

Rocky Mountain Power

2010 Energy Efficiency
Annual Report -
Wyoming

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acquire the savings. In the most basic terms, the portfolio Total Resource Cost ratio of 2.228 means that Rocky Mountain Power's Wyoming customers realized \$2.23 in benefits for each \$1.00 spent on energy efficiency resource investments in 2010.

Overall, the Company's energy efficiency portfolio was cost effective under four of the five cost effectiveness tests based on 2010 results. The Ratepayer Impact Test (RIM) benefit/cost ratio of less than 1.0 indicates that the portfolio put some upward pressure on overall rates (all things being the same) due to a reduction in Company kWh sales as a result of the energy efficiency savings achieved through the programs.

As agreed to by parties in the stipulation approved in Docket No. 20000-264-EA-06, costs associated with the energy efficiency programs are recovered through the Customer Efficiency Service Charge. There are unique surcharges for each customer classification.

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) – Schedules 33, 46 and 48T

Revenues from the surcharge as well as energy efficiency program expenditures are tracked by customer category. A more comprehensive table including categorizations by rate schedule is included in Table 12 in the Summary of 2010 Results section of this report.

At the end of 2010, the Customer Efficiency Service balancing accounts had a collective surplus balance of \$4,157,214. To address the surplus balance in the three energy efficiency balancing accounts, the Schedule 191 surcharge on customer bills for all categories was suspended effective January 1, 2011.² As program expenditures catch up with Schedule 191 revenues collected and the balancing accounts approach a balanced position, the Company will file an application with the Commission for approval to reinstate each of the three Schedule 191 surcharges.

² The Commission approved the suspension effective January 1, 2011; refer to the Commission's February 16, 2011 order issued in Docket No. 20000-383-EA-10.

2010 Performance and Activity

Program and Category level results for 2010 are provided on the following table.³ For ease of reference, Program Schedules are noted in parenthesis in the table.

Table 2: Wyoming Annual Results for 2010

Category and Program	Units	kWh/Yr Savings (at site)	kWh/Yr Savings (at generator)	Program Expenditures
Category 1 - Residential				
Low Income Weatherization (118)	2,908	674,656	728,352	\$ 49,151
Refrigerator Recycling (117)	1,179	1,546,974	1,670,098	\$ 175,623
Home Energy Savings (111)	16,086	5,053,947	5,456,191	\$ 739,815
Total Category 1	20,173	7,275,577	7,854,640	\$ 964,590
Category 2 - Commercial and Industrial				
Energy FinAnswer (125)	3	1,237,175	1,331,732	\$ 186,012
FinAnswer Express (115)	124	2,654,351	2,857,223	\$ 586,971
Self Direction (192)	0	0	0	\$ 863
Sub-Total Category 2 (Commercial)	127	3,891,526	4,188,955	\$ 773,846
Energy FinAnswer (125)	1	1,185,537	1,241,969	\$ 125,456
FinAnswer Express (115)	22	162,371	170,100	\$ 54,880
Self Direction (192)	0	0	0	\$ 3,086
Sub-Total Category 2 (Industrial)	23	1,347,908	1,412,068	\$ 183,423
Total Category 2	150	5,239,434	5,601,024	\$ 957,268
Category 3 - Commercial and Industrial				
Energy FinAnswer (125)	0	0	0	\$ 11,264
FinAnswer Express (115)	1	112,544	121,146	\$ 64,702
Self Direction (192)	0	0	0	\$ 3,251
Sub-Total Category 3 (Commercial)	1	112,544	121,146	\$ 79,217
Energy FinAnswer (125)	7	4,097,355	4,292,389	\$ 668,874
FinAnswer Express (115)	13	419,236	439,192	\$ 127,260
Self Direction (192)	2	4,706,843	4,930,889	\$ 11,945
Total Category 3 (Industrial)	22	9,223,434	9,662,469	\$ 808,078
Total Category 3	23	9,335,978	9,783,615	\$ 887,295
Total Energy Efficiency (Categories 1, 2 and 3)		21,850,989	23,239,279	\$ 2,809,153

³Savings values in this table are shown prior to any net-to-gross adjustments. The values at generation include line losses between the customer site and the generation source. The Company's line losses by sector are 7.96 percent for residential, 7.64 percent for commercial and 4.76 percent for industrial. These values are based on the Company's 2007 Transmission and Distribution Loss Study by Management Applications Consulting published in Oct 2008.

Major Trends and Activities

The energy efficiency savings from programs for 2010 increased approximately 188 percent compared to 2009; approximately 23,200 megawatt hours were achieved compared to the nearly 8,000 megawatt hours in 2009. Commercial and industrial projects accounted for 66 percent of the program savings compared to 32 percent in 2009. Program expenditures in 2010 grew with the increased program activity finishing the year at approximately 109 percent above 2009 expenditures; up 45 percent across residential programs and 172 percent across the commercial and industrial programs. The primary reasons for the significant increases in 2010 results compared to 2009 results were increased exposure through marketing efforts, establishing relationships with vendor and trade allies, increases in participating retail stores and business projects and program activity maturing following their 2009 introduction.

Cost Effectiveness

The Company provides cost effectiveness results utilizing variations of five nationally accepted Cost Effectiveness Tests:

1. PacifiCorp Total Resource Cost Test (PTRC) or TRC + Conservation Adder
2. Total Resource Cost Test (TRC)
3. Utility Cost Test (UCT)
4. Ratepayer Impact Test (RIM)
5. Participant Cost Test (PCT)

The PTRC (also referred to as the TRC + Conservation Adder) is a variation of the TRC test. It includes a 10 percent benefit adder to account for non-quantified benefits of conservation resources over supply-side alternatives.

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

The UCT, also referred to as the Program Administrator Test compares the portion of the resource costs paid directly by the Company and recovered through the Schedule 191 revenues. This test is useful in determining the cost-effectiveness of the resource from the Company's perspective; however, it does not account for the portion of the cost that is borne directly by program participants.

The RIM test determines the impact an energy efficiency program has on rates. The ultimate objective of an energy efficiency program is to encourage customers to use less energy, thereby reducing energy sales. The RIM test accounts for the lost revenues to the utility and associated kWh sales reductions. The net impact of these reductions can put upward pressure on rates even when total costs and utility costs are lower with a successful energy efficiency program than with a supply side alternative. One challenge with the RIM test, however, is that its more sensitive

than the other tests to differences between long-term projections of marginal costs and long-term projections of rates, two cost streams that are difficult to quantify with certainty.

The PCT test compares the portion of the resource cost paid directly by participants to the savings realized by the participant. For the PCT, bill savings are the realized benefit of energy efficiency rather than the avoided supply-side costs.

The results for each test for the Wyoming portfolio are provided at several levels:

1. Overall energy efficiency program portfolio (all programs collectively)
2. Residential energy efficiency program portfolio (residential programs collectively)
3. Non-Residential energy efficiency program portfolio (non-residential programs collectively)
4. Individual program (individually by each program)

Overall, the Company's energy efficiency portfolio was cost effective under four of the five cost effectiveness tests based on 2010 results. The Ratepayer Impact Test (RIM) benefit/cost ratio of less than 1.0 indicates that the portfolio put some upward pressure on overall rates, all things being equal, due to a reduction in Company kWh sales as a result of the energy efficiency acquired through the programs.

Results of the cost effectiveness tests are included in the summary overview for each program. Further details including key inputs and assumptions for each of the cost effectiveness tests are provided in the cost effectiveness section of this report.

Plans for 2011

On November 1, 2010, in Docket No. 20000-383-EA-10, the Company filed with the Commission a set of modifications and enhancements to the Company's Wyoming energy efficiency portfolio. The proposed changes are in part administrative and in response to market changes, such as evolving federal energy codes and standards, and in part to continue the improvement of the program performance through targeted incentive adjustments, adding to the list qualifying energy efficiency measures, and increasing program communication and outreach efforts. The objectives of the proposed changes are to continue the evolution of the programs, maintaining their economics and relevancy. A Commission hearing on the Company's proposal is scheduled in Cheyenne at the Commission offices on May 11, 2011. A complete list of the proposed changes by individual program is included as Appendix 1 to this report. Appendix 1 is a copy of Exhibit RMP__(JWB-2) in Docket No. 20000-383-EA-10.

Outreach and Communications

Home Energy Savings

Inserts were included four times in residential customer bills in 2010 promoting various measures in the program including energy efficient appliances and CFLs. Specially priced CFLs were also communicated in fall 2010 through a radio ad, direct mail, social media and on the Company's Website.

Two "Save Green! *Win Big!*" promotions took place with Wyoming appliance retailers in 2010. Customers were encouraged to purchase a qualifying appliance and enter for a chance to win a prize. Prizes were also given to the retail sales associates.

Representatives from Rocky Mountain Power and the Home Energy Savings program were at the Rock Springs Home & Garden Show on April 16-18, 2010 at the Sweetwater Events Complex to provide information and answer questions about energy efficiency and the Company's energy efficiency programs.

See ya later, refrigerator[®]

Refrigerator/freezer recycling program advertising in 2010 included TV, newspaper and online ads.

In addition, inserts were included four times in customer bills, and a direct mail with a magnet was sent to Wyoming customers in fall of 2010.

Energy FinAnswer & FinAnswer Express

Radio, newspaper and online ads for our commercial efficiency programs ran several times in 2010. This included a thank you ad in early March recognizing Wyoming businesses for completing energy savings projects in 2009.

In May, trade allies were invited to learn about the programs and resources available to help them promote the programs to their clients. Below is a listing of where and when these events took place.

May 18, 2010 - Casper
May 19, 2010 - Laramie
May 20, 2010 - Rock Springs
May 21, 2010 - Riverton

On December 7th and 8th, the Company staffed a booth at the Wyoming Heritage Foundation event in Cheyenne, Wyoming to promote its energy efficiency programs.

General Communications

Rocky Mountain Power includes energy efficiency messages (along with messages about safety, service and other topics) in TV, radio, print and online ads as part of its Customer Awareness campaign.

Residential customers in Wyoming received the *Voices* newsletter in bills eight times in 2010. Each issue covers energy efficiency matters in addition to other topics.

Other newsletters such as Energy Insights, Energy Connections and Energy Update reach community, business and government audiences on a quarterly or monthly basis. Each issue includes information on energy efficiency (oftentimes a customer project is highlighted) and other topics.

The Company's Website, www.rockymountainpower.net, includes information on energy efficiency incentive programs, tips and other resources for customers to save energy and money through the Company's energy efficiency programs. Energy-saving information is also included as part of Company messages on Facebook and Twitter.

Filings with the Wyoming Public Service Commission

Rocky Mountain Power submitted the following filings with the Commission in 2010 concerning its Wyoming demand-side management programs.

On April 30, 2010, the Company submitted its 2009 Wyoming Demand-Side Management Annual Report with the Commission.

Rocky Mountain Power submitted an application with the Commission on June 1, 2010 in Docket No. 20000-374-EA-10 proposing to reduce annual revenues collected through the Customer Efficiency Services Charge, Schedule 191, by approximately \$330,000. The reduction was needed to hold Schedule 191 collections at \$4.1 million on an annual basis as agreed to by parties and approved by the Commission in Docket No. 20000-264-EA-06. The Commission approved the reduction effective July 1, 2010.

Rocky Mountain Power submitted an application on November 1, 2010 requesting approval of changes to its Wyoming demand-side management programs and to temporarily suspend the Schedule 191 surcharge. This matter has been assigned to Docket No. 20000-383-EA-10. Several of the proposed changes to existing programs are designed to improve customer participation. Other changes are proposed to align program qualifications with evolving federal energy codes and standards. Through this application, the Company also proposed to suspend collections through the Schedule 191 surcharge until the accrued balance of funds in the demand-side management balancing account (\$4.3 million as of September 2010) was exhausted by program expenditures. The Schedule 191 rate suspension was approved by the Commission on an interim basis effective January 1, 2011. The remainder of the proposed modifications is scheduled to be heard by the Commission at hearings in Cheyenne beginning May 11, 2011.

Residential Energy Efficiency Programs and Activity

Home Energy Savings (Schedule 111)

The Home Energy Savings program provides a broad framework to deliver incentives for more efficient products and services installed or received by Wyoming customers in new or existing homes, multi-family housing units or manufactured homes. The program is delivered through a third party administrator hired by the Company. Program information is available to the public at the Company's Website at <http://www.rockymountainpower.net/env/epi.html> and the program Website at http://www.homeenergysavings.net/Wyoming/wyoming_home.html.

Eligible program measures include: clothes washers, refrigerators, water heaters, dishwashers, lighting (both compact florescent lamps (CFLs) and fixtures), cooling equipment and services, ceiling, wall and attic insulation, windows and miscellaneous equipment such as ceiling fans. Incentives are provided to customers through two methods: (1) post-purchase application process with incentives paid directly to participating customers, and (2) mid-market (i.e., retailers and manufacturers) buy-downs, for delivery of CFL incentives. Mid-market buy-downs result in lower retail prices for customers at the point-of-purchase and involve no direct customer application process.

Program results for 2010 are provided in the table below:

Table 3: Home Energy Savings Performance

2010 Home Energy Savings Program Performance					
kWh/Yr Savings 2010 (Gross - At Gen)	5,456,191				
kWh/Yr Savings 2010 (Gross - At Site)	5,053,947				
Expenditures	\$ 739,815				
Incentives Paid	\$ 343,707				
	PTRC	TRC	UCT	RIM	PCT
Program Cost Effectiveness	1.198	1.089	2.016	0.581	2.227
Levelized Cost (\$/kWh)	\$ 0.0623	\$ 0.0623	\$ 0.0336		
Lifecycle Revenue Impact (\$/kWh)	\$ 0.000212098				
Discounted Participant Payback (Years)	3.84				

Details of 2010 measure level participation and savings are provided in the following table.

Table 4: Home Energy Savings Measure Performance

Home Energy Savings Measures	Unit	Measurement#	of Units	Participants	kWh/Yr Savings (Gross - At Site)
Clothes Washer-Tier One (1.72 - 1.99 MEF)	Units	322		322	70,535
Clothes Washer-Tier Two (2.0 + MEF)	Units	1,489		1,489	345,653
Dishwasher	Units	796		796	23,247
Electric Water Heater	Units	11		11	998
Evaporative Cooler	Units	3		3	876
Refrigerator	Units	592		592	57,720
Insulation: Attic	Sq Feet	156,867		121	74,742
Insulation: Floor	Sq Feet	9,445		5	4,094
Insulation: Wall	Sq Feet	4,481		7	5,138
Windows	Sq Feet	4,556		38	3,435
CAC/HP Tune up	Projects	4		4	125
CAC (15 SEER)	Units	21		22	1,782
CAC TXV and Install	Projects	2		2	81
CAC TXV and Sizing	Projects	4		4	241
Duct Sealing-Electric	Projects	0		0	0
Duct Sealing-Gas	Projects	0		0	0
Heat Pump Conversion	Projects	1		1	3,147
Heat Pump Upgrade	Projects	2		2	1,622
NC Insulation: Attic	Sq Feet	3,000		1	24
NC Insulation: Floor	Sq Feet	0		0	0
NC Insulation: Wall	Sq Feet	1,980		1	8
Ceiling Fans	Units	19		12	2,041
Fixtures	Units	33		21	3,036
CFLs-Twisters	Bulbs	118,455		11,846	4,210,575
CFLs-Specialty Bulbs	Bulbs	7,869		787	244,830
Totals			309,953	16,086	5,053,947
kWh/Yr Savings at Generation					5,456,191

(Note: CFL Participation is assumed at 10 CFLs per participant.)

Major Trends and Activities

The Home Energy Savings program acquired more than 5 million kWh/year of savings. Results for 2010 savings and expenditures were approximately 68 percent higher compared to 2009. The primary reasons for the increase were the higher number of participating retail stores for appliances, lighting and enhanced partnerships with major manufactures and national chain

retailers. By recruiting additional retail partners and working with manufactures to ship highly-efficient products to stores in the Company's service territory, appliance savings doubled and lighting savings increased approximately 55 percent compared to 2009.

Most of the appliance activity was generated by a few key retailers such as Sears and Home Depot in the Casper area which accounted for 42 percent of appliance incentives for the year. Appliance retailers in the Rock Springs area accounted for 16 percent of appliance incentives.

Wyoming lighting retail partnerships grew from three to eight partners, increasing the number of retail locations from 9 to 29 for the year. By working with manufacturers and retail partners the number of eligible lighting products increased from 12 to 67.

2010 Outreach Activities

The Home Energy Savings program developed a relationship with Wyoming Energy Council to partner on contractor trainings and to provide contractors, with the Wyoming Home Performance with ENERGY STAR program, an opportunity to work with the Home Energy Savings program.

Funded by the American Recovery and Reinvestment Act of 2009, the Wyoming Appliance Rebate Program offered incentives for clothes washers, dishwashers and refrigerators. Customers could also receive incentives for the same appliances through the Home Energy Savings program. The combination of both incentives increased participation by 39 percent for clothes, dishwashers and refrigerators for the Home Energy Savings program.

In partnership with Questar Gas, the program offered a "Save Green! *Win Big!*" promotion to participating retailers in the spring of 2010. The "Save Green! *Win Big!*" contest entered customers and sales associates into a drawing for two VISA® Gift Cards. The customer who purchased a qualified product and the sales associate who sold the product to the customer were each eligible to win. A customer and sales associate, both from Rock Springs, won the spring drawing. The contest generated excitement for the program, improved relationships with retail partners and increased program activity by 233 percent.

A second "Save Green! *Win Big!*" promotion was held in November and December 2010. This promotion was sponsored by Rocky Mountain Power and had similar results as the spring promotion with the improved relationships with retail partners and increased program activity by 166 percent. The winners from the year-end drawing were from Lander and were grateful for the promotion. The interested in the promotion resulted in a news story in the local newspaper.

Cost Effectiveness

The program was cost effective from all cost test perspectives, except Rate Impact Test.

Plans for 2011

A localized marketing strategy will be implemented to increase awareness of and participation in the Home Energy Savings program. The strategy calls for increased attendance at community

events, additional training and support for home improvement contractors and retailers and increased visibility with retail partners. Partnerships with other state and utility programs, trade associations and government offices will be further explored.

