

November 23, 2016

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

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

Attention: Gary Widerburg
Commission Secretary

Re: **Reply Comments**
In the Matter of Rocky Mountain Power's Proposed Revisions to Schedule No. 110,
New Homes Program and Schedule No. 111, Home Energy Savings Program
Docket No. 16-035-T13

On November 3, 2016, the Public Service Commission of Utah ("Commission") issued a Notice of Filing and Comment period in the above referenced matter, allowing parties to file comments by November 16, 2016 and reply comments by November 23, 2016. The Division of Public Utilities ("DPU") and the Office of Consumer Services ("OCS") filed comments on November 16, 2016, and Utah Clean Energy ("UCE") filed comments on November 17, 2016. Rocky Mountain Power ("Company") provides these reply comments in response to party comments.

The DPU recommended approval of the Company's proposed revisions pending the removal of the note under Table 6 of Schedule 111 referencing Questar Gas Company's Direct Install Weatherization Pilot Program ("Pilot Program"). The Company agrees with this change and accordingly has included a Revised Sheet 111.6 to these reply comments removing said note. The DPU also noted that on page 2 of the Company's application, a brief reference to changing the amount of time for post-purchase application submissions remained, despite the Company's intent for it to be removed prior to being submitted to the Commission. The Company recognizes this inadvertent reference and agrees with DPU's comments that the amount of time for post-purchase application submissions will remain at 180 days.

The OCS recommended approval of the Company's proposed revisions pending the removal of any requested changes having to do with Questar's Pilot Program. The only change the Company requested with respect to Questar's Pilot Program was to add a note referencing it in Sheet 111.6, which has been removed per the Revised Sheet 111.6. The intent of referencing Questar's Pilot Program in Sheet 111.6 and discussing it in the Company's Advice No. 16-12 was for transparency of our intent to use Questar as an administrator for insulation measures if their pilot program is approved. If Questar's Pilot Program is approved by the Commission, and as stated in the

Company’s Advice No. 16-12, the Company intends to work with Questar to transition delivery for existing insulation measures in Schedule 111 through their program. If Questar’s Pilot Program is not approved, delivery for existing insulation measures with the current administrator in Schedule 111 will continue as they currently are.

UCE is generally supportive of the Company’s proposed changes with recommendations concerning new construction and whole house ducted evaporative coolers. Regarding new construction, UCE recommended that 1) RESNET quality assurance standards be incorporated, 2) realtors and/or sales agents and other new homes professionals are worked with, and 3) the program should require that homes’ HERS Ratings for participating homes built for sale be posted on Multiple Listing Services (“MLS”) sites.

As referenced in Exhibit F to Advice No. 16-12, the Company already intends to require RESNET standards for new construction measures. The new construction program has worked with the real estate industry in past years to help with awareness and attempted to have MLS fields updated with things like ENERGY STAR certifications. However, the Company ran into barriers with respect to MLS sites:

- There are several different MLS’ in Utah, so to cover the state, several different groups must be involved.
- MLS changes are only made every few years, and a committee determines what changes will be made. The Company’s requested changes were rejected previously.
- The real estate industry and MLS committees viewed publishing efficiency information as more of a risk than benefit.

Due to the issues and barriers listed above and that requirements for MLS listings are out of the Companies control, the Company does not believe a program requirement for posting homes’ HERS Ratings on MLS’ is appropriate. Despite the barriers the Company has seen however, the Company will continue exploring options with the program administrator concerning the possibilities of partnerships that would benefit the program.

Regarding UCE’s recommendation to retain whole-house ducted evaporative cooler incentives, the Company is proposing to remove it due to low participation and its high cost per kilowatt hour saved. Additionally, the Company’s reported savings for premium evaporative coolers are the same regardless of how a unit is installed; For example, current reported savings for a premium evaporative cooler unit is 1,406 kWh regardless of whether it’s installed as whole-house ducted, rooftop, etc.

Table 1 – Premium Evaporative Cooler Savings as of October 2016

Measure	Customer Participation	kWh Savings	\$/kWh (w/out Admin)
Premium	389	546,934	\$0.46
Premium Self-Install	883	1,241,498	\$0.35
Premium Whole-House Ducted	16	22,496	\$0.87
Premium Whole-House Ducted Self-Install	8	11,248	\$0.59

As shown in Table 1 above, participation is far greater in the premium evaporative cooler measure than in whole-house ducted. The whole-house ducted measures also cost nearly twice as much to provide, but do not bring in any additional savings over the premium measures. Given the low participation, high cost per kilowatt hour saved, and that reported savings are the same among premium units, the Company believes it prudent to remove the whole-house ducted offering from Schedule 111 rather than retain the measure and spend additional funds marketing specifically towards whole-house ducted measures.

With the support expressed in DPU's, OCS', and UCE's comments, Revised Sheet 111.6, and the Company's response to party comments in these reply comments, the Company respectfully requests the Commission approve the proposed modifications as filed in Advice No. 16-12, with modifications to Sheet 111.6 included with these reply comments, with the requested effective date of December 1, 2016.

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

Sincerely,

A handwritten signature in blue ink that reads "Michael S. Snow". The signature is fluid and cursive, with the first name "Michael" being the most prominent part.

Michael S. Snow
Manager, DSM Regulatory Affairs

cc: Division of Public Utilities
Office of Consumer Services
Utah Clean Energy