



201 South Main, Suite 2300
Salt Lake City, Utah 84111

February 27, 2008

***VIA OVERNIGHT DELIVERY
VIA ELECTRONIC FILING***

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84111

Attention: Julie P. Orchard
Commission Secretary

RE: Advice No. 08-01
Schedule 110 – ENERGY STAR New Homes Program

Enclosed for filing are an original and two copies of proposed tariff sheets associated with Tariff P.S.C.U. No. 47 of Rocky Mountain Power applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405D, PacifiCorp (the “Company”) states that the proposed tariff sheets do not constitute a violation of state law or Commission rule. The Company will also provide an electronic version of this filing to tbehr@utah.gov. The Company is requesting an effective date of March 28, 2008 for these changes.

Sixth Revision of Sheet No. B.1A

Tariff Index Sheet

Second Revision of Sheet No. 110.1	Schedule 110	ENERGY STAR New Homes Program
Second Revision of Sheet No. 110.2	Schedule 110	ENERGY STAR New Homes Program
Second Revision of Sheet No. 110.3	Schedule 110	ENERGY STAR New Homes Program
Original Sheet No. 110.4	Schedule 110	ENERGY STAR New Homes Program

The purpose of this filing is to maintain and increase participation in the existing ENERGY STAR New Homes by increasing measures and homes packages eligible for incentives. These changes demonstrate Rocky Mountain Power’s continued focus on improving the efficiency of Utah’s new home construction. The proposed changes for the 2008 program are driven primarily by the adoption of the 2006 International Energy Conservation Code (IECC) and a desire to align Rocky Mountain Power’s program with Questar’s new homes program.

In the 2008 program supplementary lighting and additional plus measures are being proposed to be incorporated in Tiers 1-3, and we are proposing to add Tier 4 for ENERGY STAR certification. These changes, as outlined below, are expected to further enhance the energy efficiency of new home construction delivering improved home performance, comfort and savings:

- Tier 1 is the entry-level package for participants who are interested in an energy efficient home and ENERGY STAR certification. Within Tier 1, builders have the flexibility, but are not required, to achieve further efficiencies and incentives by incorporating plus measures in their designs.
- Tier 2 certification is the primary target market for the 2008 program. Tier 2 homes are ENERGY STAR certified homes that incorporate additional lighting savings beyond Tier 1 requirements. Again, within Tier 2, builders have the flexibility, but are not required, to achieve further efficiencies and incentives by incorporating plus measures in their designs.
- Tier 3 certification represents our desire to transform the lighting marketplace in new construction as soon as possible by offering further incentives to builders to not only install a solid number of compact florescent lights (CFLs) as in Tier 2, but require the installation of pin-based lighting fixtures as well. Builders will also have the flexibility, but are not required, to achieve further efficiencies and incentives by incorporating plus measures in their design.
- The Tier 4 certification is for those homebuilders who want to attain a level of ENERGY STAR certification that delivers both advanced energy efficiency performance and qualifies the home for federal tax credits. To be eligible for the \$2000 federal tax credit a home must be inspected and tested to be at least 50% more efficient than code in its heating and air conditioning systems.

Items that will affect this are:

- Insulation
- Windows
- Air sealing
- Duct leakage
- Furnace and AC efficiency

Rocky Mountain Power's addition of the Tier 4 which qualifies homes for federal tax credits, aligns with Questar's recent changes in their new homes program.

Program Incentives

Along with adding a Tier 4 certification level and associated incentives, the Company is proposing for the 2008 program "plus" measures to encourage builders to seek further improvements in energy efficiency and sustainability in their construction practices. These include:

- Whole-house fans
- CFLs (beyond required for Tier 1 and Tier 2)
- Energy efficient light fixtures

Also proposed for the 2008 program is a requirement to include CFLs in Tier 1, Tier 2 and Tier 3. The requirements for Tier 4 are outlined in the 2005 Federal Energy Tax Credit Act as described earlier.

In support of the Company's proposed changes, the Company is providing as Attachment 1 a Utah-specific cost effective analysis which includes program assumptions, cost-effectiveness test results, and the program budget. Included in the cost effective analysis is a \$40,000 expenditure for Rocky Mountain Power's contribution to the 2008 energy code support training delivered by the Utah State Energy program. All cost-effectiveness analysis modeling is proprietary to our third party consultant. We ask that this information be distributed to only those who need to perform regulatory review. In addition, the Company is providing as Attachment 2, the Program Evaluation Plan.

The proposed 2008 program measures and incentive amounts are highlighted in Tables 1 and 2 below.

Table 1. 2008 Rocky Mountain Power ENERGY STAR New Homes Program Incentive Summary for Single Family.