In addition to increased local marketing efforts, proposed program administrative and performance modifications were filed with the Commission for consideration on November 1, 2010 in Docket 20000-383-EA-10. If approved, the changes will impact select appliance and equipment measure eligibility requirements and incentive levels, will add new qualifying measures such as heat pump water heaters, freezers, ductless heat pumps and consumer electronics and will include special incentives to encourage comprehensive home weatherization projects and best practice installations and sizing of residential heat pumps and evaporative coolers. A complete list of proposed program changes is included in Appendix 1 to this report.

See ya later, refrigerator® (Schedule 117)

The refrigerator recycling program, which is marketed as See ya later, refrigerator®, is available to residential customers through a Company contract with a third-party program administrator. Older refrigerators and freezers which are less efficient, yet operational, are taken out of use permanently and recycled in an environmentally responsible manner. The program's objective is to permanently retire these older and less efficient refrigerators and freezers from the market and recycle the units in order to avoid their re-entry or resale on the secondary appliance market. Program awareness is generated through mass media advertising channels as well as Company channel communications such as the program's Website, bill inserts, and customer newsletters. In addition to free pick-up of their appliance and a cash incentive of \$30, participants receive an energy efficiency packet consisting of ENERGY STAR®-certified compact fluorescent light bulbs, a refrigerator/freezer thermometer, and energy education materials.

Program results for 2010 are provided in the table below:

Table 5: See ya later, refrigerator® Program Performance

2010 See ya later, refrigerator® Program Performance						
kWh Savings 2010 (Gross - At Gen)					1,670,098	
kWh Savings 2010 (Gross - At Site)					1,546,974	
Expenditures				\$	175,623	
Incentives Paid				\$	35,370	
		PTRC	TRC	UCT	RIM	PCT
Program Cost Effectiveness		2.011	1.828	1.600	0.519	N/A
Levelized Cost (\$/kWh)	\$	0.0285	\$ 0.0285	\$ 0.0315		
Lifecycle Revenue Impact (\$/kWh)	\$	0.0000407679				

Details of 2010 measure level participation and savings are provided in the following table:

Table 6: See ya later, refrigerator® Results

Refrigerator Recycling Measure	Unit Count	Per Unit Savings (kWh/Yr)	Gross Savings (kWh/Yr)
Refrigerator	947	1,149	1,088,103
Freezer	232	1,590	368,880
Total Units Recycled	1,179		1,456,983
Energy Savings Kits	1,111	81	89,991
		Total (At Site)	1,546,974
		Total (At Generation)	1,670,098

Major Trends and Activities

Participation for 2010 was 29 percent higher than in 2009, one of the major differences was the direct mail fridge magnet that went to 40,000 Wyoming customers in the highest performing zip codes from 2009. The program delivered more than 1,500 MWh of first year energy savings during the year, with program expenditures 25 percent higher than in 2009, commensurate with the growth in customer participation.

2010 Outreach Activities

In addition to promotions through customer bill inserts and advertising, the program was marketed in area newspapers in Casper, Laramie, Riverton and Rawlins. Direct mail was sent to the customers in September and October, increasing demand for program service. Direct mail and more frequent pick-up increased participation and lowered cancelation rates for the program.

Environmental Attributes

In terms of the impact of the program on the environment, processing 1,179 refrigerator and freezer units resulted in the recycling of more than 150,000 pounds of metals, 30,000 pounds of plastics, a ton of tempered glass and the capture, recovery or destruction of over 1,800 lbs of ozone depleting chlorofluorocarbons (CFC) and hydrofluorocarbons (HFC), which are commonly used as refrigerants. The carbon dioxide (CO₂) and carbon dioxide equivalent (CO₂e) avoided from the atmosphere was approximately 9,000 tons.

Cost Effectiveness

The 2010 See ya later, refrigerator® program was cost effective from all cost test perspectives, except the Rate Impact Test.

Plans for 2011

Several new program design features will help increase program participation starting in spring of 2011. The program is working with Sears, Best Buy, Lowe's and other appliance retailers in Wyoming to allow customers to have new units delivered and the old units picked up at the same time. This allows home owners to schedule only one appointment for the delivery of their new appliance and the pickup of their old one. Cross program coordination with the Home Energy Savings program will improve coordination with retailers on ENERGY STAR appliances, making it more convenient for customers to participate in the See ya later, refrigerator® program.

The program has indentified a staging location for trailers in the Casper area which will allow greater capacity for shipment of appliances back to the recycling center located in Salt Lake City. The program vendor also will have a crew based in Wyoming which will start in mid-2011, allowing for more frequent collection of customer units.

Program marketing efforts will increase in 2011, including increasing the frequency of advertisements. A pay per click internet advertising campaign will run in February and March, resuming in May and continuing through September to encourage participation via the Internet. Print advertisements featuring the program will start in March, with the last placement scheduled for the week of November 15. Print advertisements are running in the *Casper Star Tribune*, *Daily Rocket-Miner*, *The Ranger*, *Laramie Boomerang* and *Rawlins Daily Times*. Program bill inserts are scheduled for customer bills in March and will run again in May, June, August and October. TV advertising in the Casper and Riverton area will run from March through July. Another mailing of the fridge magnet postcard advertising the program will be sent during the May-June time period, going to approximately 50,000 Wyoming customers.

In addition to new retailer agreements, the addition of a staging area, Wyoming based recycling crew and an increase in program communications, additional changes were proposed on November 1, 2010 by the Company in Docket No. 20000-383-EA-10. If approved, the changes will lead to an increase in the program participation incentive and may involve further measure customization to the energy-savings kit participants receive at the time their appliance is picked up for recycling. A complete list of proposed changes proposed in Docket No. 20000-383-EA-10 is included in Appendix 1 to this report.

Low Income Weatherization (Schedule 118)

The Low Income Weatherization Program (Schedule 118) is designed to provide energy efficiency services to income eligible residential customers. The Company has partnerships in place with the Wyoming Energy Council and the Council of Community Services to provide weatherization services. These two non-profit agencies receive federal and state grants as well as Company funding. Participants can be homeowners or renters and reside in single-family homes, manufactured homes or apartments and receive the energy efficiency services at no cost.

Table 7 summarizes the program results for 2010. The two partnering agencies did not bill Rocky Mountain Power for any homes completed in 2010 and no savings associated with these agency treated homes were included in the program's reported savings. The Company anticipates program funds will be requested after the agencies have depleted American Recovery and Reinvestment Act funds in early 2012. The Company's costs associated with the distribution of lighting measures in 2010 totaled \$49,151.

Table 7: Low Income Weatherization Performance

Low Income Weatherization Performance - Wyoming					
kWh/Yr Savings (at Site)	674,656				
kWh/Yr Savings (at Gen)	728,352				
Expenditures - Total	\$	49,151			
Participation - Includes CFL Kits sent to Homes	2,908				
Participation - Total # of Completed/Treated Homes					
Compact Fluorescent Light bulbs	4				
	PTRC	TRC	UCT	RIM	PCT
Program Cost Effectiveness	4.531	4.119	4.119	0.659	N/A
Levelized Cost (\$/kWh)	\$ 0.0155	\$ 0.0155	\$ 0.0155		
Lifecycle Revenue Impact (\$/kWh)	\$ 0.0000241561				

Major Trends and Activities

The Company implemented a CFL distribution component for this program. A kit with four compact fluorescent light bulbs was shipped directly to 2,908 income eligible customers in 2010. The recipients were households known to be income eligible as they had participated in the Low Income Energy Assistance Program (LIEAP). Through the CFL program component, a large number of income qualifying customers were given tools to start saving energy quickly.

Overall program energy savings and participation were 16 percent lower in 2010 compared to 2009 and program expenditures were 43 percent lower. The drop in savings and participation

was expected as 2010 activity was focused on completing the distribution of kits to qualifying households new to the distribution list and those that didn't receive the kit in 2009.

Cost Effectiveness

The 2010 Low Income Weatherization program was cost effective from all cost tests, except Rate Impact Test.

Plans for 2011

The Company will continue to work towards serving more eligible customers through this program. The Company hopes to enter into a weatherization agreement with Wyoming Weatherization Services, the third low income weatherization agency in the state after American Recovery and Reinvestment Act funds are depleted. Rocky Mountain Power will continue to distribute CFL kits to additional households that receive LIEAP assistance in 2011.

Expanding upon approved program services and measures defined in the program tariff, Schedule 118, the Company will seek a refrigerator replacement program provider through a competitive request for proposal process scheduled in mid-2011. The refrigerator replacement program option will seek to replace older less efficient refrigerators in qualifying households with a higher efficiency appliance. A complete list of proposed program changes is included in Appendix 1 to this report.

Non-Residential Energy Efficiency Programs and Activity

Energy FinAnswer (Schedule 125)

The Energy FinAnswer program is offered to commercial (buildings 20,000 square feet and larger) and industrial customers. The program provides Company-funded energy engineering, incentives of \$0.12 per kWh of 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. The program is designed to target comprehensive projects requiring project specific energy savings analysis and operates as a complement to the more streamlined FinAnswer Express program. In addition to customer incentives, the program provides design team honorariums (a finder fee for new projects) and design team incentives for new construction projects exceeding International Energy Conservation Code (“IECC”) 2003 energy code by at least 10 percent.

The summary program results are provided in the table below:

Table 8: Energy FinAnswer Program Performance

2010 Energy FinAnswer Program Performance					
kWh/Yr Savings 2010 (Gross - At Gen)	6,866,090				
kWh/Yr Savings 2010 (Gross - At Site)	6,520,067				
Total Expenditures	\$ 991,606				
Incentives Paid	\$ 494,944				
	PTRC	TRC	UCT	RIM	PCT
Program Cost Effectiveness	3.132	2.847	4.877	1.213	2.904
Levelized Cost (\$/kWh)	\$ 0.0324	\$ 0.0324	\$ 0.0189		
Lifecycle Revenue Impact (\$/kWh)	\$ (0.000018042)				
Discounted Participant Payback (Years)	6.24				

Major Trends and Activities

Eleven Energy FinAnswer projects were completed in 2010 and annual program savings and expenditures were significantly higher compared to 2009. Business sector projects can be substantial undertakings and take up to a year or eighteen months to progress from the initial analysis to funding, to construction through commissioning and completion. First year program savings reported increased from 258 MWh in 2009 to over 6,800 MWh in 2010; a year two activity increase consistent what would be expected from a program with longer project development requirements.

Cost Effectiveness

The 2010 Energy FinAnswer program was cost-effective from all perspectives.

Plans for 2011

The Company will continue the promotion and growth of the program through radio and print advertisements as well as through customer and community managers and the strengthening and growing the program's trade ally network.

In addition to increased program outreach and growth of the trade ally network additional changes were proposed by the Company on November 1, 2010 in Docket No. 20000-383-EA-10. If approved, the changes will increase program incentives and project funding caps as well as introduce new services such as the co-funding of on-site energy project managers to assist customers in the completion of their projects. A complete list of proposed program changes is included in Appendix 1 to this report.

Major Trends and Activities

Program savings for 2010 increased 52 percent compared to 2009, while expenditures increased 78 percent. FinAnswer Express completed 160 energy efficiency projects during 2010. To achieve deeper savings for each project, trade allies and Company representatives were advised to make their customers aware of the incentives available for a wide array of commercial, industrial, and irrigation measures.

A dedicated team of technical and outreach specialists located in Casper and Salt Lake City support trade allies throughout the year by conducting on-site program trainings, responding to inquiries from customers and trade allies, and publishing educational newsletters. The team also regularly interfaces with manufacturers and distributors of qualifying products to educate and train local dealers, contractors, and service technicians about the program.

Program staff conducted educational seminars throughout Rocky Mountain Power's Wyoming service territory from May 18-21, 2010. The seminars, held in Casper, Laramie, Rock Springs, and Riverton, were attended by 91 contractors/distributors and focused on providing information about program steps, incentives, and marketing opportunities. Participants earned 4 continuing education credits for attending.

In addition to referrals from other programs, marketing by energy efficiency department project managers and customer and community managers, and on-going sales efforts by vendors of high efficiency equipment, program information was also provided in company advertising and at the energy efficiency focused events outlined in the Communications and Outreach section of this report.

Cost Effectiveness

The program was cost effective from all perspectives, except the Rate Impact Test.

Plans for 2011

Program staff will continue the outreach and training activities it undertook in 2010. Additional savings over the 2010 program is anticipated to be acquired through the following key activities:

- Continued development of the trade-ally specific page on the Rocky Mountain Power Website to provide targeted information about program features, changes and training opportunities to trade allies. www.rockymountainpower.net/alliance
- Building and expanding relationships with lighting, HVAC, and other equipment suppliers/contractors to continue to make the business case for energy efficient equipment.
- Providing marketing and trade ally outreach to target customers with T12 fluorescent lighting to provide information on changes in federal lighting standards coming in 2012 and the limited time opportunity to upgrade to higher efficient lighting before the standards take effect while current incentives are available.

- Leveraging outreach activities with Questar Gas Company to further reinforce opportunities for high efficiency HVAC equipment that use both natural gas and electricity.

In addition to growing the market delivery infrastructure and utility coordination work, additional changes were proposed by the Company on November 1, 2010 in Docket No. 20000-383-EA-10. If approved, the changes will impact select equipment and lighting eligibility requirements and incentive levels and add new qualifying measures such as lighting controls, food service, dairy/farm, small compressed air, and additional agricultural equipment. A complete list of proposed program changes is included in Appendix 1 to this report.

Self Direction (Schedule 192)

The Self Direction credit program is available to Wyoming business customers who meet minimum usage requirements of 5,000,000 kWh per year or have a peak load of at least 1,000 kW in the prior 12 months. Customers are responsible for providing the energy engineering work necessary to document the energy savings of proposed projects. This program is designed to provide another option for business customers who have projects similar to those qualifying for incentives from the Energy FinAnswer or FinAnswer Express programs. Incentives are provided in the form of credits used to offset the Customer Efficiency Service surcharge on the monthly bill and are available for both new construction and retrofit projects. In addition, there is a provision for customers with no remaining cost effective energy efficiency projects at their location to qualify for a credit that may be used to offset a portion of their monthly charge.

The program is primarily marketed through customer and community managers and by referral between other programs for business customers. In addition, a few energy engineers market their services to large customers who may be interested in participating.

The summary program results are provided in the following table:

Table 11: Self Direction Program Performance

2010 Self Direction Program Performance					
kWh/Yr Savings 2010 (Gross - At Gen)	4,930,889				
kWh/Yr Savings 2010 (Gross - At Site)	4,706,843				
Expenditures	\$ 19,145				
Incentives Paid	\$ 622,394				
	PTRC	TRC	UCT	RIM	PCT
Program Cost Effectiveness	5.186	4.715	4.715	1.251	3.854
Levelized Cost (\$/kWh)	0.0184	0.0184	0.0148		
Lifecycle Revenue Impact (\$/kWh)	\$ (0.000012003)				
Discounted Participant Payback (Years)	3.72				

Major Trends and Activities

Two self direction projects were completed in 2010 and first year program savings were 4,900 MWh as measured at the generation source. The Company will continue to market the program and identify eligible customers through Company customer and community managers. The Company will continue to advise eligible customers to engineering resources to identify site-specific projects that may be eligible for Self-Direction Credit program incentives.

Cost Effectiveness

The 2010 Self Direction program was cost-effective from all perspectives.

Plans for 2011

The Company continues to work with industrial customers on the development of potential self-direction projects. Additional engineering analyses are being performed to assess the savings opportunities and economics of these projects. The Company and program administrator will work with customers to ensure that new projects are identified and routed to the appropriate Company efficiency program most appropriately suited for each project.

Forecast activity for 2011 and beyond indicate activity growth with a forecasted increase in project counts, savings and self-direction bill credit utilization.

In the Company's November 1, 2010 filing to the Commission in Docket No. 20000-383-EA-10, the Company proposed combining the program's credit types and credit caps into single annual credit cap and to increase the overall cap amount. If approved, the changes will position the program to accommodate the anticipated growth in program activity and reduce customer concerns regarding incentive availability. A complete list of proposed program changes is included in Appendix 1 to this report.

Summary of 2010 Results

As agreed in the stipulation approved in Docket No. 20000-264-EA-06, three categories of customers were established by rate class. Each customer category pays a specific Customer Efficiency Service rate surcharge. The following table provides a list of the customer rate schedules included in each category.

