

December 22, 2017

VIA ELECTRONIC FILING

Public Service Commission of Utah
Heber M. Wells Building, 4th Floor
160 East 300 South
Salt Lake City, UT 84114

Attn: Gary Widerburg
Commission Secretary

RE: In the Matter of the Request for a Home Energy Report Pilot Program
Docket No. 12-035-77

Rocky Mountain Power (“Company”) hereby submits for filing a request to continue the Home Energy Report (“HER”) Pilot Program as a full-fledged program, subject to cost-effectiveness, consistent with other Demand Side Management (“DSM”) programs the Company offers. The Company respectfully requests an effective date of January 22, 2018, for this transition. The continuation of the HER Program aligns with the targets illustrated in Table 1 below, and filed in the DSM November 1st Deferred Account and Forecast Report on November 1, 2017, in Docket No. 17-035-41.

Table 1 – 2018 Budget and Savings Forecast from Nov 1st Report

***	2018 MWH Savings Forecast	2018 Budget Forecast
Home Energy Reports	52,000	\$2,685,179

BACKGROUND

The HER Program was originally proposed as a 41-month pilot,¹ approved by the Public Service Commission of Utah (“Commission”) in its order issued May 15, 2012 in the above referenced docket. Due to the positive results of the pilot over its initial 18 months, the Company filed a request to extend the HER pilot an additional two years through December 2017, and expand the number of homes receiving reports by an additional 200,000.² The Commission approved the Company’s request to extend and expand the pilot in its order issued September 12, 2014, in the above referenced docket.

¹ <https://pscdocs.utah.gov/electric/12docs/1203577/222589CvrLtr4-13-2012.pdf>.

² <https://pscdocs.utah.gov/electric/12docs/1203577/260089RMPReqExtExpan9-2-2014.pdf>.

HOME ENERGY REPORT PROGRAM

Program Overview

The basic design for the HER Program is not changing. Reports will continue to be sent out to customers providing them with information and personalized data designed to better inform them about their specific energy usage and provide comparative energy usage data for similar homes located in the same geographical area. Customers will also continue to have opt-out options, can receive reports electronically instead of paper reports in the mail, and all residential customers will have access to online personalized web tools to inform customers on their energy usage and receive personalized insight to help them conserve.

The Company issued a Request for Proposals in 2017 for the continuation of the HER Program beyond 2017. The Company is evaluating options to continually improve the HER Program and customer experience for reports. The HER Program improvements may include items such as using a disaggregation process to provide a personalized bill itemization for electric energy usage by appliance. This concept will bring the benefits of an energy disaggregation to customers, and enable reports to include a personalized itemized breakdown. This breakdown will allow customers to see their energy consumption and cost by appliance, giving them specific knowledge of where they could best improve their energy usage. Attached as Exhibit A is a sample of what the new generation of reports are capable of including the usage itemization. The reports will also include information on Company programs, similar home comparisons, and personalized recommendations.

The pilot has demonstrated that the HER Program delivers cost-effective energy savings, and the Company believes the continuation of the HER Program is in the public interest.

STAKEHOLDER FEEDBACK

On September 5, 2017, the Company met with the DSM Steering Committee to discuss its intention to continue the HER Program and its benefits. On December 18, 2017, a draft filing package was shared with Steering Committee members. The Company received some initial questions from the Division of Public Utilities and Office of Consumer Services that were responded to prior to filing.

COST EFFECTIVENESS

The cost-effectiveness analysis for the HER Program is attached as Exhibit B. Table 5 below, pulled from Exhibit B, presents the expected cost-effectiveness of the HER Program for 2018. Additional detailed inputs and results are included in Exhibit B. The HER Program is expected to remain cost-effective from the Utility Cost Test and Total Resource Cost Test perspectives.

Table 5 – HER Program Cost-Effectiveness Results - 2018

Cost-Effectiveness Test	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/ Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0296	\$1,349,500	\$1,616,294	\$266,794	1.20
Total Resource Cost Test (TRC) No Adder	\$0.0296	\$1,349,500	\$1,469,358	\$119,858	1.09
Utility Cost Test (UCT)	\$0.0296	\$1,349,500	\$1,469,358	\$119,858	1.09
Rate Impact Test (RIM)		\$6,997,942	\$1,469,358	-\$5,528,583	0.21
Participant Cost Test (PCT)		\$0	\$5,648,442	\$5,648,442	n/a
Lifecycle Revenue Impacts (\$/kWh)					\$0.0002116271

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

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

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

Informal inquiries regarding this matter may be directed to me at (801) 220-4214.

