



201 South Main, Suite 2300
Salt Lake City, Utah 84111

June 24, 2009

***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 84111

Attention: Julie P. Orchard
Commission Secretary

Re: Advice No. 09-09
Schedule 110 – Energy Star New Homes Program

Enclosed for filing are an original and two copies of proposed tariff sheets associated with Tariff P.S.C.U No. 47 of PacifiCorp, d.b.a Rocky Mountain Power, applicable to electric service in the State of Utah. Pursuant to the requirement of Rule R746-405D, Rocky Mountain Power (the “Company”) states that the proposed tariff sheets do not constitute a violation of state law or Commission rule. The Company will also provide an electronic version of this filing to tbehr@utah.gov. The Company is requesting an effective date of July 24, 2009 for these changes.

Third Revision of Sheet No. 110.1	Schedule 110	Energy Star New Homes Program
Third Revision of Sheet No. 110.2	Schedule 110	Energy Star New Homes Program
Third Revision of Sheet No. 110.3	Schedule 110	Energy Star New Homes Program
First Revision of Sheet No. 110.4	Schedule 110	Energy Star New Homes Program

This filing proposes modifications to the 2008 Energy Star New Homes program for the 2009 program year. The Company further proposes the revisions to the program proposed in this filing remain in effect through April 30, 2010, at which time the Company will re-evaluate and revise the program to reflect changes which might be necessary in the event the Utah State Legislature adopts the 2009 International Energy Conservation Code.

The changes from the 2008 program are intended to a) maintain Energy Star program participation given the current economic conditions in Utah, b) improve penetration of efficient lighting measures, c) bridge advanced building practices, and d) increase the Energy Star program participation in the multi-family housing market. Administrative and definitional changes are also proposed. The changes to the program are as follows:

Single-Family Changes

The Company proposes the following changes with respect to single family homes:

- Consolidate the four Tiers in the 2008 program into three Tiers to simplify the marketing messages surrounding participation requirements and program administration. Homes qualifying for an incentive under one of the three Tiers must meet 2009 ENERGY STAR specifications in addition to meeting specific qualifications for each Tier.
- Increase the incentive for Tier 1 from \$200 to \$250 to encourage participation and maintain market share given the current new-housing market and to offset the cost of meeting the increased lighting requirements.
- Increase the incentive for Tier 3 from \$700 to \$800 to encourage more builders to consider building to Tier 3 standards. Tier 3, the top Tier, is designed for homes that qualify for the Federal Energy Efficient Home Tax Credit and exceed existing Utah energy code by at least 50%. To achieve these savings, air conditioning equipment requirements increase from 14 SEER to 15 SEER and window requirements increase from U - 0.35 to U- 0.30. Building a home that qualifies for Tier 3 incentives will position builders to meet and exceed the new energy code. This will assist in providing a blueprint for advanced building practices needed to enable builders to close the gap between current and future residential building requirements in the state of Utah.
- Increase the lighting requirements for all 3 Tiers. Builders would be required to install compact fluorescent lamp (CFL) bulbs in a fixed percentage of the sockets rather than requiring a specified number of CFLs. Tier 1 homes would be required to have 50%, Tier 2 homes would be required to have 75% and Tier 3 homes would be required to have CFLs installed in 90% of all sockets. This change will help ensure higher penetrations of energy efficient lighting across all home sizes and simplify the message surrounding lighting requirements. As changes in lighting technology, especially the installation of pin based CFL fixtures/bulbs continues to meet resistance in the new residential construction market, these changes are part of an on-going effort to change practices and prepare builders for the new energy code requirements.
- Replacement of the reference to “ducted high efficiency evaporative cooling system” with “premium evaporative cooling system” in the Plus Measure category for evaporative coolers. This is to create consistency between the Energy Star New Homes program and the Cool Cash program.
- Increase the incentive for the whole house fan system Plus Measure from \$100 to \$200 in order to encourage adoption of this energy efficient cooling technology.
- Increase the incentive from \$50 to \$75 and require CFLs in 90% of the sockets rather than the addition of 15 CFLs in the lighting upgrade Plus Measure to further increase the penetration of efficient lighting technology. This measure is only available for Tier 1 homes.