Table 12: Customer Efficiency Services Balancing Account Categories

Customer Efficiency Services Balancing Account Categories
Category 1 - Residential
2 Residential Service
18 Three Phase Residential Service Rider
Category 2 - Small Commercial and Industrial
15 Outdoor Area Lighting Service No New Service
25 Small General Service
28 General Service
40 Agricultural Pumping Service 1
51 Street Lighting Service Company Owned System 1
53 Mercury Vapor Street Lighting Service No New Service
54 Recreational Field Lighting Restricted
57 Street Lighting Service Company Owned System No New Service
58 Street Lighting Service Customer Owned System
207 Security Area Lighting
210 Agricultural Pumping Service
211 Street Lighting Service Company Owned System
212 Street Lighting Service Customer Owned System 1
213 Outdoor Nighttime Lighting and Signal System Service Customer Owned System
Category 3 - Large Commercial and Industrial
33 Partial Requirements Service
46 Large General Service Time of Use 1 000 kW and Over
48T Large General Service Transmission Delivery Time of Use 1 000 kW and Over

Revenues from the surcharge, energy efficiency program expenditures, and results are tracked by category in the following tables:

Table 13: Revenue (Schedule 191) by Category

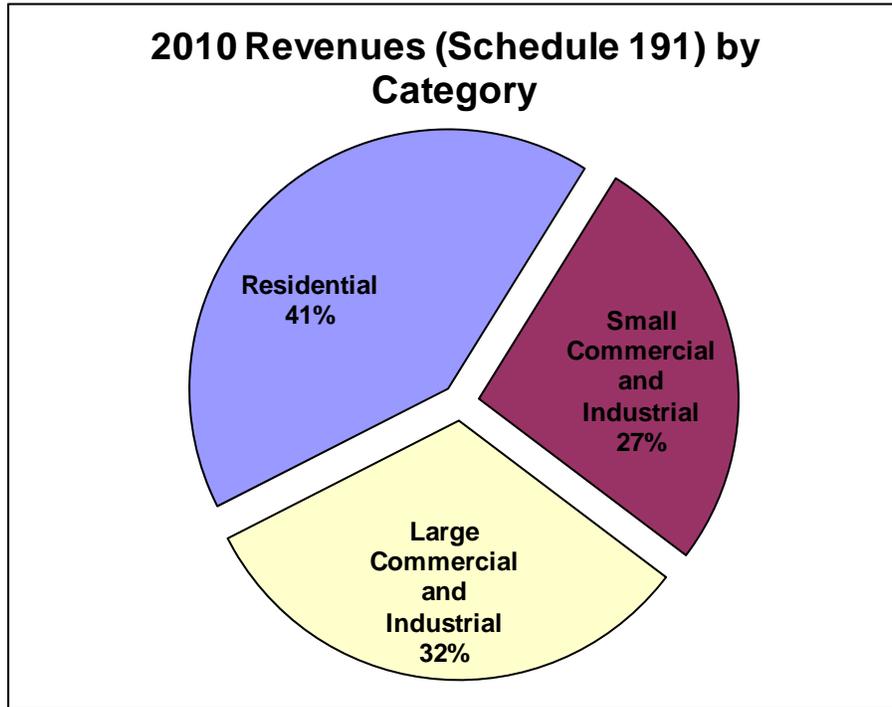


Table 14: Expenditures (Schedule 191) by Category

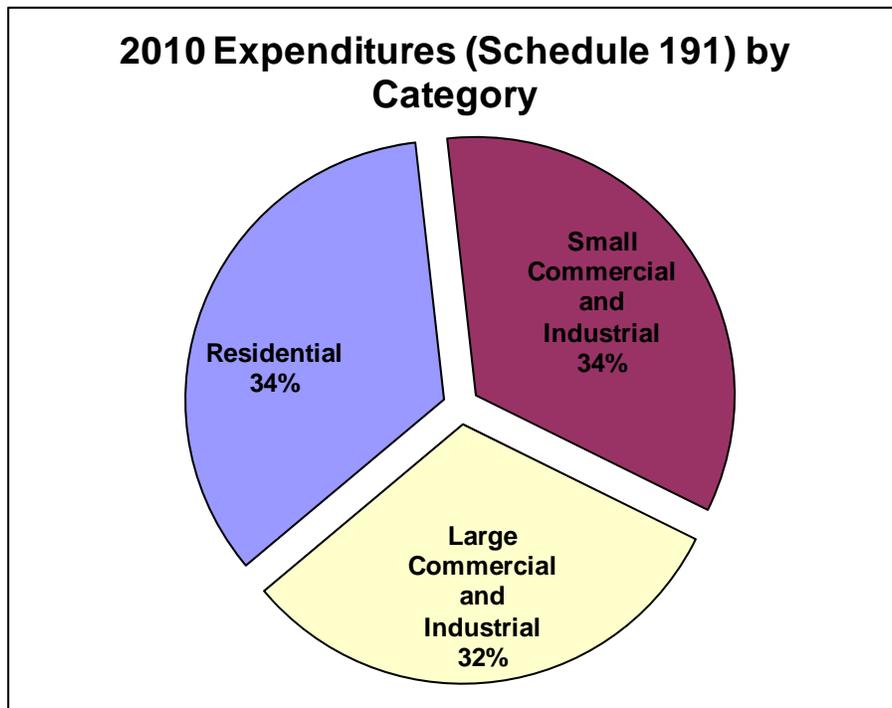
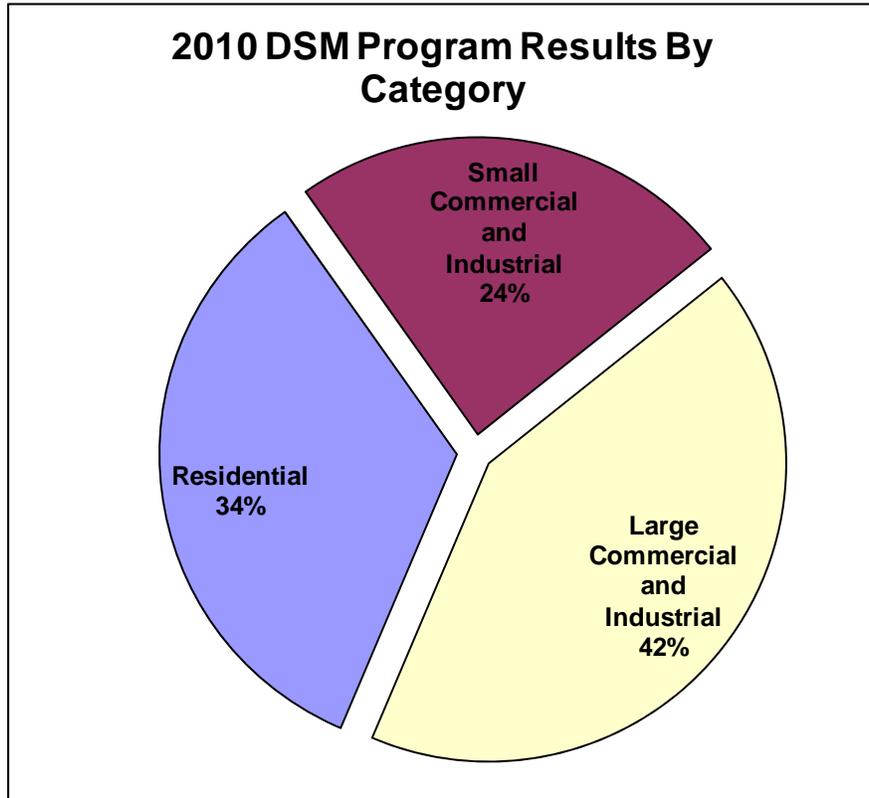


Table 15: DSM Program Results by Category



The following table provides participation rates for each of the programs in the Energy Efficiency portfolio by customer segment. The take rate was calculated based on the number of unique participating customers for each program during 2010 divided by the average number of customers in each segment during 2010.

Table 16: Participation Rates By Program and Customer Segment

Residential		108,584	Total Customers
Program Name	Number of Unique Participants		% of Residential Customers
Low Income	2,908		2.68%
See ya later, refrigerator	1,111		1.02%
Home Energy Savings (With CFLs)	16,086		14.81%
Home Energy Savings (Without CFLs)	3,454		3.18%
Total Residential Participation (With CFLS)	20,105		18.52%
Total Residential Participation (Without CFLS)	7,473		6.88%
Commercial		23,173	Total Customers
Program Name	Number of Unique Participants (Completed Projects)		% of Commercial Customers
Energy FinAnswer	3		0.01%
FinAnswer Express	60		0.26%
Self Direction	-		0.00%
	63		0.27%
Industrial		2,691	Total Customers
Program Name	Number of Unique Participants (Completed Projects)		% of Industrial Customers
Energy FinAnswer	7		0.26%
FinAnswer Express	24		0.89%
Self Direction	2		0.07%
	33		1.23%

Balancing Account Summary

Energy efficiency activities are funded by revenue collected through Schedule 191, Customer Efficiency Service Charge on customer bills. Expenses for energy efficiency expenditures are charged as incurred and booked to the balancing account for the appropriate category. Activity for the energy efficiency balancing accounts for 2010 is outlined in the tables below.

There are four tables, one for each category and a Wyoming total that aggregates all the category balances:

Table 17: Balancing Account Category 1

Category 1 (Residential)

Accumulated Balance as of 12/31/2009 \$ (1,016,019)						
	Monthly Program Cost - Fixed Assets	Rate Recovery	Carrying Charge	Accumulated Balance	Deposit Rate	Accumulated Balance Total Carrying Costs
January	\$ 58,495	\$ (212,717)	\$ (1,767)	\$ (1,172,008)	1.940%	\$ (21,244)
February	\$ 36,281	\$ (181,653)	\$ (2,012)	\$ (1,319,392)	1.940%	\$ (23,256)
March	\$ 44,853	\$ (163,972)	\$ (2,229)	\$ (1,440,740)	1.940%	\$ (25,485)
April	\$ 62,950	\$ (143,590)	\$ (2,394)	\$ (1,523,774)	1.940%	\$ (27,879)
May	\$ 46,691	\$ (128,044)	\$ (2,529)	\$ (1,607,656)	1.940%	\$ (30,408)
June	\$ 30,596	\$ (121,096)	\$ (2,672)	\$ (1,700,828)	1.940%	\$ (33,080)
July	\$ 77,638	\$ (121,037)	\$ (2,785)	\$ (1,747,011)	1.940%	\$ (35,865)
August	\$ 177,267	\$ (127,361)	\$ (2,784)	\$ (1,699,890)	1.940%	\$ (38,649)
September	\$ 89,628	\$ (116,019)	\$ (2,769)	\$ (1,729,049)	1.940%	\$ (41,418)
October	\$ 80,523	\$ (106,228)	\$ (2,816)	\$ (1,757,571)	1.940%	\$ (44,234)
November	\$ 94,818	\$ (127,125)	\$ (2,868)	\$ (1,792,746)	1.940%	\$ (47,102)
December	\$ 164,851	\$ (176,506)	\$ (2,908)	\$ (1,807,309)	1.940%	\$ (50,010)
2010 totals	\$ 964,590	\$ (1,725,347)	\$ (30,533)			

Table 18: Balancing Account Category 2

Category 2 (Small Commercial and Industrial)

Accumulated Balance as of 12/31/2009 \$ (731,277)							
	Monthly Program					Accumulated	
	Cost - Fixed	Rate	Carrying	Accumulated	Deposit	Balance Total	
	Assets	Recovery	Charge	Balance	Rate	Carrying Costs	
January	\$ 22,944	\$ (102,937)	\$ (1,247)	\$ (812,517)	1.940%	\$ (14,535)	
February	\$ 38,372	\$ (93,617)	\$ (1,358)	\$ (869,119)	1.940%	\$ (15,893)	
March	\$ 90,763	\$ (96,353)	\$ (1,410)	\$ (876,120)	1.940%	\$ (17,303)	
April	\$ 58,331	\$ (91,117)	\$ (1,443)	\$ (910,348)	1.940%	\$ (18,746)	
May	\$ 45,191	\$ (86,202)	\$ (1,505)	\$ (952,864)	1.940%	\$ (20,251)	
June	\$ 31,245	\$ (97,892)	\$ (1,594)	\$ (1,021,105)	1.940%	\$ (21,845)	
July	\$ 55,789	\$ (89,337)	\$ (1,678)	\$ (1,056,330)	1.940%	\$ (23,523)	
August	\$ 86,386	\$ (93,127)	\$ (1,713)	\$ (1,064,784)	1.940%	\$ (25,236)	
September	\$ 142,667	\$ (91,235)	\$ (1,680)	\$ (1,015,032)	1.940%	\$ (26,916)	
October	\$ 177,610	\$ (86,216)	\$ (1,567)	\$ (925,206)	1.940%	\$ (28,483)	
November	\$ 85,583	\$ (85,162)	\$ (1,495)	\$ (926,279)	1.940%	\$ (29,978)	
December	\$ 122,387	\$ (91,629)	\$ (1,473)	\$ (896,995)	1.940%	\$ (31,451)	
2010 totals	\$ 957,268	\$ (1,104,824)	\$ (18,163)				

Table 19: Balancing Account Category 3

Category 3 (Large Commercial and Industrial)

Accumulated Balance as of 12/31/2009 \$ (968,797)							
	Monthly Program					Accumulated	
	Cost - Fixed	Rate	Carrying	Accumulated	Deposit	Balance Total	
	Assets	Recovery	Charge	Balance	Rate	Carrying Costs	
January	\$ 11,096	\$ (127,549)	\$ (1,660)	\$ (1,086,910)	1.940%	\$ (18,153)	
February	\$ 34,777	\$ (113,398)	\$ (1,821)	\$ (1,167,352)	1.940%	\$ (19,974)	
March	\$ 110,690	\$ (113,527)	\$ (1,890)	\$ (1,172,079)	1.940%	\$ (21,864)	
April	\$ 30,259	\$ (113,493)	\$ (1,962)	\$ (1,257,275)	1.940%	\$ (23,826)	
May	\$ 19,992	\$ (107,412)	\$ (2,103)	\$ (1,346,798)	1.940%	\$ (25,929)	
June	\$ 45,562	\$ (112,840)	\$ (2,232)	\$ (1,416,307)	1.940%	\$ (28,161)	
July	\$ 53,937	\$ (108,645)	\$ (2,334)	\$ (1,473,349)	1.940%	\$ (30,495)	
August	\$ 57,400	\$ (115,983)	\$ (2,429)	\$ (1,534,361)	1.940%	\$ (32,924)	
September	\$ 70,341	\$ (107,515)	\$ (2,511)	\$ (1,574,046)	1.940%	\$ (35,435)	
October	\$ 41,912	\$ (102,372)	\$ (2,594)	\$ (1,637,100)	1.940%	\$ (38,029)	
November	\$ 34,428	\$ (109,393)	\$ (2,707)	\$ (1,714,772)	1.940%	\$ (40,736)	
December	\$ 376,900	\$ (112,480)	\$ (2,558)	\$ (1,452,910)	1.940%	\$ (43,294)	
2010 totals	\$ 887,295	\$ (1,344,607)	\$ (26,801)				

Table 20: Balancing Account Total

Wyoming Total

Accumulated Balance as of 12/31/2009 \$ (2,716,086)							
	Monthly Program						Accumulated
	Cost - Fixed	Rate	Carrying	Accumulated	Deposit		Balance Total
	Assets	Recovery	Charge	Balance	Rate		Carrying Costs
January	\$ 92,535	\$ (443,203)	\$ (4,674)	\$ (3,071,434)	1.940%		\$ (53,932)
February	\$ 109,430	\$ (388,668)	\$ (5,191)	\$ (3,355,863)	1.940%		\$ (59,123)
March	\$ 246,306	\$ (373,853)	\$ (5,529)	\$ (3,488,939)	1.940%		\$ (64,652)
April	\$ 151,540	\$ (348,200)	\$ (5,799)	\$ (3,691,397)	1.940%		\$ (70,451)
May	\$ 111,875	\$ (321,658)	\$ (6,137)	\$ (3,907,317)	1.940%		\$ (76,588)
June	\$ 107,404	\$ (331,828)	\$ (6,498)	\$ (4,138,240)	1.940%		\$ (83,086)
July	\$ 187,364	\$ (319,018)	\$ (6,797)	\$ (4,276,691)	1.940%		\$ (89,883)
August	\$ 321,054	\$ (336,471)	\$ (6,926)	\$ (4,299,034)	1.940%		\$ (96,809)
September	\$ 302,635	\$ (314,769)	\$ (6,960)	\$ (4,318,128)	1.940%		\$ (103,769)
October	\$ 300,045	\$ (294,816)	\$ (6,977)	\$ (4,319,876)	1.940%		\$ (110,746)
November	\$ 214,829	\$ (321,680)	\$ (7,070)	\$ (4,433,797)	1.940%		\$ (117,816)
December	\$ 664,138	\$ (380,615)	\$ (6,939)	\$ (4,157,214)	1.940%		\$ (124,755)
2010 totals	\$2,809,153	\$ (4,174,778)	\$ (75,497)				

Column Explanations:

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

Rate Recovery: Revenue collected through Schedule 191.

Carrying Charge: Monthly carrying charge based on “Accumulated Balance” of the account.

Accumulated Balance: Current balance of the account; a running total of account activities. If more is collected in revenue than is spent for a given month, the accumulated balance will be increased by the net amount. A negative accumulative balance means cumulative revenue exceeds cumulative expenditures; a positive accumulative balance means cumulative expenditures exceed cumulative revenue.

Deposit Rate: The carrying charge rate applied to the accumulated balance.

Accumulated Balance Total Carrying Costs: Total net carrying charges paid on the account since inception of the balancing account.

To address the surplus balances in the three energy efficiency balancing accounts, Schedule 191 surcharge on customer bills for all categories was suspended effective January 1, 2011.

Cost Effectiveness

Introduction

The cost effectiveness of individual programs operated by the Company in 2010 is calculated using actual expenditures and reported savings. Cost-effectiveness is provided at the individual program, residential energy efficiency portfolio, non-residential energy efficiency portfolio and overall energy efficiency portfolio levels. Deemed savings estimates, where applicable, were the same as those used in the planning estimates.

Energy savings shown in this report are gross savings and the impact of line losses is indicated with an “at site” or “at generation” designation. Line losses are based on the Company’s 2007 line loss study. Net-to-gross assumptions are consistent with planning estimates. The energy savings attributed to each program are shaped according to specific end-use savings (the hourly calculation of when energy is used for the various end-use measures from which the savings are derived). Program costs and the value of the energy savings are then compared on a present value basis with the Company’s 2008 Integrated Resource Plan (IRP) calculated decrement values for demand-side resource savings and avoided capacity investments. The energy efficiency resource decrement values are fully shaped to represent the 8,760 hourly values that exist within a calendar year. By matching the hourly savings with the hourly avoided costs, both energy and capacity impacts of energy efficiency savings are recognized.

The Company provides cost effectiveness results utilizing five nationally accepted Cost Effectiveness Tests:

1. Total Resource Cost Test (TRC)
2. PacifiCorp Total Resource Cost Test (PTRC) or TRC + Conservation Adder
3. Utility Cost Test (UCT)
4. Ratepayer Impact Test (RIM)
5. Participant Cost Test (PCT)

The five cost effectiveness tests were utilized in the cost benefit analysis. Tables 21 through 30 provide the cost benefit test results for the 2010 programs.

Key Assumptions for Cost Effectiveness Calculations:

Global assumptions used in all program cost effectiveness calculations include:

Assumption	Value	Source
Discount Rate	7.40%	2008 IRP
Line Losses (Wyoming Specific)		
Residential	7.959%	2007 MAC Line Loss Study
Commercial	7.643%	2007 MAC Line Loss Study
Industrial	4.760%	2007 MAC Line Loss Study

Key elements that go into the cost effectiveness calculation for each program include:

- kWh savings gross
- Administrative expenses
- Incentives paid
- Total utility costs – including administration and evaluation
- Gross customer costs
- Net to gross ratio
- Measure life
- IRP decrement value

Portfolio Cost Effectiveness

The overall energy efficiency portfolio and component sectors were cost effective from the Total Resource Cost, Utility Cost and Participant Cost perspectives.

The following table provides the overall portfolio and sector results of all five cost effectiveness tests.

