

1014 2nd Avenue Salt Lake City, Utah 8403

July 31, 2019

VIA ELECTRONIC FILING

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

Re: **Docket No. 19-035-T10**—In the Matter of Rocky Mountain Power's Proposed Tariff Revisions to Electric Service Schedule No. 111, Residential Energy Efficiency Program

Rocky Mountain Power (RMP or the Company) filed a proposed change on July 16, 2019, to Schedule 111, the Residential Energy Efficiency Program (Program). The proposed changes would retire select offerings, add new offerings, and adjust/streamline existing offerings under the Program. Utah Clean Energy (UCE) appreciates the opportunity to provide comments in this docket.

UCE generally supports the proposed changes to Schedule No. 111 and appreciate that RMP has committed to continue working with the DSM Steering Committee to evaluate potential cost-effective insulation measures that may be incorporated back into the Program at a later date. However, we have two suggested changes to encourage continued and increased use of highly-efficient evaporative cooling.

- 1) We recommend that RMP provide cost-effectiveness results for evaporative cooling measures separately from compressor-based cooling for the purposes of determining incentive levels.
- 2) If supported by cost-effectiveness results requested above, we recommend increasing the incentives for evaporative cooling measures to 70% of the measure cost, including installation costs.

During the DSM Steering Committee call on July 11, 2019, RMP indicated that it evaluates the cost effectiveness of all its HVAC measures collectively, as opposed to evaluating each HVAC measure individually. Evaporative cooling technologies use about 25% of the energy that compressor-based air conditioning uses.¹ For this reason, we believe that this highly efficiency cooling technology should be evaluated separately. By analyzing evaporative cooling measures separately the Company will be able to more accurately tailor evaporative cooling incentives to align with the cost effectiveness of this highly efficient technology. In addition, members of the DSM Steering Committee will be able to provide feedback on HVAC and evaporative cooling measure incentive levels and program design. UCE recommends that the

¹ United State Department of Energy, Evaporative Coolers webpage, *found at:* https://www.energy.gov/energysaver/home-cooling-systems/evaporative-coolers.

Public Service Commission require RMP to provide cost effectiveness analysis related to evaporative cooling measures separately to better evaluate the proposed changes.

UCE also recommends that the evaporative cooler incentives in Table 4 – HVAC Incentives² be increased to 70% of the measure and installation cost (when installed by an HVAC contractor) to further incentivize customer adoption of this highly-efficient technology, assuming the increase is cost-effective when looked at on an individual measure basis. Based on the results of a 2016 customer survey conducted by RMP on appliance saturation data, 40% of Park City homes do not have a cooling system, and 67% of surveyed Salt Lake City customers indicated they currently use a central electric air conditioner. As temperatures increase year-to-year, and as old cooling systems need replacement, more people are likely to invest in new HVAC cooling equipment. The fact that evaporative coolers use up to 75% less electricity as compared to air conditioners³ makes this cooling technology economically attractive to residents and businesses. By providing a persuasive incentive for customers to adopt this technology, RMP will increase the likelihood that customers who do not currently have an HVAC cooling system, or customers who wish to upgrade their current cooling system, will adopt technology that is better suited to keeping overall system load down and reducing system ramping.

To that end, RMP should provide cost-effectiveness results for evaporative cooling measures separately and increase the incentives paid for evaporative cooling measures to maximize the chances that customer adopting new HVAC cooling technology will select the more efficient option.

Thank you for the opportunity to provide these comments.

Sincerely,

<u>/s/ Kevin Emerson</u> Kevin Emerson Energy Efficiency Program Director Utah Clean Energy

CC:

Michael Snow, RMP Chris Parker, DPU Cheryl Murray, OCS

² Docket 19-035-T10, Tariff filed on July 16, 2019, page 13, table 8, *found at*: https://pscdocs.utah.gov/electric/19docs/19035T10/309170Tariff7-16-19.pdf.

³ Rocky Mountain Power, *found at*: <u>https://www.homeenergysavings.net/homeowner/category/heating-and-cooling/in/utah/evaporative-coolers</u>.