- Increase the incentive for upgrades to ENERGY STAR fixtures under the Plus Measure from \$20 to \$50 in order to further increase the penetration of efficient lighting.
- Increase the incentive from \$10 to \$75 under the Plus Measure incentives for Gossamer blade fans to encourage increased adoption rates of this alternative cooling measure.

The incentive for Tier 2 remains unchanged at \$300 despite increased lighting requirements over the 2008 program year. The additional \$50 incentive over Tier 1 incentives is offered to encourage the installation of additional lighting in Tier 2 homes.

Multi-Family Changes

The Company proposes the following changes with respect to multi-family:

- Change the number of contiguous units within a structure that qualify for multi-family from structures with six units or greater to five units or greater. Structures with four units or less would be defined as single family homes. This change is designed to reflect typical multi-family structure construction practices in Utah. This change also aligns Rocky Mountain Power's multi-family definition with that of Questar Gas Company's.
- Change the multi-family offer from a single Tier structure to a two Tier structure based on the number of units per structure. Structures with 5 – 12 contiguous units would qualify for incentives under Tier 1, while structures with 13 or more contiguous units would qualify for Tier 2 incentives. The requirements for both Tiers are the same; however, the incentive for Tier 2 is \$200 as opposed to the \$300 incentive offered for Tier 1 in recognition of the economies of scale realized in higher unit count multi-family construction.
- Require multi-family homes to have CFLs installed in 50% of all light sockets to increase penetration of energy efficient lighting.
- Remove the 2008 program lighting upgrade Plus Measure and replaced with a Plus Measure which requires that CFLs be installed in 90% of all sockets. The incentive for this measure is \$35. This change is intended to increase the penetration of CFLs installed in new construction residential units.
- Replace the incentive for the Gossamer blade design ceiling fan measure, which offered a \$10 incentive, with a measure which offers a \$100 incentive for the installation of 14 SEER HVAC equipment. This change has been made to encourage the installation of more energy efficient HVAC equipment.

Administrative and Definition Changes

- Increase the maximum number of floors allowed in a structure from three stories or less to five stories or less. This change primarily affects multi-family structures and aligns the program with national ENERGY STAR specifications more accurately reflecting the current configuration of multi-family structures in Utah.
- Remove the language in the tariff regarding the Company's reliance on the number of applications received and the equipment packages installed in determining application deadlines.

The Company's 60 day noticing period of pending program changes remains unchanged. Notice of the proposed changes is being posted to the program website and one-on-one builder meetings regarding the changes have been ongoing since January. The need for program changes were identified at the April 6, 2009 DSM Advisory Committee meeting and a draft of the proposed changes were circulated through email on May 6, 2009 requesting DSM Advisory Committee group comments.

The forecasted revised program expenditures are commensurate with 2008 program spending levels. Program expenditures will continue to be recovered through Schedule 193, the DSM Cost Adjustment surcharge.

To provide continuity between the 2008 program and the changes proposed in this filing, incentives listed in Tables 1 & 2 will be available for measures installed on or after January 1, 2009.

The program remains cost effective under the proposed program changes. Provided as Attachment A is the cost effectiveness analysis prepared by the Cadmus Group in support of the Company's proposed program changes. The model used to generate the cost effectiveness tables provided in Attachment A is provided as Attachment B. Attachment C contains the inputs used by the model provided as Attachment B.

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

By e-mail (preferred): datarequest@pacificorp.com

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

Informal inquires regarding this filing should be directed to Dave Taylor, Utah regulatory affairs manager at 801-220-2923.

Utah Public Service Commission

June 24, 2009

Page 5

Sincerely,

Jeffrey K. Larsen

Vice President, Regulation

Enclosures