Table 21: Portfolio and Sector Cost Effectiveness Summary

	Cost Effectiveness Test				
	PTRC	TRC	UCT	RIM	PCT
2010 Total Energy Efficiency Portfolio	2.451	2.228	3.569	0.977	2.768
2010 Residential Energy Efficiency Portfolio	1.381	1.256	2.047	0.579	2.793
2010 Non-residential Energy Efficiency Portfolio	2.880	2.618	4.163	1.126	2.759

Cost effectiveness results for each sector and program are provided in the following tables:

Table 22: Total Energy Efficiency Portfolio

	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0388	\$5,495,935	\$13,470,368	\$7,974,433	2.451
Total Resource Cost Test (TRC) No Adder	0.0388	\$5,495,935	\$12,245,789	\$6,749,854	2.228
Utility Cost Test (UCT)	0.0242	\$3,431,609	\$12,245,789	\$8,814,180	3.569
Rate Impact Test (RIM)		\$12,531,892	\$12,245,789	(\$286,103)	0.977
Participant Cost Test (PCT)		\$3,980,273	\$11,016,230	\$7,035,957	2.768
Lifecycle Revenue Impacts (\$/kWh)				\$0.00000446	

Table 23: Residential Energy Efficiency Portfolio

	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0535	\$1,572,702	\$2,172,278	\$599,576	1.381
Total Resource Cost Test (TRC) No Adder	0.0535	\$1,572,702	\$1,974,798	\$402,096	1.256
Utility Cost Test (UCT)	0.0328	\$964,650	\$1,974,798	\$1,010,149	2.047
Rate Impact Test (RIM)		\$3,413,315	\$1,974,798	(\$1,438,517)	0.579
Participant Cost Test (PCT)		\$1,026,535	\$2,867,148	\$1,840,613	2.793
Lifecycle Revenue Impacts (\$/kWh)				\$0.0002842	

Table 24: Home Energy Savings Program

All Measures				AC: IRP 46% LF Decrement	
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0623	\$1,369,885	\$1,640,557	\$270,671	1.198
Total Resource Cost Test (TRC) No Adder	0.0623	\$1,369,885	\$1,491,415	\$121,530	1.089
Utility Cost Test (UCT)	0.0336	\$739,875	\$1,491,415	\$751,540	2.016
Rate Impact Test (RIM)		\$2,564,793	\$1,491,415	(\$1,073,378)	0.581
Participant Cost Test (PCT)		\$973,778	\$2,168,685	\$1,194,907	2.227
Lifecycle Revenue Impacts (\$/kWh)				\$0.00021209	
Discounted Participant Payback (years)				3.84	

Table 25: See ya later, refrigerator® Program

All Measures				AC: IRP 46% LF Decrement	
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0285	\$153,665	\$309,029	\$155,364	2.011
Total Resource Cost Test (TRC) No Adder	0.0285	\$153,665	\$280,935	\$127,270	1.828
Utility Cost Test (UCT)	0.0315	\$175,623	\$280,935	\$105,312	1.600
Rate Impact Test (RIM)		\$541,333	\$280,935	(\$260,398)	0.519
Participant Cost Test (PCT)		\$13,412	\$401,081	\$387,669	N/A
Lifecycle Revenue Impacts (\$/kWh)				\$0.0000407679	

Table 26: Low-Income Program

All Measures				AC: IRP 46% LF Decrement	
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0155	\$49,152	\$222,693	\$173,541	4.531
Total Resource Cost Test (TRC) No Adder	0.0155	\$49,152	\$202,448	\$153,296	4.119
Utility Cost Test (UCT)	0.0155	\$49,152	\$202,448	\$153,296	4.119
Rate Impact Test (RIM)		\$307,189	\$202,448	(\$104,741)	0.659
Participant Cost Test (PCT)		\$39,345	\$297,382	\$258,037	N/A
Lifecycle Revenue Impacts (\$/kWh)				\$0.00002415	

Table 27: Non-Residential Energy Efficiency Portfolio

	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0349	\$3,923,233	\$11,298,090	\$7,374,857	2.880
Total Resource Cost Test (TRC) No Adder	0.0349	\$3,923,233	\$10,270,991	\$6,347,758	2.618
Utility Cost Test (UCT)	0.0220	\$2,466,960	\$10,270,991	\$7,804,031	4.163
Rate Impact Test (RIM)		\$9,118,577	\$10,270,991	\$1,152,414	1.126
Participant Cost Test (PCT)		\$2,953,738	\$8,149,082	\$5,195,344	2.759
Lifecycle Revenue Impacts (\$/kWh)				(\$0.00009799)	

Table 28: Energy FinAnswer Program

All Measures				AC: IRP 65% LF Decrement	
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.032414	\$1,698,464	\$5,319,286	\$3,620,823	3.132
Total Resource Cost Test (TRC) No Adder	0.032414	\$1,698,464	\$4,835,715	\$3,137,251	2.847
Utility Cost Test (UCT)	0.018924	\$991,606	\$4,835,715	\$3,844,109	4.877
Rate Impact Test (RIM)		\$3,986,110	\$4,835,715	\$849,604	1.213
Participant Cost Test (PCT)		\$1,201,802	\$3,489,448	\$2,287,647	2.904
Lifecycle Revenue Impacts (\$/kWh)				(\$0.000018041)	
Discounted Participant Payback (years)				6.24	

Table 29: FinAnswer Express Program

All Measures				AC: IRP 65% LF Decrement	
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.062678	\$1,583,231	\$2,651,610	\$1,068,379	1.675
Total Resource Cost Test (TRC) No Adder	0.062678	\$1,583,231	\$2,410,554	\$827,323	1.523
Utility Cost Test (UCT)	0.03301	\$833,815	\$2,410,554	\$1,576,740	2.891
Rate Impact Test (RIM)		\$2,714,487	\$2,410,554	(\$303,933)	0.888
Participant Cost Test (PCT)		\$1,129,543	\$2,260,799	\$1,131,256	2.002
Lifecycle Revenue Impacts (\$/kWh)				\$0.0000178912	
Discounted Participant Payback (years)				8.95	

Table 30: Self Direction Program

All Measures				AC: IRP 65% LF Decrement	
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0184	\$641,539	\$3,327,194	\$2,685,656	5.186
Total Resource Cost Test (TRC) No Adder	0.0184	\$641,539	\$3,024,722	\$2,383,183	4.715
Utility Cost Test (UCT)	0.0148	\$641,539	\$3,024,722	\$2,383,183	4.715
Rate Impact Test (RIM)		\$2,417,979	\$3,024,722	\$606,743	1.251
Participant Cost Test (PCT)		\$622,394	\$2,398,834	\$1,776,441	3.854
Lifecycle Revenue Impacts (\$/kWh)				(\$0.0000120032)	
Discounted Participant Payback (years)				3.72	

Appendix:

Appendix 1 – Additional detail on proposed 2011 changes in Wyoming

Appendix 1

2010 Wyoming Energy Efficiency
Annual Report

Rocky Mountain Power

This exhibit provides background information on each of Rocky Mountain Power's Wyoming demand-side management programs and additional detail on changes the Company is recommending to make to those programs. Information will be provided on the six following programs:

Residential Programs

Schedule 118 – Low Income Weatherization program	Page 1
Schedule 117 – Refrigerator/Freezer Recycling	Page 3
Schedule 111 – Home Energy Savings Incentive,	Page 4

Business Programs

Schedule 115 – FinAnswer Express	Page 25
Schedule 125 – Energy FinAnswer	Page 39
Schedule 192 – Self-Direction Credit	Page 41

Proposed changes to Residential Programs

Low Income Weatherization Program – Schedule 118

Background

The Low Income Weatherization Program is designed to provide demand-side management services to income eligible residential customers. The Company has partnerships in place with the Wyoming Energy Council and the Council of Community Services to provide weatherization services. These two non-profit agencies receive federal and state grants as well as Company funding. Participants can be homeowners or renters and reside in single-family homes, manufactured homes or apartments and receive the energy efficiency services at no cost. This program was approved to be offered on or after January 1, 2009 however agency agreements were not completed and major measure made available until May, 2009.

The Company filed to revise the Low Income Weatherization program tariff, Schedule 118 on December 12, 2008 through Docket No. 20000-339-ET-08. In the December 12 filing the Company proposed to add a provision allowing for the direct distribution of energy saving measures within the tariff. An order was issued by the Wyoming Public Service Commission on February 2, 2009 approving direct distribution. Working with the Wyoming Department of Family Services the Company obtained a list of customers that received Low Income Energy Assistance Program (LIEAP) funds and began distributing compact fluorescent bulb kits to LIEAP recipients. We estimate annual savings of 232 kWh per kit which provides annual bill savings of approximately \$20.00.

Description of Planned Low Income Weatherization Program Changes

As authorized in the revised Schedule 118, PacifiCorp will, if it is determined to be cost effective, expand the delivery of supplemental program measures. The company is currently planning to provide Energy Star qualified refrigerators, collecting and recycling older inefficient models in accordance with EPA disposal guidelines. The direct delivery of the refrigerator replacement measures will be achieved through a competitive bid process and serve to complement the objective of the program; to reduce the electricity requirements and increase the penetration of weatherization and efficiency measures in residential dwellings inhabited by low income households. The final determination regarding the proposal will be based on cost-effectiveness, which will be assessed upon receiving vendor delivery bids through the competitive bid process. The refrigerator replacement offering is expected to be available no later than the third quarter of 2011.

Refrigerators were selected because they are one of the highest electricity users in a home. Generally only space heating and cooling and water heating use a greater amount of electricity in homes. There is an opportunity to obtain large kilowatt hour (“kWh”) savings by replacing inefficient refrigerators with Energy Star certified models. And as a result of federal guidelines on the average amount that can be invested per home, most homes served by weatherizing agencies are not receiving a refrigerator even if it is found to be cost effective. Shell measures that increase space heating and cooling efficiencies are generally completed first often leaving insufficient funds for refrigerator replacements. In addition, not all homes heat with electricity or have electric water heaters so the direct distribution of refrigerators within the low income weatherization program will make benefits available to a larger number of our Rocky Mountain Power Wyoming customers.

The Company estimates that approximately 13,000 Rocky Mountain Power customers received LIEAP assistance in 2009/2010. Energy Information Administration data indicates that between 7 percent and 29 percent of people eligible for federal energy assistance have refrigerators older than 18 years old, which the Weatherization Assistance Program Technical Assistance Center uses as a cutoff for qualifying for a replacement. Assuming a mean percent of 18 percent that would suggest approximately 2,340 of Rocky Mountain’s income qualifying Wyoming customers would be eligible for a replacement refrigerator.

The Company will limit the number of replacements annually to manage within the budget established for the low income weatherization program. This limit will be determined based on a number of factors including the vendor delivery costs to be determined through the competitive bid process, compact fluorescent bulb kit distribution costs, and agency weatherization or major measure activity and related costs.

The Company proposes mailing details regarding the refrigerator replacement offer to Rocky Mountain Power customers that received LIEAP assistance in the past LIEAP program year. The mailing will include a reply card in which customers will be asked to record the model number from their refrigerator if they are interested in participating. Those customers that

respond with qualifying equipment will be screened further to ensure their equipment qualifies for replacement and will be provided a new refrigerator on a first come first serve basis while funding is available in that year.

Interested income eligible customers will benefit from the installation of a new refrigerator as many old models use a large amount of electricity. The Company's analysis indicates that the average annual savings will be approximately 1,200 kWh, which provides bill savings of about \$100.00 per year.

The Company is proposing refrigerator replacements be available to both home owners and renters. The intent of the Low Income Weatherization program is to help customers become more energy efficient whether they rent or own their home. Refrigerator replacements are available through the Wyoming Family Services Department low income weatherization funding to home owners and renters also. Permission to replace a refrigerator will be required by the refrigerator owner through a signature, which in some cases will be a landlord.

No program tariff changes are required to implement the direct distribution of refrigerators through the program, the current guidelines within Schedule 118 provide the necessary authority and guidelines under which the offer will be designed and offered.

Refrigerator/Freezer Recycling – Schedule 117

Background

The refrigerator recycling program, which is marketed as “**See ya later, refrigerator®**”, is available to residential customers through a Company contract with a third-party program administrator, JACO Environmental Services. Older refrigerators and freezers which are less efficient, yet operational, are taken out of use permanently and recycled in an environmentally responsible manner. The program's objective is to permanently retire these older and less efficient refrigerators and freezers from the market and recycle the units in order to avoid their re-entry or resale on the secondary appliance market. To participate, customers call a 1-800 number to schedule a pick-up of their refrigerator or freezer. Program awareness is generated through mass media advertising channels as well as Company channel communications such as the program's Web site, bill inserts, and customer newsletters. In addition to free pick-up of their appliance and a cash incentive of \$30, participants receive an energy efficiency packet consisting of ENERGY STAR®-certified compact fluorescent light bulbs, a refrigerator/freezer thermometer, and energy education materials. This program was first offered to Wyoming customers January 1, 2009.

Description of Planned Refrigerator/Freezer Recycling Program Changes

In 2010 the Company began working to forge relationships with appliance retailers to allow customers purchasing new units to have their old appliance picked up at the time their new appliance was being delivered. In addition, the Company is proposing to increase the cash incentive paid to customers for their participation from \$30 to \$40, further increase program advertising, and re-evaluate the contents in the energy efficiency packet to look for greater instant savings value for participating customers.

When the program was first introduced in Rocky Mountain Power's other jurisdictions, the cash incentive was \$40 and later reduced to \$30 once the program was well established and program awareness achieved. The Company feels that with the prolonged economic recession and resulting customer behavior increasing the cash incentive will encourage greater customer participation.

In addition to increasing the participation cash incentive, the Company proposes further increases to the program advertising as a means of not only increasing participation in the “**See ya later, refrigerator®**” program but the overall demand side management program and offerings. The “**See ya later, refrigerator®**” program is a highly visible and recognizable program, and participants in the program receive information on Rocky Mountain Power's other programs such as the Home Energy Saving program as well as receive general tips on how to be *wattsmart*.

Participants currently receive a free energy-saving packet or kit, which includes two compact fluorescent light bulbs (CFLs), a refrigerator/freezer thermometer card, an energy-savings brochure and information on other energy saving residential programs and resources. The Company is investigating complementing this kit with additional instant savings measures to maximize customer value and savings. Examples might include the addition of a low flow showerhead and faucet aerators for electric water heating participants and a coupon for a free third CFL directing customers to local retailers participating in the Home Energy Saving program's CFL buy-down program. Final determination regarding the addition of measures will be based on the overall cost-effectiveness of the program with the inclusion of the measures.

A tariff change will be required to increase the cash incentive however the other program changes are currently authorized under Schedule 117 as currently approved.

Home Energy Savings Incentive - Schedule 111

Background

The Home Energy Savings program provides a broad framework to deliver incentives for more efficient products and services installed or received by Wyoming customers in new or existing homes, multi-family housing units or manufactured homes. The program is delivered through a third party administrator hired by the Company.

Qualifying equipment descriptions, customer and dealer incentives, dates of incentive availability and reference to additional program or contractor requirements are included in the tariff. Additional information on measure specific requirements applicable to customers or contractors is provided on the program web site in addition to incentive applications.

Eligible program measures include: washing machines, refrigerators, water heaters, dishwashers, lighting (both compact florescent lamps (CFLs) and fixtures), cooling equipment and services, ceiling, wall and attic insulation, windows and miscellaneous equipment such as ceiling fans. Incentives are provided to customers through two methods: (1) post-purchase application process

with incentives paid directly to participating customers, and (2) incentives paid to mid-market retailers and manufacturers for buy-downs for delivery of CFLs. Mid-market buy-downs result in lower retail prices for customers at the point-of-purchase and involve no direct customer application process.

In the second quarter of 2010, the company’s third party program administrator examined Wyoming customer participation data, changes in sales volumes and third party standards, information from the program in other markets and other similar programs to identify possible changes to the Home Energy Savings program. The primary objective of this analysis is to increase customer participation and the level of cost-effective electrical energy savings realized by the programs.

Description of Planned Home Energy Savings Incentive Program Changes

As a result of this work, new equipment categories, new measures, changes in eligibility requirements and incentive levels are proposed for the program. The changes are designed to increase participation, savings acquisition and improve the comprehensiveness of the program for customers and trade allies. The changes are outlined in the table below.

Changes described below include existing measures where incentives or eligibility criteria are proposed to change or if new measures are being proposed as additions to the program. Changes to unit savings, measure life or measure life assumptions for existing measures are not described below, but are included in the cost effective analysis provided in Exhibit RMP_ (JWB-3).

