Trade Allies²⁵

	Lighting trade allies	HVAC trade allies	Motor and VFD trade allies
List dated 4/3/2013	44	34	34

Evaluation

As of the end of 2012, a process and impact evaluation for program years 2009-2011 was underway. Results are expected to be available in May 2013.

Agricultural Energy Services

The *Agricultural Energy Services* 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. The program also complements the Irrigation Load Control program by focusing on improving the efficiency and management of these seasonal loads.

The 2012 program included the follow customer service and measure components:

- **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.
- **Pivot and linear equipment Upgrades:** Incentives are provided for certain pivot and linear system measures including sprinkler packages, pressure regulators, and drains. The list of prescriptive incentives is 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 2012 is provided in Table 26.

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.

Table 26
Installed Program Measures (gross kWh/year at site)

Measure Groups	2012 Total
Equipment Exchange	302,151
Pivot/Linear Upgrade	1,492,563
System Redesigns	1,159,422
Program Total	2,954,136

Program performance results for the reporting period is provided in Table 27.

Table 27²⁶
Long-term Cost Effectiveness for Agricultural Energy Services

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	1.48	\$424,667
Total Resource Cost Test	1.34	\$304,868
Utility Cost Test	1.84	\$545,696
Participant Cost Test	2.20	\$830,635
Rate Payer Impact	0.76	(\$377,268)

Program Management

The program manager is responsible for the *Agricultural Energy Services* program in Idaho; 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 is primarily marketed through irrigation specialists, trade allies and retailers serving local irrigators. These efforts are supported by the program administrator, Nexant.

The Company contracts with Nexant to provide trade ally coordination and application processing services for *Agricultural Energy Savers* program. Nexant is 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.

²⁶ Results are based on planning assumptions regarding reported savings.

- 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 website²⁷.

Evaluation

As of the end of 2012, a process and impact evaluation for program years 2009-2011 was underway by a third party evaluator.

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 kW 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 during 2012 are provided in Table 28.

Table 28
Projects Completed

	2012 Total
Energy FinAnswer Commercial	0
Energy FinAnswer Industrial	7
Total Projects Completed	7

²⁷

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 29.

Table 29
Installed Program Measures (gross kWh/year at site)

Measure Groups	2012 Total
Compressed Air	150,293
HVAC	12,401
Motors	156,221
Program Totals	318,915

Program performance results for the reporting period is provided in Table 30 below.

Table 30
Long-term Cost Effectiveness for Energy FinAnswer

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.21	\$37,638
Total Resource Cost Test	1.10	\$17,769
Utility Cost Test	1.25	\$39,091
Participant Cost Test	3.18	\$133,054
Rate Payer Impact	0.69	(\$88,155)

Program Management

The program manager is responsible for the *Energy FinAnswer* program in Idaho, California, Utah, Washington, and Wyoming; the *Self-Direct program* in Utah and Wyoming; and the *Commercial & Industrial Re-Commissioning* program in Utah. The Company employs four full-time project managers²⁸ in support of the program manager.

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

²⁸ Based on the volume of projects, temporary project managers and/or support staff are employed from time-to-time

- Verification of installation and savings²⁹

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 31 lists the engineering firms currently under contract with the Company.

Table 31
Engineering Firms

Engineering Firm	Main Office Location
Abacus Resource Management Company	Beaverton, OR
BacGen Technologies	Seattle, WA
Brendle Group Inc	Fort Collins, CO
Cascade Energy	Cedar Hills, UT
Compression Engineering Corp	Salt Lake City, UT
Eaton – EMC Engineers	Salt Lake City, UT
EMP2 Inc	Richland, WA
ETC Group	Salt Lake City, UT
Evergreen Consulting Group	Beaverton, OR
Fazio Engineering	Milton-Freewater, OR
Glumac	Portland, OR
Group 14 Engineering	Denver, CO
GSBS Architects	Salt Lake City, UT
Interface Engineering	Portland, OR
kW Engineering Inc	Oakland, CA
PAE Consulting Engineers Inc	Portland, OR
Nexant Inc	Salt Lake City, UT
PCD Engineering Services Inc	Longmont, CO
QEI Energy Management Inc	Beaverton, OR
RHT Energy Solutions	Medford, OR
RM Energy Consulting	Pleasant Grove, UT
SBW Consulting Inc	Bellevue, WA
Sharpe Energy Solutions Inc	Ashland, OR
Solarc Architecture & Engineering Inc	Eugene, OR
Van Boerum & Frank Associates	Salt Lake City, UT

Evaluation

As of the end of 2012, a process and impact evaluation for program years 2009-2011 was underway by a third party evaluator.

