

Date: April 12, 2009
To: Don Jones Jr.
From: Brian Hedman
Re: Utah Home Energy Savings 2008 Program Cost Effectiveness

The tables below present the cost effectiveness findings of the Utah Home Energy Savings program based on 2008 costs and savings estimates provided by PacifiCorp in a spreadsheet entitled “2008 UT annual report backup data CE inputs -revised 032609”. The Utility discount rate is from the 2007 PacifiCorp Integrated Resource Plan.

Cost effectiveness was tested using the 2007 IRP 60% east side residential lighting home load factor decrement. Table 1 lists modeling inputs.

The program is cost effective from the TRC, UCT, URIM and PCT perspectives.

**Table 1: Home Energy Savings
 Inputs**

Parameter	Value
Discount Rate	7.1%
Line Loss	8.859%
Residential Energy Rate (\$/kWh)	\$0.083

**Table 2: Home Energy Savings
 Annual Program Costs and Savings**

	Program Costs	Incentives	Total Costs	Net kWh	Net Incremental Cost
Lighting	44,118	1,110,262	1,154,380	27,476,970	3,473,401
Shell	347,390	3,971,897	4,319,287	945,341	3,378,365
Appliances	775,669	1,504,468	2,280,137	3,001,845	4,220,599
CW Recycling	50,200	12,550	62,750	36,144	-
Total	1,217,378	6,599,177	7,816,555	31,460,300	11,072,365

Table 3: IRP 60% Load Factor Decrement

All Measures	AC: IRP 60% LF Decrement				
	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	0.0536	\$11,475,017	\$18,418,810	\$6,943,793	1.605
Total Resource Cost Test (TRC) No Adder	0.0536	\$11,475,017	\$16,744,373	\$5,269,356	1.459
Utility Cost Test (UCT)	0.0341	\$7,298,370	\$16,744,373	\$9,446,003	2.294
Rate Impact Test (RIM)		\$9,909,575	\$16,744,373	\$6,834,798	1.690
Participant Cost Test (PCT)		\$4,176,646	\$25,119,013	\$20,942,366	6.014
Lifecycle Revenue Impacts (\$/kWh)				(\$0.0000283943)	