Measure Category	Description of Change	Reason for Change
Appliances	<p>Modify eligibility requirements and incentive level for an existing measure:</p> <p>Clothes Washers</p> <p>Combine the current Modified Energy Factor (MEF) tiers used to qualify eligible equipment into a single tier.</p> <p>Increase minimum MEF for the single tier to 2.46+.</p> <p>Provide a \$50</p>	<p>Customer purchases of qualifying washing machines increased in 2010 by more than 125% (when compared with 2009) and the availability of energy efficient dishwashers in Wyoming has increased substantially. These factors can be attributed to greater program awareness during 2010 combined with additional incentives provided by ARRA. In addition, the federal standards and ENERGY STAR change scheduled for January 2011 all serve to increase average washing machine efficiency. These efficiency level changes indicated it was appropriate to increase the baseline equipment efficiency assumption from 1.26 to 1.9 Modified Energy Factor (MEF) and propose a higher MEF necessary to qualify for incentives.</p> <p>This proposed change in equipment eligibility helps move customers to the higher tier and ensures the available incentive remains aligned with the energy savings. Energy savings will continue to be reported based on individual participant water heating and dryer fuel source information</p>

Measure Category	Description of Change	Reason for Change
	incentive for machines meeting this qualification.	provided on the incentive application.
	<p>Modify eligibility requirements for an existing measure:</p> <p>Dishwasher</p> <p>Align eligibility requirements with Consortium for Energy Efficiency (CEE) Tier 2 instead of ENERGY STAR.</p>	<p>Customer purchases of qualifying dishwashers increased in 2010 by more than 200% (when compared with 2009) and the availability of energy efficient dishwashers in Wyoming has increased substantially. These factors can be attributed to greater program awareness during 2010 combined with additional incentives provided by ARRA.</p> <p>Federal standards changed in 2010 have required the baseline equipment to become more efficient. ENERGY STAR standards will change in January 2011 in response to these increased federal standards. The federal standards changes have reduced the energy savings available from each dishwasher meeting the current and new ENERGY STAR requirements. In order to ensure a minimum level of savings to align with the current \$20 incentive, the eligibility requirements need to be increased. CEE develops and maintains standards for some appliances and in some cases have standards that exceed ENERGY STAR. This is the case with the CEE Tier 2 requirements for dishwashers which is why the standard was selected to replace the ENERGY STAR standards for dishwashers in the program. Research by the program administrator indicates product meeting these requirements is available in Wyoming. Energy savings will continue to be reported based on individual participant water heating fuel source and efficiency levels from information provided on the incentive application.</p>
	<p>Modify eligibility requirements and incentive level for an existing measure:</p> <p>Electric Water Heaters</p> <p>Specify different EF depending on tank sizes for eligibility.</p> <p>Adjust the incentive from \$50 to \$75 per tank.</p>	<p>Customer participation in the current offer has remained relatively flat despite previous outreach efforts and eligible equipment availability remains limited. Under the current qualifications, larger tank sizes rarely meet the current qualifications which requires an Energy Factor (EF) of 0.93 or greater and provides a \$50 incentive for all tank sizes, 40 gallons and larger.</p> <p>The proposed change is to require different EFs for different tank sizes and increase the incentive from \$50 to \$75 for all tank sizes. Since electric water heating is less prevalent than gas in Wyoming, it is important that the program offer be as comprehensive as possible to help ensure that high efficiency equipment is purchased instead of baseline equipment when tanks are replaced, typically when existing tanks fail or for new installations. The EF will be different based on the tank size.</p>

Measure Category	Description of Change	Reason for Change
	<p data-bbox="414 394 639 426">Add new measure:</p> <p data-bbox="414 464 651 527">Heat Pump Water Heater</p> <p data-bbox="414 564 675 695">Provide customer and contractor incentives for ENERGY STAR qualified units.</p> <p data-bbox="414 732 634 795">\$150 to customer \$100 to contractor</p>	<p data-bbox="711 266 1198 363">40 – 49 gallon with EF of 0.93 or greater 50 - 65 gallon with EF of 0.91 or greater 66 + gallon with EF of 0.89 or greater</p> <p data-bbox="711 394 1437 596">The Wyoming American Recovery and Reinvestment Act (ARRA) Appliance Rebate Program substantially increased awareness of this technology by offering incentives for it. The federal code is scheduled to change in April 2015 for electric water heaters and models with a storage capacity greater than 55 gallons must be a heat pump water heater.</p> <p data-bbox="711 630 1437 898">The combination of ARRA activity and the established date for the code change has served to increase contractor and retailer requests for incentives for the measure. While current retailer stocking practices are predominantly special order, there are at least 15 retailers carrying models from GE, Rheum, and Richmond. Retailers include Menard's (Casper), Neilson's (Kemmerer), Rushmore (Rock Springs) in addition to Sears, Home Depot and Lowe's.</p> <p data-bbox="711 932 1437 1297">Heat pump water heaters utilize the same technology that is used to heat and cool homes by extracting heat present in the air and transferring it to water in a tank. Fans pull in warm air from the space around the unit, and pass it over an evaporator where it is transferred to the water via an electrically powered refrigeration compressor and refrigerant loop. Hot water is stored in an insulated tank similar to standard electric water heater. These units also have conventional heating elements to boost the temperature and production of hot water should there be additional demand.</p> <p data-bbox="711 1331 1437 1738">There are several differences between heat pump and standard electric water heaters installations and for these reasons contractor installation is required. Differences include: discharge of cool, dry air into the surrounding space, compressor and fan noise, the need to regularly service the evaporator fan filter, ensuring that the units are installed in a space with the minimum of 1,000 cubic feet of air, and that the units operate most efficiently when the ambient air is above 40° (below 40° the system switches automatically to a standard electric water heating mode) and the slightly larger size when compared to standard electric water heaters.</p> <p data-bbox="711 1772 1437 1864">The program recommends offering an incentive of \$150 for customers and an incentive of \$100 for contractors. The heat pump water heater must be ENERGY STAR qualified. The</p>

Measure Category	Description of Change	Reason for Change
	<p data-bbox="415 428 651 457">Add a new measure</p> <p data-bbox="415 501 618 571">Clothes Washer Recycling</p> <p data-bbox="415 615 651 684">\$50 incentive to the retailer.</p> <p data-bbox="415 728 683 974">Eligibility is tied to machines removed from Rocky Mountain Power customers who purchase an eligible high efficiency washing machine.</p>	<p data-bbox="712 266 1429 394">program will require additional documentation for verification including a photo of the installation for verification. All installations are subject to on-site inspections for quality assurance purposes.</p> <p data-bbox="712 428 1429 659">Currently, many retailers offer to remove the old appliance when they deliver a new one and typically they sell these machines in “lots” to used appliance vendors. By providing this incentive to retailers, it reduces the number of machines and parts that enter the secondary market. It will only be available to retailers who sell a qualifying washing machine to an eligible Rocky Mountain Power customer.</p>
	<p data-bbox="415 1022 651 1052">Add a new measure</p> <p data-bbox="415 1096 516 1125">Freezer</p> <p data-bbox="415 1159 618 1287">Provide a \$20 incentive for ENERGY STAR qualified unit.</p>	<p data-bbox="712 1022 1429 1318">Customer demand for ENERGY STAR appliances has increased in Wyoming which is partially attributable to ARRA funding and program incentives for appliances. Adding this measure has the potential to generate additional energy savings and responds to a Wyoming specific need where rural customers tend to have the need for more food storage. Adding this measure increases the comprehensiveness of the program for customers and retailers.</p>
<p data-bbox="183 1358 331 1423">Consumer Electronics</p>	<p data-bbox="415 1358 634 1457">Add new measure category and measures:</p> <p data-bbox="415 1491 607 1520">Flat Panel TVs</p> <p data-bbox="415 1554 683 1688">Flat panel televisions required to meet ENERGY STAR v 5.1 standard.</p> <p data-bbox="415 1722 672 1820">Provide a \$50 incentive for ENERGY STAR 5.1.</p>	<p data-bbox="712 1358 1429 1486">According to the Energy Information Administration Report #:DOE/EIA-0383(2010), home electronics is expected to represent nearly 50% of home electricity use by 2035, more than appliances and lighting combined.</p> <p data-bbox="712 1520 1429 1829">According to Northwest Energy Efficiency Alliance (NEEA) which coordinates delivery of a regional home electronics program in the Northwest which includes incentives for flat panel televisions, approximately 70% of flat panel televisions meet the requirements of ENERGY STAR v. 4.1, while only 8% are rated ENERGY STAR v. 5.1. Utilizing the ENERGY STAR v. 5.1 standard as the eligibility requirement will provide a minimum level of savings per unit in a market that is evolving rapidly.</p> <p data-bbox="712 1862 1421 1894">Many manufacturers are meeting the ENERGY STAR v. 4.1</p>

Measure Category	Description of Change	Reason for Change
		<p>specifications, but there are few manufactures who currently meet the ENERGY STAR v. 5.1 standard. The current market place has limited v 5.1 availability, but there are products at Wyoming retailers that meet this specification. Flat panel televisions have an average life expectancy of 6 years. The average yearly savings is 179 kWh/unit</p> <p>Provide \$50 incentive to customers for the energy efficient models meeting the requirement of ENERGY STAR v. 5.1. The qualification will float with the ENERGY STAR when the new version becomes available.</p> <p>The qualified product list will be provided on the program website. Incentives will be paid after a post purchase application submitted by the customer is approved by the program administrator.</p>
	<p>Add new measure category and measures:</p> <p>Computer Monitors</p> <p>Monitors required to meet ENERGY STAR v 5.0 standard.</p> <p>Customer incentive \$5</p>	<p>According to a Global Industry Analyst report liquid crystal display (LCD) monitor sales represent 70% of the market for monitors. This shift away from cathode ray tube (CRT) monitors has brought on a new ENERGY STAR specifications for LCD monitors. Nationally, the current ENERGY STAR v. 5.0 monitors represent 47% of the overall monitor market with rural markets having lower market shares.</p> <p>ENERGY STAR current schedules calls for review and revisions to the current v. 5.0 standard on October 30, 2011.</p> <p>LCD monitors are the most common monitors. However, other technologies exist and are ENERGY STAR qualified. These other technologies include plasma, cold cathode fluorescent lamps (CCFL), and light-emitting diode (LED) with LED being the most energy efficient. EMERGY STAR monitors have an average life expectancy of 5 years and gross annual energy savings of 14 kWh over non-ENERGY STAR models.</p> <p>Provide \$5 incentive to customers for energy efficient models meeting requirement of ENERGY STAR v. 5.0. The qualification will float with the ENERGY STAR when the new version becomes available.</p> <p>The qualified product list will be provided on the program website. Incentives will be paid after a post purchase application submitted by the customer is approved by the program administrator.</p>
	Add new measure	The top 5 manufacturers of computers account for over 78%

Measure Category	Description of Change	Reason for Change
	<p>category and measures:</p> <p>Desktop Computers</p> <p>Desktop computers meeting the ENERGY STAR v 5.0</p> <p>Customer incentive \$10</p>	<p>of the sales of computers in the United States. They only make up 20% of the qualified models on the ENERGY STAR list. This means most consumers are not purchasing new high efficiency desktop computers. ENERGY STAR desktops represent 20% of available models in the Wyoming market.</p> <p>Current ENERGY STAR v. 5.0 for desktop computers was effective July 2009.</p> <p>Desktop computers are reviewed and tested under 4 categories depending on processor type and the amount of system memory. The savings are calculated as an equation that includes power use during off, sleep, and idle modes.</p> <p>Provide \$10 incentive to customers for the energy efficient models meeting requirement of ENERGY STAR v. 5.0. The qualification will float with the ENERGY STAR when the new version becomes available.</p> <p>The qualified product list will be provided on the program website. Incentives will be paid after a post purchase application submitted by the customer is approved by the program administrator.</p>
Weatherization	<p>Modify eligibility requirements and incentive levels for an existing measure:</p> <p>Retrofit Insulation</p> <p>Adjust the current incentive levels for adding insulation to each area (ceiling, wall floor) of an existing home.</p> <p>Provide different incentive levels for each area depending on heating and cooling equipment and fuel source.</p>	<p>During the original design, several measures, including insulation utilized savings values derived from Regional Technical Forum (RTF) data. RTF data was chosen based on prior weatherization studies that had been completed in the Northwest. RTF does not have explicit cooling load savings calculations since the Northwest is typically heating dominated. To develop an estimate of cooling savings and account for the gas/electric heat split in Wyoming, the RTF estimates were used in conjunction with heating and cooling degree day data to arrive at the per square foot deemed savings values. These numbers had the advantage of simplicity for program administration and were appropriate since Wyoming specific data was not readily available.</p> <p>As Wyoming housing stock information became available through information contained in incentive applications, the Company and program administrator recognized the need to generate better savings estimates, specific to the Wyoming climate and recommended the use of a simulation model in place of the prior estimates. Simulation models are computer based models which allow energy analysts to provide input information on variables such as age of housing stock, average insulation levels, building size and configuration, cooling and heating plant efficiencies, climate</p>

Measure Category	Description of Change	Reason for Change
	<p>Attic Insulation</p> <p>Adjust \$0.35/SF incentive for attic insulations to:</p> <p>\$0.15/SF - electrically cooled homes</p> <p>\$0.50/SF - electrically heated homes</p>	<p>zone, etc. Energy Gauge modeling software was selected as it is widely used in the industry, and is supported by DOE.</p> <p>Inputs to Energy Gauge were based on application data to date and professional judgment for such factors as cooling system efficiency, baseline windows, duct placement, etc.</p> <p>Adjustments and recommendations for each of the three areas as well as an added “spiff” are described below.</p> <p>Currently \$0.35 per square foot incentives for attic insulation are available with the requirement of pre-existing R-18 or less and minimum installation of R-19 or greater for both electrically heated homes and electrically cooled homes. However the savings per square foot results from the recent simulation as described above indicates a wide variation between savings available from electrically heated and electrically cooled (i.e., gas heated) homes; (0.15kWh/SF for electrically cooled homes compared to 2.91 kWh/SF for electrically heated homes).</p> <p>To improve the alignment of incentive amounts with estimated savings available, the recommendation is to provide a \$0.50 per square foot to the electrically heated home and \$0.15 per square foot to the electrically cooled homes. The \$0.15/sf is limited by the amount the program can afford to pay for the electric energy savings estimated to be available on a per square foot basis.</p> <p>To better align with current market practices and the trend in other programs with weatherization offers to require a substantial amount of added insulation to help prevent multiple treatments of the same space, the minimum requirement for added insulation levels will move from R-19 to R-30. The final insulation levels must be R-49 or greater. The pre-existing insulation requirements will be adjusted slightly to R- 20 or less</p> <p>Market data indicates the average cost of installed insulation (blown in cellulose) is about \$0.74/sf and the electrically heated home incentive is designed to offset about two thirds of the costs. For some gas heated homes, gas company incentives are available from Questar which add another \$0.20/Sf and the resulting combination covers about 47% of the average costs. The remaining costs are recovered by the homeowner over time through reduced usage and bill savings.</p>

Measure Category	Description of Change	Reason for Change
	<p>Floor Insulation</p> <p>Adjust \$0.35/SF incentive for floor insulations to:</p> <p>\$0.50/SF - electrically heated homes</p> <p>Wall Insulation</p> <p>Adjust \$0.35/SF incentive for floor insulations to:</p> <p>\$0.30SF - electrically cooled homes</p> <p>\$0.60/SF - electrically heated homes</p> <p>Insulation Spiff</p> <p>Add a \$200 per job “spiff” if two or more areas are insulated at</p>	<p>Currently, the program offer incentive at \$0.35 per square foot with the requirement of pre-existing R-18 or less and minimum installation of R-19 or greater for both electrically heated homes and electrically cooled homes. However the savings per square foot results from the recent simulation as described above indicates robust savings from electrically heated homes, (7.59 kWh/SF) and negative (-0.02kWh/SF) savings for homes with electrical cooling.</p> <p>To improve the alignment of incentive amounts with estimated savings available, the recommendation is to provide a \$0.50 per square foot to the electrically heated home and discontinue incentives for electrically cooled homes.</p> <p>Currently, the program offer incentive at \$0.35 per square foot with the requirement of pre-existing R-10 or less and minimum installation of R-11 or greater for both electrically heated homes and electrically cooled homes. However the savings per square foot results from the recent simulation as described above indicates robust savings from electrically heated homes, (12.15 kWh/SF) and modest savings (0.31 kWh /SF) for homes with electrical cooling.</p> <p>To improve the alignment of incentive amounts with estimated savings available, the recommendation is to provide a \$0.60 per square foot to the electrically heated home and \$0.30 for electrically cooled homes. The \$0.30/SF is limited by the amount the program can afford to pay for the electric energy savings estimated to be available on a per square foot basis.</p> <p>The R-10 or less pre-existing condition will remain unchanged. The final insulation level requirement of R-13 is an increase compared to the current requirement of R-11.</p> <p>Most of the participation to date has been blow in attic insulation. With actual participation data indicating that the attic is the primary focus for contractors, program incentives are being realigned to help encourage more comprehensive approach to weatherization. These changes align with offers from other programs that provide incentives for</p>

Measure Category	Description of Change	Reason for Change
	the same time.	<p>weatherization and are designed to prevent multiple treatments for the same area/same measure. Proposed change is to offer an additional \$200 incentive to customers who install two qualified insulation measures (attic/wall/floor) at the same time in the same house, and paid for on one invoice.</p> <p>Incentives will continue to be offered via post purchase applications submitted by the customer, reviewed and approved by the program administrator. All applications are subject to on-site verification. The program administrator employs a combination of methods to select applications for on-site inspections prior to payment of the requested incentive.</p> <p>Current installation requirements for this measure are also being revised based on market experience. The revised requirements are designed to help promote higher quality installations to improve savings delivered from each participant, to align with the drive to more comprehensive weatherization projects and to prevent multiple treatments for the same measure. These requirements are available on the web site, must be adhered to for both contractor and self installed projects and are provided during weatherization contractor outreach and training conducted by the program.</p>
	<p>Modify eligibility requirements</p> <p>Windows</p> <p>Change window U-Factor from 0.35 to U-Factor of 0.30</p>	<p>Incentive for windows is designed around the premise that the decision has been made to replace existing windows and the incentives and specifications are designed to improve the efficiency of the replacement window selected. Incentives are designed to cover most of the added cost of the improved window when compared to the least cost least efficient baseline window be considered. Incentives are not designed to cover a material portion of the entire window replacement cost. Replacement window specifications have improved over the past two years while the federal tax credit has been available. The added cost for the improved efficiency of the window has also declined.</p> <p>Changes in the window market and updated savings estimates indicate changes are needed to better align window qualifications with available savings and incentive amounts.</p> <p>Currently, the program offer incentive at \$1.00 per square foot with the requirement of a U-Factor of 0.35 or lower and an SHGC of 0.33 or lower for both electrically heated homes and electrically cooled homes. However the savings</p>

Measure Category	Description of Change	Reason for Change
	<p>Change window SHGC from 0.33 to not required</p>	<p>per square foot results from the recent simulation (see insulation section) indicates robust savings from electrically heated homes, (3.58 kWh/SF) and negative (-0.01kWh/SF) savings for homes with electrical cooling.</p> <p>The proposed change is in the eligibility requirements; with requirement of a U-factor of 0.30 or lower to customers with electric heating systems only. Performance criteria for windows are based on <u>climate zones</u> and ratings certified by the National Fenestration Rating Council (NFRC). The SHGC is not required for Northern climate zone applicable to Wyoming.</p> <p>The incentive of \$1.00/SF of window area will remain the same. Incentives will continue to be available via post purchase application reviewed and approved by the program administrator.</p>
<p>Lighting, Fixtures, Ceiling Fans</p>	<p>Modify incentive levels for an existing measure.</p> <p>Lighting</p> <p>Broaden category definition to permit adding LEDs in the future.</p> <p>Adjust not to exceed retail price from \$0.99 - \$2.75 (or less) to \$2.50 - \$14.00 (or less).</p> <p>Modify eligibility requirements for an existing measure</p> <p>Fixtures</p>	<p>Provides more flexibility in markdown incentives to increase market penetration and increase CFL adoption. Retain Energy Star qualified requirement.</p> <p>Refer to the lighting section below this table for more information</p> <p>The program offers a \$20 incentive for ENERGY STAR qualified fixtures. ENERGY STAR periodically updates qualifications for product. ENERGY STAR has currently released draft specifications for both lamps and luminaires. These new specifications will become effective on or near November 2011. Program qualifications will mirror these new specifications.</p> <p>Many lamps on the ENERGY STAR list are not permanently installed (portable, torchiere, etc.) and can be purchased and may not remain installed for the entire measure life. In addition, incentives are set based on cost</p>