Sincerely,



Michael S. Snow
Manager, DSM Regulatory Affairs

Enclosures

cc: Division of Public Utilities
Office of Consumer Services

Exhibit A

Home Energy Report



Account Number: 00028317-25

John Smith
123 Main Street
Anystate 12345

WHAT YOU SPENT - WHOLE HOME

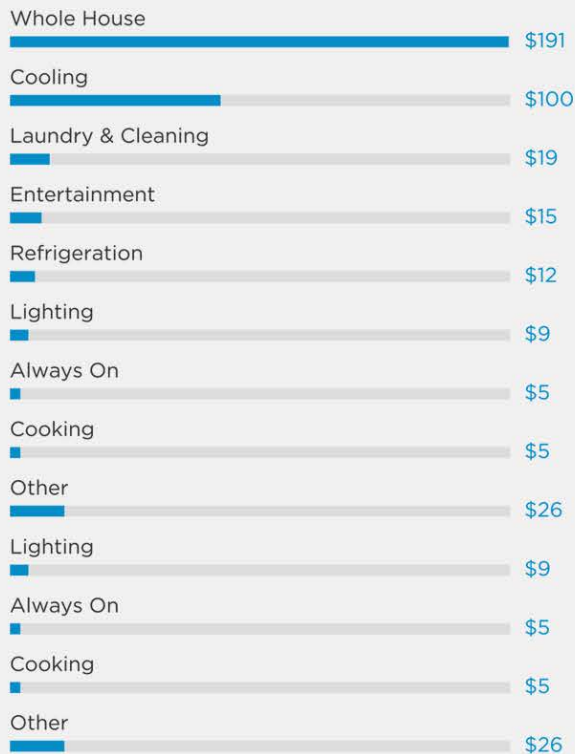


Good job! You reduced your usage by 2% compared to last year. Take a closer look at this report to unlock more savings!

Utility Marketing Content

Supplied as Hi-Res JPEG File (Dimensions TBD based on final Marketing content.)
JPEG file will be scaled to 3.3"w x 3"h.

ENERGY USAGE BY APPLIANCE



Energy breakdown amounts are approximate and rounded to the nearest dollar.

To learn more, please visit nvenergy.com/MyHomeEnergyReport

YOUR USAGE VS. SIMILAR HOMES



You are being compared to 180 single-family homes in a 2 mile radius. Comparison and savings potential was calculated in kWh and converted to dollars based on your current rate plan.

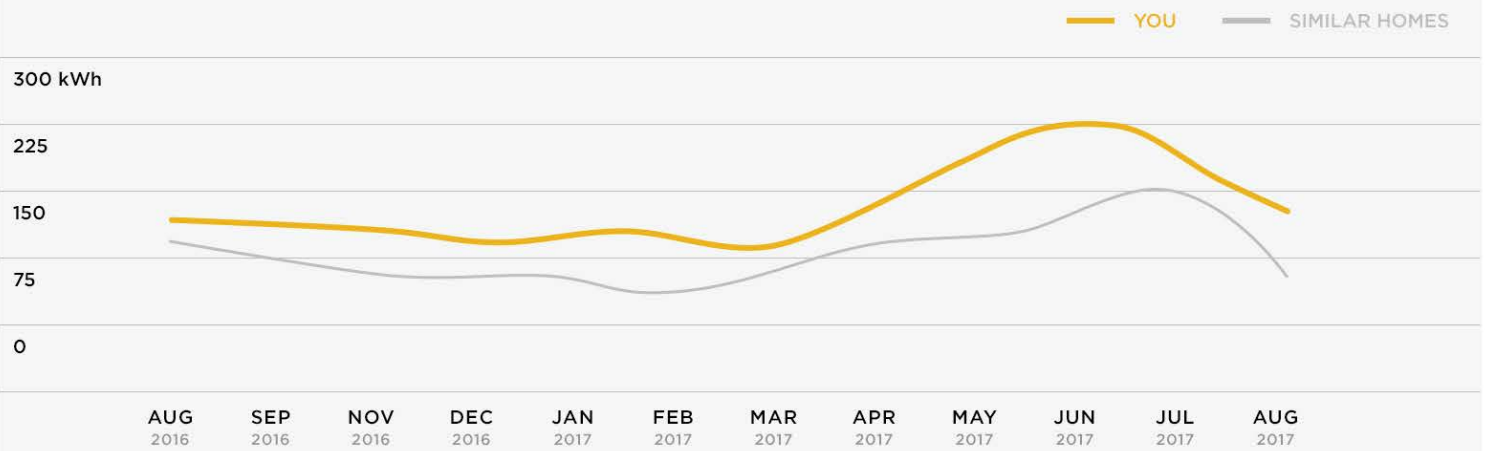
GO PAPERLESS



Go paperless! **TEXT #DGTL5 to 83733** to start receiving your home energy reports by text. Learn how to reduce your energy usage and save!

[More info on back](#) ↻

12 MONTH ELECTRICITY USAGE TREND



You are being compared to 180 single-family homes in a 2 mile radius.

