



POWERING YOUR GREATNESS

1/17/2024

PROGRAM ADMINISTRATION

UTAH

IRRIGATION LOAD CONTROL Program Year 2023

Program Description

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

The irrigation load control program is offered to irrigation customers receiving electric service on Schedule 10, Irrigation and Soil Drainage Pumping Power Service. Participants enroll in the program with a third-party program administrator and allow the curtailment of their electricity usage in exchange for an incentive. Participant incentives are based on the site's average available load during load control program hours, adjusted by opt-outs or non-participation. Participant incentives are issued by the program administrator after the season has ended. The incentive compensates Participants for the additional cost of interrupting their irrigation pumping during program hours.

For most Participants, their irrigation equipment has a dispatchable two-way control system giving the Company control over their loads. Participants are notified 4 hours ahead of control events and can opt-out of dispatch events. Each opt-out will reduce a Participant's final incentive.

The available load reduction for the irrigation load control program is closely related to seasonal characteristics and can vary year over year. Due to the abnormally wet 2022-2023 winter season that the western United States experienced, the Company observed that the start of the irrigation season was delayed compared to prior years. As a result, this program's peak availability occurred approximately two weeks later when compared to the past three seasons. The magnitude of availability was also observed to be lower throughout the 2023 season compared to the prior three seasons. 2023 saw an approximately 23% reduction in peak availability compared to 2022, despite less than a 1% reduction in the number of enrolled sites.

Through survey results and direct conversations with irrigator representatives, the Company learned that factors such as inflation, rising labor costs, and variable irrigation seasons make it difficult for irrigators to commit to the program. The Company has proposed an increased incentive starting with the 2024 season, pending Commission approval. The payment rate (per MW) will increase, and Participants that participate in all mandatory events will be eligible for a bonus incentive. Prior to 2024, a bonus was only issued if the total enrolled capacity was greater than 125 MW.

The Company will continue to meet with irrigators and may modify the program to address the changing needs of the program and its Participants.

Program Administration

Enel X (formerly EnerNoc) administers and manages the *Irrigation Load Control* program through a pay-for-performance structure and is responsible for all aspects of the program, including.

- Participant satisfaction including call center support,
- Marketing to maintain a minimum level of megawatt reductions,
- Field operations including installation and maintenance of the Enel X devices,
- Management of participation data and reporting to actively manage the program,
- Quality control of the Irrigation Load Control device infrastructure,
- A platform to dispatch the communication network, and
- Participant incentives.