Measure Category	Description of Change	Reason for Change
		<p>more closely associated with permanently installed (hardwired) fixtures. To align incentives with available savings, , the products that are listed as torchiere or portable on the ENERGY STAR list do not qualify for incentive.</p> <p>Incentives will continue to be available via a post purchase incentive application completed by the customer, submitted to and approved by the program administrator.</p>
HVAC	<p>Modify eligibility requirements for an existing measure</p> <p>Ceiling fans</p>	<p>The program offers a \$20 incentive for ENERGY STAR qualified ceiling fans. The original program design assumed the savings associated with fans were delivered by efficient lighting.</p> <p>ENERGY STAR periodically updates qualifications for rating. Program qualifications will mirror those of ENERGY STAR.</p> <p>While many ceiling fans that have received incentives have an integrated light kit, it has not been an explicit program requirement. The proposed change is to require the purchase of a ceiling fan with an integrated light kit, or a separate qualified light kit that can be attached to an existing fan.</p> <p>The current incentive will remain unchanged and continue to be offered via post purchase customer application.</p>
	<p>Modify eligibility requirements for an existing measure</p> <p>Central Air Conditioner</p> <p>Add Thermal Expansion Valve (TXV) requirement</p>	<p>The program offers \$250 for the customer and \$25 for the contractor for the installation of a minimum 15 SEER central air conditioner. The work must be performed by a contractor.</p> <p>The proposed change is to add a thermal expansion valve (TXV) requirement to the existing measure qualification of 15 SEER. The incentives for the customer and contractor would remain the same.</p>
	<p>Modify eligibility requirements and adjust the incentive for an existing measure</p> <p>Evaporative Cooler – Permanently Installed</p> <p>Increase customer incentive from \$100 to</p>	<p>Participation to date has been low for this measure. This product is ideal for the dry climate in Wyoming, but many consumers may not be familiar with the current advances in the technology and or the full extent of the energy savings available. Units are available in the market, but not heavily promoted.</p> <p>The proposed change is to increase the customer incentive and add a contractor incentive. Contractors are a key sales channel for this technology, however the per job contractor margin is smaller for an evaporative cooling project</p>

Measure Category	Description of Change	Reason for Change
	<p>\$150.</p> <p>Add a contractor incentive of \$100</p> <p>Add minimum size in Cubic Feet per Minute (CFM)</p>	<p>compared with a unitary (compressor based) project. Providing a contractor incentive will help overcome the bias of contractors not promoting evaporative cooling projects.</p> <p>To help ensure incentives are provided for systems that function as the primary cooling source for a home, meet the requirement of this measure, the products must be rated at a minimum by the cubic feet per minute (CFM) of airflow 3,500 to sufficiently cool an average-sized home in Wyoming and must be the primary source of cooling for the home. This requirement will be included in the program requirements on the web site.</p> <p>The units may be installed in existing or new homes. While the measure is not required to be installed by a contractor, installation by a contractor is recommended. If the customer self-installs the equipment, the customer will receive only the incentive of \$150 for the customer only. Incentives will be provided after submittal of a post purchase application which is approved by the program administrator.</p>
	<p>New measure</p> <p>Evaporative Cooler – Portable</p> <p>Customer incentive - \$75</p> <p>Minimum CFM rating – 2,000</p>	<p>Intended to replace a room air conditioner. The barriers to evaporative technology are described above and adding a customer incentive will help promote increased evaporative installations and increase the comprehensiveness of the program for both customers and retail partners where the units are sold.</p>
	<p>New measure</p> <p>Room Air Conditioner ENERGY STAR qualified</p> <p>Customer incentive - \$25</p>	<p>This is a new measure and adding it will improve the comprehensiveness of program for customers and retailers.</p> <p>ENERGY STAR Room Air Conditioners use 10% less energy than conventional non-ENERGY STAR qualified machines. Energy savings are achieved from improved compressor efficiency as well as the surface areas of the heat transfer coils which controls the amount of heat and moisture that can be removed from the conditioned air. In addition, ENERGY STAR qualified units generally come with timers which allow users to set the unit to operate only at the required times during the day. Incentives for ENERGY STAR qualified room air conditioners offer a way to help move the customer up the efficiency scale when they have made a decision to purchase a room air conditioner unit.</p>

Measure Category	Description of Change	Reason for Change
		<p>This new measure will offer a customer incentive of \$25 for ENERGY STAR qualified models to promote the purchase of higher efficiency models.</p> <p>Equipment is available at several retailers in Wyoming including Best Buy, Home Depot, Sam's Club, Sears, Menards, Cost Plus, and Letz's TV and Appliance.</p> <p>Incentives will be available via post purchase application reviewed and approved by the program administrator.</p>
	<p>Modify eligibility requirements and incentive levels for an existing measure</p> <p>Central Air Conditioner Tune-ups.</p> <p>Adjust the customer incentive to \$20.</p> <p>Eliminate the contractor incentive</p>	<p>The current program provides a customer incentive of \$100 and a contractor incentive of \$25 to tune-up central air conditioners. The job must be performed by a contractor.</p> <p>The original design intent of this measure was to promote a systematic energy savings approach to preventative maintenance work done by a homeowner's regular HVAC contractor and to improve the focus on energy savings by HVAC contractors offering tune-up services. Savings estimates used in program planning are based on a weighted average of unit size. This was done for purposes of administrative ease and to determine whether the level of contractor interest in the measure justified program training and quality assurance follow-up.</p> <p>To ensure cost effectiveness at a measure level, the proposed change is to adjust the incentive for the air conditioner tune-up to \$20 for the customer. The dealer incentive was eliminated based on available savings. Work must be performed by a program qualified contractor with the program requirements.</p> <p>Specific tune-up requirements for airflow and refrigerant charge are also being updated and will be available on the web site. Incentive will be paid after a customer submitted post purchase application is received and approved by the program administrator.</p>
	<p>New measure</p> <p>Heat Pump Tune-up</p> <p>Customer incentive - \$100</p> <p>Contractor incentive - \$25</p>	<p>This measure is being added to promote proper maintenance and efficiency of existing heat pump equipment. Experience to date has shown that most contractors focus on air conditioning units and overlook heat pumps. Heat pumps offer significant savings at cost effective levels.</p> <p>Specific tune-up requirements for airflow and refrigerant charge for heat pumps will be updated and available on the web site.</p>

Measure Category	Description of Change	Reason for Change
		<p>Work must be performed by a program qualified contractor and meet the program requirements. Incentive will be paid after a customer submitted post purchase application is received and approved by the program administrator.</p>
	<p>Modify eligibility requirements and incentive levels for an existing measure and adjust incentives</p> <p>Duct Sealing and Insulation</p> <p>Electrically cooled homes: \$275 (customer) and \$75 (contractor)</p> <p>Electrically heated homes: \$375 (customer) and \$75 (contractor)</p>	<p>The program only offers duct sealing but not with the duct insulation. The duct sealing measure is designed to achieve energy savings through a systematic approach to this work. Prior to the implementation of this measure, duct sealing work was being performed in the market, but quality and attention to a systematic practice varied widely. Combining duct sealing with duct insulation into one measure furthers a systematic approach to duct performance and promotes best practices.</p> <p>The proposed change is to combine the duct sealing and duct insulation measures into one in order to promote best building practices, achieve greater assurance of the quality of work being performed and ensure that savings from both sealing and insulation are acquired at the same time. The Company further proposes to offer separate incentives for this combined measure for homes with electric cooling and those with electric heating, as the potential savings between these two configurations varies.</p> <p>Duct sealing and duct insulation must be completed by a program qualified contractor with the program requirements. Updated requirements will be available on the website. Incentives will be provided via a post purchase application submitted by the customer and reviewed and approved by the program administrator. Similar to the current practice, a sample of installations will be selected by program administrator for on-site inspections prior to payment of incentives.</p>
	<p>Modify eligibility requirements and incentive levels for an existing measure</p> <p>Heat Pump Conversion</p> <p>Increase customer incentive to \$400.</p> <p>Increase contractor incentive to \$100.</p>	<p>The program offers incentive of \$350 to the customer and \$25 to the contractor if the customer replaces baseboard heating or electric furnace with 8.2 or greater HSPF heat pump. The job must be performed by a contractor.</p> <p>To help ensure customers purchase higher efficiency (when compared to code minimum) heat pumps when the decision is made to install a heat, pump, the program recommends increasing the incentive for the customer to \$400 and for the contractor to \$100 for replacing current permanently installed electric heating system with an 8.2 or greater HSPF with a Thermal Expansion Valve (TXV). Work must be</p>

Measure Category	Description of Change	Reason for Change
		<p>performed by a contractor with the program requirements.</p> <p>Requirements for heat pump conversions will be updated and available on the web site requirements.</p> <p>This measure is available to customers who have an electric heat system (baseboard or resistance heat or an electric forced air furnace) serving 80% of their conditioned space, and would like to convert to a high efficiency heat pump.</p> <p>This measure is not available to customers wishing to convert from oil, gas, coal, or propane, or to replace space heaters.</p>
	<p>Modify eligibility requirements and incentive levels for an existing measure</p> <p>Heat Pump Upgrade</p> <p>Increase customer incentive to \$350.</p> <p>Increase contractor incentive to \$100.</p>	<p>The program offers incentive of \$250 to the customer and \$25 to the contractor if the customer replaces baseboard heating or electric furnace with 8.2 or greater HSPF heat pump. The job must be performed by a contractor.</p> <p>To help ensure customers purchase higher efficiency (when compared to code minimum) heat pumps when the decision is made to install a heat pump, the program recommends increasing the incentive for the customer to \$300 and for the contractor to \$100 for upgrading an existing heap pump to a high efficiency model of 8.2 or greater HSPF with a Thermal Expansion Valve (TXV). Work must be performed by a contractor with the program requirements.</p> <p>Requirements for heat pump upgrades will be updated and available on the web site requirements</p> <p>This measure is not available to customers converting from a heating fuel other than permanently installed electric heat.</p>
	<p>New measure</p> <p>Heat Pumps Best Practice Installation and Sizing</p> <p>Customer incentive: \$100</p> <p>Contractor incentive: \$100</p>	<p>This measure is being added to promote best practice installation and sizing of new heat pump installations to ensure an appropriately sized heat pump operates as close as possible to its design efficiency. Adding this measure align the heat pump measures with the air conditioning measures which includes and sizing incentive offer and improves the comprehensiveness of the program for customers and contractors.</p> <p>The program proposes to offer a best practices installation and sizing measure to maximize heat pump efficiency and provide the customer with a \$100 incentive and \$100 for the contractor. Incentives are available for all new heat pump installations if the work is performed as part of the installation. Work must be performed by a program</p>

Measure Category	Description of Change	Reason for Change
		<p>qualified contractor and meet the program requirements available on the website.</p> <p>Incentives will be provided via a post purchase application submitted by the customer and reviewed and approved by the program administrator. Similar to the current practice for other HVAC measures, a sample of installations will be selected by program administrator for on-site inspections prior to payment of incentives.</p>
	<p>New measure</p> <p>Ductless Heat Pumps – Single Head</p> <p>Minimum efficiency 9.0+ Heating Season Performance Factor (HSPF) and 16 Seasonal Energy Efficiency Ratio (SEER).</p> <p>Customer incentive: \$500</p> <p>Contractor incentive: \$100</p>	<p>Incentives are not currently available for this measure, however equipment is available in the Wyoming market and a few contractors have expressed interest in installing the equipment in certain applications.</p> <p>Ductless heat pumps are sometimes called a “mini-split” heat pump and consist of an outside compressor unit and one or more inside “heads” that deliver conditioned air to the room or rooms. Inside units are typically mounted high on the wall. The inside and outside units are connected by refrigerant lines, usually concealed in the walls or ceilings or under a cover on the outside of the house. Some models allow several indoor heads to be connected to a single outside compressor. Ductless heat pumps operate on the same principle as traditional heat pumps – using electricity to move heat between outdoor and indoor air by compressing and expanding a refrigerant.</p> <p>The proposed change is to offer a \$500 incentive for the customer and a \$100 incentive for the contractor for replacement of electric resistance heating systems with a 9.0+ HSPF and 16+ SEER single-head ductless. Space heater replacement does not qualify.</p> <p>The equipment must be installed by a contractor with the program requirements which will be available on the web site.</p> <p>Incentives will be provided via a post purchase application submitted by the customer and reviewed and approved by the program administrator. Similar to the current practice for other HVAC measures, a sample of installations will be selected by program administrator for on-site inspections prior to payment of incentives</p>
New Homes	Update existing measures and provide new measures for new homes.	For new homes the program provides a menu of items for builders and customers to choose from to improve efficiency of new homes. Some measures like appliances have the same incentives as retrofit. Others such as weatherization

Measure Category	Description of Change	Reason for Change
	<p>Refrigerator \$20 incentive</p> <p>Dishwasher \$20 incentive</p> <p>Floor Insulation \$0.35/SF</p> <p>Attic/Ceiling Insulation \$0.15/SF</p>	<p>have different requirements and incentives.</p> <p>All incentives for new homes are available to either the customer or builder but not both. Some measures have incentives for installation contractors such as for the installation of multi-head ductless heat pumps.</p> <p>The current refrigerator incentives offer is available for new homes when the equipment exceeds code minimum requirements, but the measure has not been marketed specifically to new builders. This change helps improve the marketing of the offer to builders. The program recommends aligning with ENERGY STAR with a \$20 incentive for the builder or home owner.</p> <p>The current dishwasher incentive offer is available for new homes when the equipment exceeds code minimum requirements, but the measure has not been marketed specifically to new builders. This change improves the marketing of the offer to builders. Due to the high ENERGY STAR market share, in the Wyoming market, the program recommends an increase of the efficiency level necessary to qualify for incentives. Aligning with CEE Tier 2 to ensure enough savings to be cost-effective. The incentive is \$20 to the builder or home owner for both electric and gas water heat machines.</p> <p>Currently offer \$0.15 per square foot for both electrically heated homes and electrically cooled homes. Contractor must install a minimum of R-10 beyond 2003 IECC code (R-29). Program change is to offer an incentive of \$0.35 per square foot for increased floor insulation in electrically heated homes only, bringing the home's floor insulation level up to R-30. Must be installed by a contractor per the program requirements which will be available on the web site.</p> <p>Currently offer 0.15 per square foot for both electrically heated homes and electrically cooled homes. Contractor must install a minimum of R-10 beyond 2003 IECC code (R-48). Recommendation is to offer an incentive of \$0.15 for adding insulation in electrically heated homes only, to R-60 or more. Must be installed by a contractor per the program requirements which will be available on the web site.</p>

Measure Category	Description of Change	Reason for Change
	<p>Wall Insulation \$0.35/SF</p> <p>Windows \$1.00/SF</p> <p>Heat Pump with Best Practices Installation and Sizing \$450 for customer or builder \$150 for HVAC contractor</p> <p>Ductless Heat Pump – Multiple Heads \$500 for customer or builder \$100 for HVAC contractor</p>	<p>Currently offer \$0.15 per square foot for both electrically heated homes and electrically cooled homes. Contractor must install a minimum of R-5 beyond 2003 IECC code (R-24). Program proposes to increase the incentive level to \$0.35 per square foot for the builder or home owner to promote installation of additional wall insulation in electrically heated new construction to a minimum R-26 final level. Must be installed by a contractor per the program requirements which will be available on the web site.</p> <p>The current window incentives offer is available for new homes when the equipment exceeds code minimum requirements, but the measure has not been marketed specifically to new builders. This change aligns the new construction offer with available savings and helps improve the marketing of the offer to builders. The program recommends offering \$1.00 per square foot to the builder or home owner for installing ENERGY STAR windows with a U-Factor of 0.30 or lower in electrically heated new construction only. Must be installed per program requirements which will be available on the web site.</p> <p>The program currently does not offer this measure. This is a new measure for new homes. Recommendation is to provide an incentive for installation of high performance heat pumps with best practices commissioning in new homes. The incentive is \$450 to the builder or home owner and \$150 for the HVAC contractor. Equipment must be 9.5+ HSPF 14.5+ SEER with a Thermal Expansion Valve (TXV) installed by a program qualified contractor with the program requirements. Program requirements will be available on the web site.</p> <p>The program currently does not offer this measure. This is a new measure for new homes. The multiple-head ductless heat pump measure is designed to condition the whole house with a multiple head unit rated at least 9.0 HSPF and 16 SEER. This measure is only proposed for newly constructed homes and not for existing residences. The incentive is \$500 to the builder or home owner and \$100 to the HVAC contractor. The equipment must be installed by a contractor with the program requirements. The latest requirements will be on the program website.</p>

Measure Category	Description of Change	Reason for Change
	<p>Evaporative Cooler – Permanently Installed</p> <p>Increase customer incentive from \$100 to \$150.</p> <p>Add a contractor incentive of \$100</p>	<p>This is the same measure available to existing homes but the measure has not been marketed specifically to new builders. This product is ideal for the dry climate in Wyoming, but many consumers may not be familiar with the current advances in the technology and or the full extent of the energy savings available. Units are available in the market, but not heavily promoted.</p> <p>To help ensure incentives are provided for systems that function as the primary cooling source for a home, meet the requirement of this measure, the products must be rated at a minimum by the cubic feet per minute (CFM) of airflow 3,500 to sufficiently cool an average-sized home in Wyoming and must be the primary source of cooling for the home. This requirement will be included in the program requirements on the web site.</p> <p>The units may be installed in existing or new homes. While the measure is not required to be installed by a contractor, installation by a contractor is recommended. If the customer self-installs the equipment, the customer will receive only the incentive of \$150 for the customer only. Incentives will be provided after submittal of a post purchase application which is approved by the program administrator.</p>

Energy Efficient Lighting changes for the Home Energy Savings program

Incentives for this measure are currently provided at the manufacturer or retailer level, “up-stream” from the end-use customer. This incentive delivery structure encourages customers to participate in the program by offering CFLs at a discounted price point at select retailers throughout Rocky Mountain Power’s Wyoming service territory. Incentive delivery at this point in the retail sales chain results in minimal customer transaction costs and lower program administration costs. In addition, this delivery model changes customer behavior for a low cost commodity at the point of purchase; i.e., “Look for and purchase CFLs instead of incandescent bulbs at your normal retail outlet.” Currently the program offers the ENERGY STAR qualified CFLs with a \$2.75 not-to-exceed price at the selected retailers.