TOP ENERGY SAVING TIPS

Based on your energy usage, we have selected these top energy saving tips for you:



Adjust your thermostat

Get comfortable with a higher temp. You'll hardly notice a few degrees' difference, but you'll definitely notice the savings.



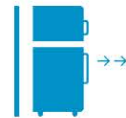
Clean or replace the filter on your air conditioner

Clean or replace your air conditioner filter at least once a month during the summer to maximize its efficiency.



Adjust your fridge temperature settings

An ideal fridge temperature is 33°F to 39°F.



Allow minimum clearance around your fridge

Make sure there is enough air space between your fridge coils and the wall. This will allow your refrigerator to operate at maximum efficiency.



Go paperless and see even more tips! **TEXT #DGTL5 to 83733** to start receiving your home energy reports by text. Learn how to reduce your energy usage and save!

QUESTIONS?

- Visit: nvenergy.com/MyHomeEnergyReport
- Email: MyHomeEnergyReport@nvenergy.com
- Call: 1-844-806-8660, Mon - Sat 8am to 6pm

Exhibit B



Memorandum

To: Shawn Grant, PacifiCorp/Rocky Mountain Power
From: David Basak, Navigant
Date: December 11, 2017
Re: Cost Effectiveness for the Utah Home Energy Reports Program – PY2018

Navigant has developed this memo in response to PacifiCorp's proposed Home Energy Reports (HER) program cost-effectiveness modeling needs in the state of Utah. Each scenario is analyzed using modeled assumptions provided by PacifiCorp. These scenarios utilize the following assumptions:

- **Avoided Costs:** Utilized PacifiCorp's 2017 Class 2 Demand-Side Management Decrement Study along with the Utah whole house load shape used in the 2016 Annual Report to calculate avoided costs.
- **Modeling Inputs:** Measure category savings provided by PacifiCorp in the file *HER CE Inputs 120617.xlsx*.
- **Energy Rates:** Utilized the rates provided by PacifiCorp for the 2016 Annual Report and applied an escalation of 2.2% to arrive at estimated energy rates for PY2018.
- **Line Loss Factors:** Residential line loss factor utilized throughout the analysis.

This memo will begin by addressing the inputs used in the analysis of the Utah HER program for program year 2018. The cost-effectiveness inputs are as follows:

Table 1 - Utility Inputs

Parameter	Value
Discount Rate	6.57%
Residential Line Loss	9.32%
Residential Energy Rate ¹ (\$/kWh)	\$0.1161
Inflation Rate	2.22%

¹ Future rates determined using a 2.2% annual escalator.

Table 2 –Program Costs for the Utah HER Program in PY2018

Measure Category	Program Admin	Start-Up Costs	Utility Admin	Incentives	Total Utility Costs	Gross Customer Costs
Home Energy Reports	\$1,289,500	\$0	\$60,000	\$0	\$1,349,500	\$0

Table 3 – Program Savings for the Utah HER Program in PY2018

Measure Category	Gross kWh Savings	Realization Rate	Adjusted Gross kWh Savings	Net to Gross Ratio	Net kWh Savings	Measure Life
Home Energy Reports	47,600,000	100%	47,600,000	100%	47,600,000	1

Table 4 - Benefit/Cost Ratios for the Utah HER Program in PY2018

Measure Category	PTRC	TRC	UCT	RIM	PCT
Home Energy Reports	1.20	1.09	1.09	0.21	n/a

Table 5 provides cost-effectiveness results for the proposed measures in program year 2018.

Table 5 – HER Program Level Cost-Effectiveness Results

Cost-Effectiveness Test	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0296	\$1,349,500	\$1,616,294	\$266,794	1.20
Total Resource Cost Test (TRC) No Adder	\$0.0296	\$1,349,500	\$1,469,358	\$119,858	1.09
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Rate Impact Test (RIM)		\$6,997,942	\$1,469,358	-\$5,528,583	0.21
Participant Cost Test (PCT)		\$0	\$5,648,442	\$5,648,442	n/a
Lifecycle Revenue Impacts (\$/kWh)					\$0.0002116271
Discounted Participant Payback (years)					n/a

CERTIFICATE OF SERVICE

Docket No. 12-035-77

I hereby certify that on December 22, 2017, a true and correct copy of the foregoing was served by electronic mail to the following:

Utah Office of Consumer Services

Cheryl Murray - cmurray@utah.gov

Michele Beck - mbeck@utah.gov

Gavin Mangelson – gmangelson@utah.gov

Division of Public Utilities

Chris Parker - ChrisParker@utah.gov

William Powell - wpowell@utah.gov

Erika Tedder - etedder@utah.gov

Brenda Salter – bsalter@utah.gov



Katie Savarin

Coordinator, Regulatory Operations