



To: Utah Public Service Commission

From: Utah Clean Energy

Cc: PacifiCorp – Dave Taylor

Committee of Consumer Services – Michelle Beck, Cheryl Murray

Division of Public Utilities – Phillip Powlick, Artie Powell

Date: December 24, 2008

Subject: Advice No. 08-10 Schedule 114 – Air-Conditioner Direct Load Control Program (A/C-DLC) (Cool Keeper Program)

Utah Clean Energy is submitting these comments to express support for Rocky Mountain Power's proposed changes to the Cool Keeper load control program (Schedule 114 – Air-Conditioner Direct Load Control Program). We support the proposal to retain enrolled units in the program and require an "opt-out" model, and make two additional recommendations below.

Summer coincidental peak load in Utah has historically increased at 5.2 percent per year¹. Peak load places a strain on utility infrastructure and, in the longer term, may cost ratepayers more by requiring additional generation infrastructure to meet peak load. Customer load control initiatives such as the Cool Keeper Program, are an important component of a comprehensive strategy to cost effectively reduce peak load.

The Cool Keeper program is also consistent with the State Energy Policy, which states that "it is the policy of the state that Utah will pursue energy conservation and energy efficiency" (Utah Code §63M-4-301), and the Governor's commitment to increase energy efficiency 20% by 2015. With 80,000 this year, participants, the Cool Keeper program has a proven track record, representing almost 93 MW of reduced load.

However, when Cool Keeper participants move and enrolled units are left to new owners who may not be aware of the program, energy savings are taken off the table since those units are automatically un-enrolled. Currently, between 25,000 and 30,000 units possess switches that are not being utilized. This represents a huge potential for reduced load. Utah Clean Energy estimates that the total potential

¹ From PacifiCorp 2007 Integrated Resource Plan, Table 4.4 Historical Coincidental Peak Load – Summer (1995 – 2005), pg.65

savings from current un-used switches alone could be 23 MW². Utah Clean Energy supports Rocky Mountain Power's proposal to design the program to keep units enrolled in the program through transfer of ownership, and require new participants to "opt-out" of the program. This proposal further supports the aforementioned state policy and goal and appears to be a reasonable proposal for the following reasons:

- It is simple and equitable. New customers will be educated about the program at the time of new service and provided an opportunity to choose not to participate, while still having the chance to cancel participation at any time thereafter.
- The proposed "opt-out" model will more effectively combat peak load challenges, and garner cost-effective energy savings. This will help keep rates down through avoiding need for new (peak) power generation.
- This proposal is consistent with findings reported in March 2008 by the Utah Foundation's *Utah Priorities Survey*, which found that Utah voters are concerned about "energy issues" and "over-consumption of energy resources"³.

It is the position of Utah Clean Energy that the proposed changes to Cool Keeper are in the best interest of the public, current and future rate payers, as well as the state of Utah.

In addition to an "opt-out" model, Utah Clean Energy suggests considering the following two recommendations:

1. Information about the Cool Keeper Program and the procedure for opting out should be clearly included in the Company's planned increased marketing and education initiative to promote energy efficiency and load control.
2. The Cool Keeper program should be tied to the Cool Cash program. They could be tied together one of two ways in order lead to greater participation in the program and capture customers at time of purchase.
 - By requiring automatic enrollment in the Cool Keeper program when a customer receives an incentive in the Cool Cash program. Issues relating to manufacturer warranties would need to be carefully reviewed.
 - An increased incentive amount could be provided for Cool Cash applicants who also sign up for Cool Keeper at the time an incentive is applied for.

² This rough estimate assumes that the total number of un-used switches represent a savings amount proportionate to the profile of the current approximately 80,000 participants.

³ 2008 *Utah Priorities Survey*, Utah Foundation (2008) <http://www.utahfoundation.org/reports/?p=4>