Savings in this category are deemed from sales volumes and the difference in wattages from incandescent to replacement wattage. This category has performed well and continues to gain traction as time passes. All ENERGY STAR rated products qualify for the incentive. However, current not-to-exceed retail price is defined as \$0.99 to \$2.75 which does not permit a full range of products to be available. While there is no current incentive difference between specialty

CFLs and general CFLs, the maximum incentive and retail price window has restricted the eligible products to a narrow representation of high quality products that are currently available at retail. Expanding the not-to-exceed retail price will permit a wider range of bulbs to be bought down.

The marketplace has actively engaged utility sponsored incentives, and the environment is primed to make a massive push to increase market share of basic efficient replacements over incandescent options. The US Department of Energy has released several statements and papers indicating that CFLs have a great deal of remaining savings potential, and that the measure is still building momentum.

Approximately 100 retail locations selling CFLs have been identified in the state of Wyoming. Of those, about half reside squarely in the Rocky Mountain Power territory. The program has engaged 47 retail locations to provide special pricing on CFLs. These represent retailers from large warehouse stores to small local hardware and grocery stores. While the large stores provide the majority of volume of sales, it is the active engagement of the smaller stores that leads to deeper market penetration, and the program has made concerted efforts to create relationships with every possible location, big or small.

Code/Standard Review

ENERGY STAR periodically updates qualifications for product. ENERGY STAR has currently released draft specifications for both lamps and luminaires. These new specifications will become effective on or near November 2011. Program qualifications will mirror these new specifications.

Beginning in 2012, EISA will eliminate incandescent shipments from entering the US starting at highest wattages, and moving down each year for several years. The initial impact will result in 100 watt equivalent CFLs to have a reduced baseline for savings, affecting their eligibility to be a viable measure.

Each year, the number of products eligible for incentive will decrease as the incandescent baselines are removed, as indicated on the following table:

Lumens	Current Incandescent Wattage	Maximum Allowable Wattage	Lamp Life	Effective Date
1490 - 2600	100	72	1000 hrs	1-1-2012
1050 - 1489	75	53	1000 hrs	1-1-2013
750 - 1049	60	43	1000 hrs	1-1-2014
310 - 749	40	29	1000 hrs	1-1-2014

Recommendation

The program recommends increasing the incentives and widening the retail price window to increase the number of eligible products, resulting in higher redemption and visibility of incentive. Recommendation to offer the ENERGY STAR qualified CFLs with maximum incentive of \$1.50 for the general purpose bulbs and maximum incentive of \$1.75-\$3.50 for specialty bulbs based on bulb type, and not-to-exceed price at \$2.50 for general purpose bulbs and at \$6.00- \$14.00 for specialty bulbs at selected retailers. Mid-market incentives will continue to be managed with agreements between the program administrator and retailer and/or manufacturers.

Available lighting products and retailers will be posted on the program web site.

CFL Incentive Amounts and Not-To-Exceed Prices			
Category	Description	Maximum Incentive Amount	Not-To-Exceed Retail Price
General Purpose	Bare Spiral	\$1.50	\$2.50
Specialty	Globe	\$1.75	\$8.00
Specialty	Reflector	\$2.25	\$8.00
Specialty	3-Way	\$2.25	\$8.00
Specialty	A-Lamp	\$1.75	\$8.00
Specialty	CFL Candelabra	\$1.75	\$6.00
Specialty	Cold Cathode	\$2.25	\$6.00
Specialty	Dimmable	\$3.50	\$14.00
Specialty	Outdoor Lamp	\$2.25	\$8.00

Proposed changes to Business Programs

FinAnswer Express - Schedule 115

Background

The FinAnswer Express program is available to commercial, industrial, and agricultural customers in PacifiCorp's Wyoming service territory and offers incentives for prescriptive measures which improve energy efficiency. The current program offers incentives for lighting, motors, heating ventilation and air conditioning ("HVAC"), building envelope, food service equipment, irrigation, and other measures. Incentives are available for both retrofit projects and new construction/major renovation projects. This program was first offered to Wyoming customers on January 1, 2009.

In July 2010, PacifiCorp retained Nexant, Inc. (Nexant) to evaluate the next phase of program improvements for the FinAnswer Express energy efficiency programs. The primary objective of

this analysis is to increase customer participation and the level of cost-effective electrical energy and demand savings realized by the programs.

Description of Planned FinAnswer Express Program Changes

As a result of this work, new equipment categories, new measures, changes in eligibility requirements and incentive levels are proposed for the FinAnswer Express program. The changes are designed to increase participation, savings acquisition and improve the comprehensiveness of the program for customers and trade allies.

Schedule 213, which was approved since January 1, 2009, was added to the Applicable section of the Schedule to help insure that all customers with lighting opportunities have program services available.

The Energy Efficiency Incentive Caps table on Sheet 115.4 is updated to include the new measure groups and upward adjustment from fifty percent to seventy percent for the project cost cap for retrofit lighting and custom incentive projects. This adjustment mirrors the proposed adjustment to the Energy Fin Answer project cost caps made as part of this filing. The custom energy efficiency incentive rate of \$0.08/kWh has also been adjusted to \$0.10/kWh to maintain the same alignment as currently exists between the Energy FinAnswer and FinAnswer Express programs.

The energy code baseline utilized by the program, the International Energy Conservation Code (IECC) is referenced in the tariff, but the specific version (typically expressed as a year) has been moved to the energy efficiency program section of the Company website to enable the program to utilize a different version in the future if it is determined that common practice has changed in the Wyoming territory. The reference to a baseline for fluorescent lighting utilized by the program remains in the tariff, but the specific description (the lamp and ballast combination) will be provided on the energy efficiency program section of the Company website to enable the program to utilize a different baseline version in the future as lighting standards change.

Proposed changes by measure category are outlined in the table below.

Measure Category	Description of Change	Reason for Change
Retrofit lighting	Modify existing measures: T8 Fluorescent Modify the eligibility requirements for 'Premium efficiency' T8	It is proposed both the lamp and ballast be CEE qualified, but not need to meet a qualifying combination. This flexibility will allow customers and their vendors to choose the most appropriate combination for the space or application. Aligning with CEE will help reduce questions

	<p>fluorescents to match the High Performance/Reduced Wattage T8 lamp and ballast qualifying requirements of Consortium for Energy Efficiency (CEE).</p> <p>Modify delamping incentives to be available where the new lamps and ballasts are Premium (delamping for Standard will no longer be eligible)</p> <p>Modify the eligibility requirements for High Bay T8s to match CEE High Performance Lamp requirements.</p> <p>Reduce the incentive for relamping</p>	<p>and administrative complexity over ballast factor requirements in individual projects. To ensure energy savings, higher light output ballasts on the CEE Qualified ballast list may be excluded from eligibility. Any exclusions will be posted with the link to the qualified ballast list maintained on the Wyoming energy efficiency program section of the Company’s website.</p> <p>Focusing the delamping eligibility on Premium T8 fluorescents is consistent with the planned phase-out of incentives for Standard T8s.</p> <p>High Bay T8s will be required to meet the CEE High Performance Lamp requirements.</p> <p>Relamp projects are typically end of useful life group relamping projects. Incentives have been reduced to align with the incremental material costs of relamping.</p>
	<p>Modify eligibility requirements for an existing measure:</p> <p>Standard T8</p> <p>Add a sunset date of July 14, 2012 for standard T8 incentives.</p>	<p>Align incentive availability with the effective date of new federal efficacy standards for General Service Fluorescent Lamps (GSFL). Savings attributed to replacing T12 fixtures in retrofits should continue to be reported for a transition period following the sunset date to reflect that most projects will continue to be elective upgrades until such time that T12 lamps and ballasts have only limited availability.</p>
	<p>Modify eligibility requirements for an existing measure:</p> <p>CFL</p> <p>Add a sunset date of January 1, 2014 for screw-in Compact Fluorescent Lamps (CFL) incentives.</p> <p>Consolidate the CFL measures into one screw-in measure and one hardwired measure.</p>	<p>Align incentive availability with the effective date of new federal efficacy standards for General service Incandescent Lamps (GSIL). DOE estimates that incandescent lamps currently account for over 30% of lighting energy use in the commercial sector and many customers have not yet replaced incandescent lamps. This retrofit provides one of the most cost-effective resources in the program and complements the other incentives offered in the retrofit category.</p>

	<p>Add new measures:</p> <p>LED, induction, cold cathode</p> <p>Non-General Illuminance</p> <p>Add prescriptive incentives for selected Light Emitting Diode (LED), induction, and cold cathode measures</p>	<p>LEDs are a rapidly emerging technology with excellent energy savings potential and wide-ranging applications in the lighting industry. LEDs provide monochromatic, unidirectional light from a single point source and have extremely long equipment lifetimes. LED fixtures are made up of four components; diode, driver, heat management system, and housing. Manufacturers have marketed LEDs in a number of different fixture types to the retrofit market with varying degrees of success. Several applications for LEDs have been deemed market ready. Both ENERGY STAR and the Design Lights Consortium maintain qualifying product lists for these applications. However, high costs, low efficacies, heat management issues, and the inability to provide dimming functionality or diffuse light patterns are still a concern and continue to limit the growth of LEDs. The proposed change is to add prescriptive incentives for a select group of LED measures that comply with recognized standards such as Design Lights Consortium LED performance requirements.</p> <p>The products that will be added include LED equipment in the following categories. Screw-In Lamps, Recessed Downlight, Outdoor Pole, Parking Garage, High and Low-bay and Marquee/Cabinet signs.</p> <p>Induction is an electrodeless lighting technology that uses magnetic flux to produce light. Because there is no electrode, the lamps have long lifetimes, as much as 100,000 hours. In addition, dimming is an option that can be utilized to provide additional energy savings. With the recent reduction in costs, induction is a viable option in HID applications where maintenance can be difficult or expensive. Cold cathode refers to the fact that the cathode is not independently heated, as in fluorescent lamps. Unlike fluorescent, cold cathode lamps reach full brightness instantly, can be operated in rapid cycling without degrading lifetime, and operate in cold ambient temperatures. With long lifetime and low energy usage, cold cathode screw-in lamps are an emerging replacement for many incandescent and CFL lamp applications. Currently, cold cathode is only cost-effectively available as screw-in lamps in low wattages.</p>
	<p>Change incentives for an existing measure; add new measures:</p>	

	<p>Lighting control</p> <p>Increase incentives for lighting control occupancy sensors. Add a daylighting control measure. Add an advanced daylighting control measures. Add an additional incentive for each dimming ballast installed controlled by qualifying occupancy or daylighting control.</p>	<p>Automatic lighting controls save energy by turning off or dimming lights when they are not necessary. Different varieties of sensors are available including passive infrared (PIR), dual-technology, and integral occupancy sensors, and photocells, which can be coupled with a variety of control strategies including daylighting controls and occupancy controls timer controls. The trend is toward increasing integration of multiple controls to control light levels and timing in spaces.</p> <p>Dimming ballasts are increasingly common in lighting control applications (in combination with sensors) and since the ballasts cost five to six times more than standard or premium ballasts. Providing an incentive to cover a portion of the required ballast should encourage greater adoption of energy savings controls.</p>
	<p>Discontinue incentives for a measure: Timeclock</p> <p>Discontinue incentives for timeclocks</p>	<p>Based on industry feedback timeclocks/sweep controls have become standard in the industry and common practice for large general illuminance retrofit projects. In addition, timeclocks are either mandatory or a compliance option according to most energy codes. Discontinuing incentives for this measure while adding incentives for more advanced lighting control technologies is intended to increase the penetration of lighting controls and increase the savings from individual projects.</p>
	<p>Change incentive levels for existing measures: Retrofit Lighting measures</p>	<p>Incentive levels in the revised Tables 1a and 1b reflect an average increase of approximately twenty percent and were designed to be aligned on a \$/kWh basis whenever possible with incentives for new measures.</p>
	<p>Change eligibility requirements for existing measures: Retrofit Lighting measures</p> <p>Decouple eligibility for</p>	<p>The large (and increasing) number of the fixture retrofit combinations generates a companion growth in administrative complexity to qualify projects for prescriptive incentives. Providing incentives based on the</p>

	incentives from the existing fixture for retrofit projects and provide incentives based only on components in (lamps, ballasts) in the fixture installed.	<p>fixture installed, regardless of the existing fixture, allows incentives to be more easily specified and reduces the administrative complexity necessary to deal with a broader array of existing and proposed components and fixture types.</p> <p>Continue to report actual energy savings and measure costs for retrofit projects based on the existing and new fixture inventories using an updated version of the current retrofit lighting tool.</p>
	<p>Change eligibility requirements for existing measures: Retrofit Lighting measures</p> <p>Provide incentives on a per lamp basis instead of a per fixture basis</p>	<p>As listed in Table 1a, incentives for Fluorescent T8's would be paid based on the number of lamps, where a fixed incentive would be multiplied per the number of lamps in the fixture. This simplifies the incentive table considerably and limits the number of fixtures classified as "Custom", allows the incentive to scale with the increased fixture cost and energy savings associated with larger numbers of lamps, does not limit incentives to certain pre-existing lighting configurations, and provides greater flexibility for specifying energy-saving lighting configurations that qualify for prescriptive incentives.</p> <p>As listed in Table 1b, incentives for LED message center signs have been revised to a per lamp basis consistent with other LED sign measures.</p>
Measure Category	Description of Change	Reason for Change
New Construction/ Major Renovation Lighting	<p>Change incentives for an existing measure: Interior lighting</p> <p>Change to "pay for savings for savings" approach based on a program energy code baseline for interior lighting and lighting controls.</p>	<p>Increased flexibility, promote more creative interior lighting design, will not restrict new technologies as they become market ready. Total project lighting power density (LPD) must be more than 10% below the program baseline code (currently IECC 2003) LPD requirement.</p> <p>Effective, January 1, 2010, the Energy Security and Independence Act of 2007 increased minimum ballast efficacy factors and established Pulse Start Metal Halides as the new industry standard baseline for the metal halide technology for fixtures with wattages 500W or less. New construction projects must use the pulse start technology in metal halide applications.</p> <p>The current program effective January 2009 provides incentives for pulse start metal halides \geq 125 Watts. Year to date in 2010, \$720 in incentives has been paid for pulse start metal halides that are now required. An estimated \$4,200 in</p>

		additional incentives may be paid before the program changes proposed in this filing take effect.
	<p>Add new measures: Exterior Lighting and lighting controls</p> <p>Exterior Lighting and Lighting Control measures</p>	For exterior lighting, offer per fixture incentives for the same LED and induction measures added to the retrofit lighting program and offer incentives for integral occupancy control as these measure are not required by energy codes for exterior lighting.

Measure Category	Description of Change	Reason for Change
Motors	<p>Modify eligibility requirements for an existing measure: Premium Efficiency Motors</p> <p>Add a December 19, 2010 sunset date for NEMA premium efficiency motor incentives.</p>	<p>As of December 19, 2010, AC induction motors up to 200 horsepower are subject to new minimum full-load nominal efficiency requirements as authorized in the Energy Independence and Security Act of 2007. NEMA Premium™ high-efficiency motors will be explicitly required by federal code for motors sized 1 – 200 hp.</p> <p>NEMA Premium applies to motors from 1-500 horsepower. In preparation for the EISA 2007 change, vendor feedback indicates availability of NEMA Premium Efficiency Motors has increased for the full NEMA premium size range from 1-500 horsepower. The effect of the sunset date is to discontinue prescriptive incentives for 1-200 hp NEMA premium efficiency motors and to discontinue custom incentives for 201-500 horsepower NEMA Premium Efficiency Motors.</p> <p>The current program effective January 2009 provides incentives for premium efficiency motors from 1 to 200 horsepower. There has been vendor education regarding the change in manufacturing standard and the Company estimates no incentives will be paid between December 19, 2010 and the date the requested effective date of this filing.</p>

	<p>New measure: Green Motor Rewind</p> <p>Add a Green Motor Rewind incentive for motors 15-5,000 hp either installed or placed in inventory.</p>	<p>A green motor rewind is the process whereby a used motor is rebuilt in a controlled and measured environment which results in the rebuilt motor being as energy efficient as the existing design of the motor allows. It is standard practice for larger motors to be rewound instead of replaced and this program feature is designed to prevent the 1-2% loss that typically occurs during standard practice rewinds.</p> <p>A \$2/hp incentive per rewind will be provided of which at least \$1 is provided to the customer as an instant incentive at the point of sale. Incentives will be provided to the participating motor service center.</p>
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Measure Category	Description of change	Reason for change
HVAC	<p>Change eligibility and incentives for an existing measure category</p> <p>Unitary Commercial Air Conditioners, Air-Cooled</p> <p>Heat Pumps, Air-Cooled</p> <p>Add the new Integrated Energy Efficiency Ratio (IEER) metric to the air conditioning equipment minimum efficiency requirements.</p>	<p>The program currently utilizes efficiency levels based on CEE standards to establish minimum efficiency requirements for equipment listed in Table 3. These efficiency levels standards exceeded all applicable federal standards until they changed in January 2010. CEE has revised the efficiency level tiers in response to the changed federal standards.</p> <p>The proposed change is utilize the updated CEE specifications to establish new efficiency requirements for the for unitary air conditioners and heat pumps (eligible for \$50/ton incentives) and add incentives (\$75 and \$100/ton respectively) for equipment that meets or exceeds efficiency levels based on the updated CEE specifications.</p> <p>The new equipment efficiency levels and incentives are provided in proposed Table 3a.</p> <p>Additionally, the efficiency levels should include Integrated Energy Efficiency Ratio (IEER) metric in addition to the Integrated Part Load Value (IPLV). IEER is a new part load cooling metric that replaces the previous IPLV metric. The planned change aligns with the new practice for some manufacturers of providing the IEER rating instead of IPLV rating for new equipment lines. For older models, the IPLV rating is available, but not an IEER rating. The addition of this IEER rating will permit the program to provide incentives for high efficiency equipment rated using either metric.</p>