UT Single Family		
Package/Measure	Equipment	2008 Incentive
Tier 1**	Meet 2008 ENERGY STAR specifications including performance-based duct sealing, air conditioner equipment minimum standard of SEER 13, A/C performance testing, correct sizing, best practices installation and the thermal bypass checklist; Plus installation of five (5) CFLs	\$200
Tier 2**	Meet 2008 ENERGY STAR specifications including performance-based duct sealing, air conditioner equipment minimum standard of SEER 13, A/C performance testing, correct sizing, best practices installation and the thermal bypass checklist; Plus installation of twenty (20) CFLs	\$300
Tier 3**	Meet 2008 ENERGY STAR specifications including performance-based duct sealing, air conditioner equipment minimum standard of SEER 13, A/C performance testing, correct sizing, best practices installation and the thermal bypass checklist; Plus installation of twenty (20) CFLs and three (3) ENERGY STAR pin-based lighting fixtures	\$400
Plus Measure*	14 SEER HVAC equipment with correct sizing and best practices installation	\$300
Plus Measure*	Duct placement inside conditioned space	\$100
Plus Measure*	Installation of a single vent evaporative cooling system	\$400

Plus Measure*	Installation of a ducted high efficiency evaporative cooling system	\$750
Plus Measure*	Installation of whole house fan system	\$100
Plus Measure*	Installation of an ENERGY STAR dishwasher	\$10
Plus Measure*	Lighting upgrade to 15 additional ENERGY STAR CFLs (above those required in Tier 1 or Tier 2)	\$50
Plus Measure*	Lighting upgrade of an ENERGY STAR Fixture(s)	\$20 per unit
Plus Measure*	ENERGY STAR ceiling fan with "Gossamer" blade design	\$10
GSHP Option	Meet ENERGY STAR specification including well-based ground source heat pump	\$2,000
Tier 4	Meet Federal Tax Credit Home requirements including ENERGY STAR envelope, performance-based duct sealing; air conditioner equipment upgrade to a SEER 14; A/C performance testing, correct sizing	\$600
	<i>*Plus measures must be installed in conjunction with a qualifying Tier 1, 2 or 3 package to be eligible for incentives. The Tier 4 package is not eligible for Plus Measure incentives.</i>	
	<i>**PTAC units which exceed federal minimum standards may be substituted for SEER 13 AC units.</i>	

Table 2. 2008 Rocky Mountain Power ENERGY STAR New Homes Program Incentive Summary for Multi-Family

UT Multi-Family		
Package/Measure	Equipment	2008 Incentive
Base Package**	Meet 2008 ENERGY STAR specifications including performance-based duct sealing, air conditioner equipment minimum standard of SEER 13, A/C performance testing, correct sizing and best practices installation ENERGY STAR appliance package (dishwasher, washer, refrigerator where permanently installed)	\$250
Plus Measure*	Upgrade from Package Terminal Air Conditioning (PTAC) unit to Package Terminal Heat Pump (PTHP)	\$200 per unit
Plus Measure*	Upgrade from Package Terminal Air Conditioning (PTAC) unit to Ductless Mini-Split Heat Pump	\$400 per unit
Plus Measure*	Lighting Upgrade: 5 ENERGY STAR-qualified interior lamps/fixtures	\$20
Plus Measure*	Lighting Upgrade: 2 ENERGY STAR-qualified outdoor lamps/fixtures	\$20
Plus Measure*	ENERGY STAR ceiling fan with "Gossamer" blade design	\$10
	<i>*Plus measures must be installed in conjunction with a qualifying Base package be eligible for incentives.</i>	
	<i>** PTAC units which exceed federal minimum standards may be substituted for SEER 13 AC units</i>	

The ENERGY STAR New Homes Program will be funded by revenue from the existing Schedule 193 Demand Side Management (DSM) Cost Adjustment mechanism. The Company is not proposing an adjustment to Schedule 193 as part of this filing.

The Company provided the Utah Demand Side Management Advisory group with draft of this filing and requested comments.

To provide continuity in the market, the program will provide incentives listed in Tables 1 and 2 for qualifying equipment installed on or after January 1, 2008 if all required information, including back-up documentation is submitted by the application deadline.

In summary, Rocky Mountain Power's ENERGY STAR New Homes Program is one of many tools the Company will use to reduce summer peak load. Furthermore, the program will deliver energy saving benefits both in the summer season and year round through the use of lighting and appliance upgrades.

It is respectfully requested that all formal correspondence and staff requests regarding this matter be addressed to:

By E-mail (preferred): datarequest@pacificorp.com

By Fax: (503) 813-6060

By regulator mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Blvd., Suite 2000
Portland, OR 97232

Informal inquiries may be directed to Dave Taylor at (801) 220-2923.

Very truly yours,

Jeffrey K. Larsen
Vice President, Regulation

Enclosure