

THOMSON ELECTRIC SALES, INC.

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July 22, 2014

Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

RE: Changes to Schedule 111 Home Energy Savings Incentive Program

Dear Utah Public Works Commission:

We are writing concerning Rocky Mountain Power's proposed changes to Schedule 111 Home Energy Savings Incentive Program.

We are a family-owned one location electrical wholesale distribution company in Logan that has been in operation since the 1930's. For the past few years we have been selling Energy Star LED and fluorescent products that qualify for Rocky Mountain Power's Wattsmart Incentive program for Rocky Mountain Power residential customers. This has become a sizeable portion of business for us over the last couple of years due to the population of Rocky Mountain Power customers here in Cache Valley that have a desire to save energy. We offer quality products with some of the industries' best warranties and efficiencies. Our LED products that are on Rocky Mountain Power's list of approved fixtures all offer a five year warranty and some of the best lumens per watt ratios. Similar priced products from some of the "big box" retailers carry only three year warranties and have lower lumens per watt ratios.

The proposed "upstream" changes that will eliminate the customer from being able to file their own rebate and having the retailer discount the product at the time of purchase would eliminate wholesale distribution companies from being able to compete with these larger retailers. The idea that a "big box" retailer can better serve the needs of all Rocky Mountain Power's customers is simply not true. We have proven this time and time again with products we offer that often times are less expensive with better warranties or guarantees, and higher efficiency.

We feel that lowering the incentive amount from \$20.00 per LED fixture to \$10.00 is fair based on the dramatic decrease in prices over the past two years or so, but it is extremely unethical to push all business through retailers and away from electrical wholesalers who supply most of the electrical contractors with all their supplies. This seems like an effort and opportunity for a big business to support another big business.

Also, Cache Valley residents pay utilities to one of the following three utilities: Rocky Mountain Power, Logan City, or Hyrum Power and as of right now on Rocky Mountain Powers list of approved retailers for Energy Star light bulbs, which we assume would be similar for Energy Star fixtures, there is not a retailer listed in the valley. Will the Cache Valley Rocky Mountain Power customers have to travel to another city in order to buy products? With multiple utilities in Cache Valley how would the retailers be able to distinguish between customers and their utilities or would Rocky Mountain Power be paying these retailers for every item sold? Will this not cause more fraud or is this not an issue due to the agreement Rocky Mountain Power will have with the retailer and or manufacturer?

Please do not allow the changes in this proposal as written to take place. As a small business we fight very hard to stay competitive in an increasingly pro-big business industry and with these proposed changes it will drive business away from local companies to support, most likely, a national retail chain.

Sincerely,

Dixon W. Thomson President

James Thomson

Matt Turner

Jonathan Soto