		Until the proposed changes are approved, units that meet, but do not exceed the current requirements (which is now federal code) in Table 3 will receive an incentive, but no savings will be reported. The impact is expected to be minimal since, in 2010 year to date, no units that have fallen into this category.
	<p>Add eligibility and incentives for a new measures:</p> <p>Ground Source Heat Pump Loop</p> <p>Ground Source Heat Pump (Energy Star Qualified)</p>	<p>Demonstrated customer demand for the measure. Participation currently through Energy FinAnswer program, but pre-purchase site specific analysis can have construction schedule impacts. Data from completed projects, Energy Star specifications and other utility program offerings provide sufficient data for simplified analysis and post purchase approach.</p>
Other HVAC Equipment and Controls	<p>Adjust incentives for an existing measure</p> <p>Evaporative Cooling</p> <p>Increase incentives from \$0.02 to \$0.06/ Cubic Feet per Minute (CFM) for evaporative cooling</p>	<p>The measure offers substantial savings when compared with unitary (compressor based) cooling equipment. Increasing the per CFM incentive will result in an incentive equivalent to approximately \$78/ton and will more closely align with per ton incentives for unitary equipment.</p>
	<p>Add eligibility and incentives for a new measures:</p> <p>Indirect-Direct Evaporative Cooling</p>	<p>Demonstrated demand for measure as part of new construction or major renovation. Participation currently through Energy FinAnswer program which can have construction schedule impact. Site specific simplified analysis will be used to calculate savings and incentive will be based on \$/kWh.</p>
	<p>Add new measure:</p> <p>Room Air Conditioner</p>	<p>Some business customers purchase residential appliances for use in their business. They are not currently eligible for incentive from the Home Energy savings program which is typically discovered during the incentive application process. Currently, a business customer incentive offer in these situations is based on a site specific calculation which may be different than the per unit incentive advertised by the retailer. To address this issue, the program will add a category for residential appliances used in a business and provide the same incentive for the same qualifying equipment as the Home Energy Savings program. The program will “point to” the Home Energy savings program so this offer will automatically float with the residential offer.</p>

	<p>Add eligibility and incentives for a new measures:</p> <p>365/366 day programmable thermostat</p>	<p>The energy efficiency of portable classrooms has been researched extensively to identify cost-effective energy savings opportunities. Outside of envelope measures, improper scheduling of the HVAC and ventilation system was noted as a significant problem in portable classrooms. Where manual on/off switches are employed, cooling/heating units commonly run when classrooms are unoccupied (summer vacation and weekends). Even when programmed correctly, 7-day thermostats operate cooling/heating units during the unoccupied summer months unless reprogrammed by facility staff at the beginning of summer vacation. To improve scheduling of HVAC systems, the proposed change is to provide eligibility requirements and incentives for 365/366 day programmable thermostat with temporary manual override be installed and configured in all portable classrooms.</p>
	<p>Modify eligibility requirements for an existing measure:</p> <p>ENERGY STAR programmable thermostat</p> <p>Sunset incentives for ENERGY STAR programmable thermostats</p>	<p>ENERGY STAR specifications for thermostats were suspended in December 2009. There is currently no indication that ENERGY STAR has reinstated its qualification or reached a conclusion on the energy savings associated with this measure. For these reasons the proposed change is to sunset the measure on the effective date of the tariff.</p>
Envelope	<p>Add eligibility and incentives for a new measure:</p> <p>Reflective window film</p>	<p>Improved glazing efficiency can reduce cooling requirements. Applying reflective window film to existing windows is a lower cost alternative for improved glazing performance when compared to retrofitting existing windows with new glazing materials. Space must be mechanically cooled. Incentives will be available only for retrofit projects. Incentive will be based on a \$/kWh with site specific savings calculated using a simplified analysis tool.</p>
	<p>Modify eligibility requirements for an existing measure:</p> <p>Insulation</p>	<p>There is a current incentive offer for insulation, but there is no distinction between retrofit and new construction projects. The proposed change is to differentiate and establish added insulation levels specific to each type of projects and align the new construction levels with exceeding the minimums required by the version of the IECC code utilized by the programs.</p>
	<p>Adjust eligibility requirements for an existing measure:</p> <p>Windows</p> <p>Extend incentive availability to site built windows.</p>	<p>Responds to market request to provide incentive for site built windows. Aligns efficiency requirements (U value) with requirement of the current federal tax</p>

	<p>Adjust U value requirement to 0.30 for both NFRC rated and site built assemblies.</p> <p>Adjust the SHGC value requirement from 0.40 to 0.33.</p>	credit.
Food Service	<p>Modify eligibility requirements for an existing measure:</p> <p>Solid Door Refrigerator Solid Door Freezer</p> <p>Modify the minimum efficiency requirement for refrigerators and freezers to state “ENERGY STAR®”</p>	<p>The current efficiency requirements for solid door refrigerators and freezers are based on CEE specifications and includes three size categories. Effective January 1, 2010 ENERGY STAR and CEE have aligned their specifications for refrigerators and freezers to match the current ENERGY STAR Version 2.0 specification. The ENERGY STAR specification includes glass-door refrigerators and freezers, and chest refrigerator/freezer configurations in addition to the solid-door refrigerators and freezers currently eligible for incentives through the FinAnswer Express program.</p> <p>The proposed change is to update the eligibility requirements to match the current ENERGY STAR Version 2.0 requirements. Using the ENERGY STAR specification will expand the number of refrigerator/freezer configurations eligible to receive incentives.</p> <p>Until the proposed changes are approved, units that meet, but do not exceed the Tier 1 requirements (which is now federal code) in Table 3 will receive an incentive, but no savings will be reported. The impact is expected to be minimal since, in 2010 year to date, no units that have fallen into this category. No participation is estimated between now and the requested effective date.</p>
	<p>Modify eligibility requirements for an existing measure.</p> <p>Beverage or refrigerated display machine occupancy sensor</p> <p>New eligibility requirements will be tied to entire machines that meet a Maximum Daily Energy Consumption (MDEC) requirement.</p>	<p>Currently an incentive is provided for a sensor that is added to control an existing machine. Typically the sensor is not integral to the machine. The control options for vending machines have been changing over the recent years and this change is intended to align with those changes.</p> <p>The proposed change is to offer an incentive for the purchase of entire Refrigerated Vending Machines that meet minimum efficiency requirements. Currently, ENERGY STAR maintains a specification for Refrigerated Vending Machines, and the Code of Federal Regulations includes requirements for refrigerated vending machines that go into effect</p>

	<p>An August 31, 2012 sunset date will be added to align with new federal minimum efficiency standards.</p>	<p>August 31, 2012. Since the ENERGY STAR specifications are not as stringent as the upcoming pending federal efficiency requirements, it is recommended that the federal efficiency regulations be used as the minimum efficiency requirements to be eligible for an incentive until the regulations become effective.</p> <p>Once the federal efficiency requirements become effective, incentives will be discontinued.</p>
	<p>New measures:</p> <p>Add eligibility criteria and incentives for new measures.</p> <p>Commercial dishwashers Electric insulated holding cabinet Electric steam cooker Electric convection oven Electric combination oven Electric commercial fryer Air cooled ice machines</p> <p>Residential dishwasher Residential refrigerator</p> <p>LED Case Lighting</p>	<p>Food service equipment is either purchased new or to replace failed equipment. Per unit incentives and a post purchase incentive application process are the most effective way to influence customers to purchase (and dealers to stock/order) high efficiency equipment.</p> <p>The proposed change is to add minimum efficiency requirements and incentives for the following commercial food service equipment; commercial dishwashers, electric insulated holding cabinet, electric steam cooker, electric convection oven, electric combination oven, electric commercial fryer and air cooled ice machines.</p> <p>In addition, this category will “point to” the Home Energy Savings program for qualifying equipment requirements and incentive for residential dishwashers and refrigerators that are used in a business. The explanation is provided in the appliance section of this table.</p> <p>In addition, a new measure to replace fluorescent lighting with LED on refrigerated cases has been added. New equipment tends to come with LEDs, so the new measure is limited to retrofits of existing equipment only.</p>
Appliances	<p>New category and new measures:</p> <p>Residential clothes washer Residential electric water heater</p> <p>Provide incentive for selected residential appliance used in a business.</p>	<p>Some business customers purchase residential appliances for use in their business. They are not currently eligible for incentive from the Home Energy savings program which is typically discovered during the incentive application process. Currently, a business customer incentive offer in these situations is based on a site specific calculation which may be different than the per unit incentive advertised by the retailer. To address this issue, the program will add a category for residential appliances used in a business</p>

		and provide the same incentive for the same qualifying equipment as the Home Energy Savings program. The program will “point to” the Home Energy savings program so this offer will automatically float with the residential offer.
	New category and new measure: Commercial clothes washer	Similar to food service equipment, the opportunity to upgrade this equipment is during initial purchase or replacement. Adding a per unit incentive for high efficiency clothes washers for equipment that meets or exceeds Energy Star or CEE (higher efficiency) minimum efficiency requirements will help improve efficiency when purchases are made. Incentives will be available post purchase application.
Office equipment	New measure: Network PC Power Management Software	To help provides customers tools to reduce office equipment consumption, incentives for Network PC Power Management Software was added to this category.
Irrigation	Modify eligibility requirements for existing measures. Add new measures. (See Table 5 in the current program tariff and Table 8 in the proposed tariff for lists of existing and new measures)	The current offer for irrigation equipment is in Table 5 of the existing Schedule. Several sets of changes are proposed based on feedback from equipment dealers and customers regarding equipment configurations practices. All changes are designed to reduce transaction complexity and since most equipment is purchased and installed during down times with little time for site specific analysis. All changes are designed to increase participation. Revisions to existing measure eligibility and incentives in addition to new measures eligibility and incentives are included in Table 8 included with the filing. All incentives will be available via a post purchase application process.
Dairy/Farm Equipment	New category and new measures: Automatic Milker Takeoffs Agricultural Engine Block Heater Timers	Agricultural energy usage is estimated at 14% of farm expenditures (<i>Energy Situation for Agriculture, 2005</i>) and the agricultural sector continues to explore opportunities to reduce these costs and is receptive to measures aimed at improving energy efficiency.

	Circulating Fans Heat Reclaimers High Efficiency Livestock Waterers High Efficiency Ventilation Systems Milk Precoolers Programmable Ventilation Controller VFDs for Dairy Vacuum Pumps	The proposed additions are informed by a combination of customer and vendor requests and research performed by Nexant, Inc. on other energy efficiency program offerings for similar measures.
Compressed air	New category and new measures: Low Pressure-Drop Filters Receiver Capacity Addition Refrigerated Cycling Dryers VFD Controlled Compressor Zero Loss Condensate Drains Outside Air Intake	Compressed air project are currently handled through the Energy FinAnswer program which identifies site specific savings and requires a pre-purchase agreement. Most smaller compressed air projects are driven by the need for enhanced capacity or failed equipment which may limit the time to analyze and influence purchase decisions. Experience in other markets has shown the measures listed are appropriate to handle prescriptively which increases participation. Incentive for larger compressed air projects will continue to be managed through the Energy FinAnswer program.

Energy FinAnswer – Schedule 125

Background

The Energy FinAnswer program has been offered to Wyoming business customers as a loan based program since the early 1990’s. The program was modified to become an incentive based program when the Company proposed to offer its other demand-side management programs in Docket No. 20000-264-EA-06.

The program provides Company-funded energy engineering, incentives of \$0.12 per kWh of 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. The program is designed to target comprehensive projects requiring project specific energy savings analysis and operates as a complement to the more streamlined FinAnswer Express program. In addition to customer incentives, the program provides design team honorariums (a finder fee for new projects) and design team incentives for new construction projects exceeding International Energy Conservation Code (“IECC”) 2003 energy code by at least 10 percent.

In July 2010, PacifiCorp retained Nexant, Inc. (Nexant) to evaluate the next phase of program improvements for the FinAnswer® Express and Energy FinAnswer® energy efficiency programs. The primary objective of this analysis is to increase the level of cost-effective electrical energy and demand savings realized by the programs. Consistency across PacifiCorp’s service territories and with programs offered by neighboring utilities is also a major consideration to simplify

program implementation, reduce administrative costs, and avoid customer confusion in the marketplace. The approach to the work consisted of in-depth analytics of historical Energy FinAnswer project impacts, results of reviews of other utility programs, program barrier reviews, publicly available market assessments, and Nexant’s professional experience.

Description of Planned Energy FinAnswer Program Changes

As a result of this work, Nexant has identified that the current incentive levels through the Energy FinAnswer program are squarely in the middle with respect to other utility offerings. However, the retail electricity rates create longer-than-average paybacks when compared with other utility programs. Additionally, the current economic environment has placed downward pressure on project economics. As such, Nexant recommends increasing incentive levels to overcome economic barriers to project implementation and help energy efficiency projects compete for available capital.

During the course of the research, barriers beyond capital access and project economics were identified through primary customer research or through review of work already completed including the process evaluation of the program completed in 2007 for the program in Utah and Washington. One of the primary barriers identified is time constraints and competing priorities within customer organizations. Identifying and developing energy efficiency projects on either a standalone basis or as part of larger project requires dedicated technical and financial talent in order to successfully compete for funding. The energy engineering services provided by the program help overcome the technical barriers, but it is only a component of the overall project and is performed by third party consultants outside of the customer’s organization.

To overcome the financial barriers faced by customers, the planned change is to increase incentive levels. The following table illustrates the current and proposed incentive levels.

Current and Proposed Energy FinAnswer Incentive Levels

	Incentive Formula	Project Incentive Caps	
Current	\$0.12/kWh + \$50/KW	50% of project cost	1 year payback
Proposed	\$0.15/kWh + \$50/KW	70% of project cost	1 year payback

To overcome the commonly referenced barrier to implementation of energy efficiency projects, namely that customers are often thinly staffed to the point that energy efficiency efforts stall or are not fully developed due to lack of technical manpower at the site. The planned change is to add a co-funding option for customer energy project managers (“EPM”) and overcome this barrier for customers with efficiency opportunities. The goal of the EPM co-funding is to increase customer management and engineering efforts devoted to electrical energy efficiency projects and increase the number of projects entering the business customer programs. The basic premise of the EPM co-funding is that the participating customer sets their own annual energy savings goal (in consultation with Rocky Mountain Power) and then receives co-funding proportionate to the goal (subject to minimum and maximum co-funding levels). Initially the co-funding will be available to customers who sign an agreement to complete energy savings

projects totaling the minimum of 1,000,000 kWh. Projects must receive incentives from the Rocky Mountain Power energy efficiency programs to qualify. This offer is modeled on a comparable offer designed for the Bonneville Power Administration member utilities.

The following highlights provide some additional information about the EPM role and relationship to the energy efficiency programs.

- EPM serves as the primary contract for implementation of energy efficiency projects at a customer site.
- EPM is an employee or direct contractor of the customer and not an employee or contractor of Rocky Mountain Power.
- The EPM is always a specific person and is not a pool of labor without an individual role. It is entirely the customer's choice regarding the compensation paid to the EPM and the co-funding cannot exceed the lesser of the pay and overhead for the assigned individual or \$0.025/kWh for completed projects. Documentation of pay and overhead costs are required as part of the co-funding agreement.
- It is the customer's choice on who is assigned to the EPM role and the intent of the co-funding is to flexibly support a position best suited to drive electric energy efficiency projects through the customers organization and the Rocky Mountain Power energy efficiency programs. The energy efficiency programs do not play a key role in defining the position or aiding in the recruiting process. Determining the full scope of the EPM duties is the responsibility of the customer, but EPM co-funding is solely attributable to the electrical energy efficiency work.
- Co-funding is for a defined period (typically 12-18 months) and is contingent on achieving annual energy savings goals included in the agreement between the customer and Rocky Mountain Power.

The availability of this offer will be managed in a similar manner to the Design team payments that are currently available through this schedule, i.e., the availability of the offer is included in the tariff and the details will be posted on Wyoming energy program section of the Company web site. For this offer, co-funding agreements, templates to outline annual energy savings goals, co-funding amounts (including minimums, maximums and overall availability), will be available on the web site.

Two administrative changes are proposed in to the changes described above. The first change is to add Schedule 213 which was approved since January 1, 2009 to the Applicable section of the Schedule to help insure that all customers with lighting opportunities have program services available. The second change is continue to reference the energy code baseline utilized by the program, International Energy Conservation Code (IECC) in the tariff, but move the reference to the specific version (typically expressed as a year) to the energy efficiency program section of the Company web site to enable the program to utilize different version sometime in the future if it is determined that common practice has changed in the Wyoming territory.

A Schedule 125 tariff change will be required to implement the proposed changes described above.

Self-Direction Credit – Schedule 192

Background

The Self Direction credit program is available to Wyoming business customers who meet minimum usage requirements of 5,000,000 kWh per year or have a peak load of at least 1,000 kW in the prior 12 months. Customers are responsible for providing the energy engineering work necessary to document the energy savings of proposed projects. This program is designed to provide another option for business customers who have projects similar to those qualifying for incentives from the Energy FinAnswer or FinAnswer Express programs. Incentives are provided in the form of credits used to offset the Customer Efficiency Services surcharge (demand-side management surcharge) on the monthly bill and are available for both new construction and retrofit projects. In addition, there is a provision for customers with no remaining cost effective demand-side management projects at their location to qualify for a credit that may be used to offset a portion of their monthly charge. The program is primarily marketed through customer and community managers and by referral between other programs for business customers.

Caps were initially introduced as part of the program prior to the introduction of the three balancing accounts. They were intended to minimize risk of one customer group over leveraging demand-side management revenues available in a given period. Program results have increased in 2010 with two projects closing. Forecast activity for 2011 and beyond indicate steady activity with a forecasted increase in project counts and credit utilization.

Description of Planned Self-Direction Credit Program Changes

In order to accommodate continued project activity, the planned change is to combine the 80% credit (\$400,000 cap) and 50% credits (\$50,000 cap) caps into single annual credit cap and increase overall cap from \$450,000 to \$750,000 per year. With each customer class essentially paying for their own programs under the three balancing account structure the need for caps is diminished and their possible elimination is an alternative to be considered in the future.

A Schedule 192 tariff change will be required to combine credit caps for each credit type and increase the overall cap.