²⁹ Summary of inspection process is in Appendix 4.

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.

Earned Media

Earned media is managed by Rocky Mountain Power's external communications department in cooperation with the customer and community managers located in Idaho. "Earned media" generally refers to favorable television, radio, newspaper or internet news coverage gained through press releases, media events, opinion pieces, story pitches or other communication with news editors and reporters. From January 1, 2012 – December 31, 2012, the Company identified three news stories that mentioned its energy efficiency programs or tips which resulted from (1) earned media activities, (2) articles placed in newspapers' progress editions in conjunction with paid advertisements, and (3) without prompting by the Company. A list of the news stories, date of publication or airing, and media outlet are listed below.

- 5/15 – Local News 8; KIDK 3 (television): Celebrating 100 years (energy efficiency presentation at Ammon Elementary School to kick off Centennial Road Tour)
- 5/24 – The Idaho Enterprise: Elementary students visited by 'Slim the Lineman'
- 5/23 – Montpelier News-Examiner: RMP celebrates 100 years of service

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 2012, 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 Saver program

The *Home Energy Saver* program communicates to customers, retailers and trade allies through a variety of channels. In January and February 2012, new heat pump sales pieces were developed and a retailer resource manual was distributed. Communications promoting online application processing were provided to retailers during the first part of the year as well.

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

- Room air conditioner point of purchase material
- Handout material for retailers and trade allies to use in their sales to customers
- Web features
- Online and print ads
- Bill insert

Results from the campaign indicate increased savings from cooling measures in 2012 compared to previous years.

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

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

Results from the campaign will be compiled after the heating season in 2013.

In November 2012, the Company launched a Black Friday campaign to promote efficient equipment purchases during the holiday shopping season and encourage participation in the program.

Residential Refrigerator Recycling

The Company promotes its *See ya later, refrigerator®* program through informational advertisements and other customer communications. In 2012, the program garnered 1,287,684 impressions. Breakdown of impressions by media type is shown in Table 32.

Table 32
See ya later, refrigerator® Program

Communications Channel	2012
Newspaper	1,275,350
Digital	12,334

FinAnswer Express and Energy FinAnswer

During 2012 communications emphasized the change in federal lighting standards that took place July 14, 2012. This standard applies to manufacturers of general service fluorescent lamps. Customers were encouraged to retrofit their older linear fluorescent lighting before as well as after the standards change. The Company added a video³⁰ and retained a page³¹ on the website dedicated to this topic. In 2012, the program garnered 493,098 impressions. Breakdown of impressions by media type is shown in Table 33.

Table 33
Energy FinAnswer and FinAnswer Express programs

Communications Channel	2012
Newspaper	132,560
Digital	360,538

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 2012 included:

- Irrigation Equipment Show, presented by the Idaho Irrigation Equipment Association on January 5, 2012 in Idaho Falls, Idaho. The Company presented information about the program and highlighted irrigation energy saving projects.
- Eastern Idaho Ag Expo on January 17th, 18th, and 19th in Pocatello, ID. Company had sponsored a booth to promote the program and answer program questions for customers and dealers.
- The updated 2012 program applications were provided to all of the participating dealers. The Company followed up with phone calls to answer any questions customers had regarding the changes.

³⁰ www.rockymountainpower.net/idsave

³¹ 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 ("NAPEE") 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.

Evaluation, measurement and verification ("EM&V") 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.

In June 2011, Rocky Mountain Power awarded multi-year contracts to evaluate the Company's energy efficiency programs for all states. The contracts awarded were completed through a competitive bid process.

The Idaho *Home Energy Saver* and *See ya later, refrigerator*® program evaluations summary of recommendations and web link to reports are provided in Appendix 5.

Outlined below is a list of the programs, the program years completed during 2012 and the third party evaluator who performed the evaluation.

Program	Years Evaluated	Evaluator
Home Energy Savers	2009-2010	The Cadmus Group
See ya later, refrigerator	2009-2010	The Cadmus Group