



# Utah Energy Efficiency and Peak Reduction Annual Report

January 1, 2013 – December 31, 2013

Issued May 16, 2014



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**LIST OF ABBREVIATIONS AND ACRONYMS**

CFLs	Compact fluorescent lights
DSM	Demand-side management
ECM	Energy conservation measure
HCD	Utah Department of Workforce Services, Housing and Community Development Division
HVAC	Heating, ventilation and air conditioning
IRP	Integrated Resource Plan
kW	Kilowatt
kWh	Kilowatt hour
LEDs	Lighting-emitting diode lights
NTG	Net-to-Gross
PCT	Participant Cost Test
PTRC	Total Resource Cost Test with 10 percent adder
RIM	Ratepayer Impact Measure Test
Schedule 193	Demand-Side Management Cost Adjustment
TRC	Total Resource Cost Test
UCT	Utility Cost Test

## EXECUTIVE SUMMARY

Rocky Mountain Power (“Company”) working in partnership with its retail customers and with the approval of the Public Utilities Commission of Utah (“Commission”), acquires energy efficiency and peak reduction resources as cost-effective alternatives to the acquisition of supply-side resources. These resources assist the Company in efficiently addressing load growth and contribute to the Company’s ability to meet system peak requirements. Company energy efficiency and peak reduction programs provide participating Utah customers with tools that enable them to reduce or assist in the management of their energy usage, while reducing the overall costs to the Company’s customers. These resources are relied upon in resource planning as a least cost alternative to supply-side resources.

This report provides details on program results, activities, expenditures, and status of the Demand-Side Management Cost Adjustment tariff rider (“Schedule 193”) revenue for the performance period from January 1, 2013, through December 31, 2013.<sup>1</sup> The Company, on behalf of its customers invested \$55.2 million in energy efficiency and peak reduction resource acquisitions during the reporting period. The investment yielded approximately 264.4 gigawatt-hours in first year energy savings,<sup>2</sup> 2,628,930 megawatt-hours of lifetime savings<sup>3</sup> from 2013 energy efficiency acquisitions and approximately 58.8 megawatts of capacity reduction from energy efficiency savings<sup>4</sup> and realized reductions associated with peak management activities of approximately 126.7 megawatts<sup>5</sup>. Net benefits based on the projected value of the energy savings over the life of the individual measures are estimated at \$141.1 million<sup>6</sup>. The cost effectiveness of the portfolio including peak load reduction from various perspectives is provided in Table 1.

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<sup>1</sup> Appendix 1 provides specific requirements from various Docket Numbers and where they are located in the annual report and appendices.

<sup>2</sup> Reported ex-ante savings as measured at generation.

<sup>3</sup> Estimated lifetime savings of 2013 Energy Efficiency Acquisitions was calculated by multiplying First Year Acquisitions (measured at the generator) by the weighted average measure life of the portfolio of 9.9 years, no discount was assumed for possible savings degradation over the life of the measures.

<sup>4</sup> See Appendix 2 for explanation on how the capacity contribution savings values are calculated.

<sup>5</sup> Realized load as measured at generation

<sup>6</sup> See Table 1 – Utility Cost Test Net Benefits.

Table 1 - Cost Effectiveness for the Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent ("PTRC") – total resource cost with the addition of environmental and non-energy benefits <sup>7</sup>	1.89	\$142,814,362
Total Resource Cost Test ("TRC") <sup>8</sup>	1.72	\$115,301,805
Utility Cost Test ("UCT") <sup>9</sup>	2.05	\$141,073,900
Participant Cost Test ("PCT") <sup>10</sup>	2.45	\$129,570,653
Ratepayer Impact ("RIM") <sup>11</sup>	1.00	\$79,931

The portfolio was cost effective based on all of the five standard cost effectiveness tests for the 2013 reporting period. Annual performance information for 2013 cost effectiveness is provided in detail in Appendix 3.

In 2013, the Company completed development of a Technical Reference Library which documents in an electronic database the preliminary measure-level savings data, including the methods, assumptions and sources for those assumptions used for the reporting of program energy savings.

Another Company system implementation that began in 2013 was the upgrade of the Company's tracking system which is used by Demand-side management ("DSM") to store information on completed customer projects. The system is known as DSM Central and integrates with the Technical Reference Library. Together the two systems will improve the process of validating reported savings data and costs.

The Company, working with its third-party program delivery administrators<sup>12</sup>, collaborates with the following number of retailers, contractors and vendors in the delivery of its energy efficiency programs in Utah:

Table 2  
Energy Efficiency Infrastructure

<sup>7</sup> The total resource cost test plus a 10 percent benefit adder to account for non-quantified environmental and non-energy benefits of conservation resources over supply side alternatives.

<sup>8</sup> The TRC compares the total cost of a supply side resource to the total cost of energy efficiency resources, including costs paid by the customer in excess of the program incentives. The test is used to determine if an energy efficiency program is cost effective from a total cost perspective.

<sup>9</sup> The UCT compares the total cost incurred by the utility to the benefits associated with displacing or deferring supply side resources.

<sup>10</sup> The PCT compares the portion of the resource paid directly by participants to the savings realized by the participants.

<sup>11</sup> The RIM examines the impact of energy efficiency on utility rates. Unlike supply-side investments, energy efficiency programs reduce energy sales. Reduced energy sales can lower revenue requirements (see UCT) while putting near-term upward pressure on rates as the remaining fixed costs are spread over fewer kilowatt-hours.

<sup>12</sup> See program specific information for backgrounds on third party administrators.

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Sector	Type	No.
Residential	Lighting Retailers	282
	Appliances Retailers	125
	HVAC <sup>13</sup> Contractors	147
	Insulation Contractors	46
	Window Contractors	38
	Low Income Agencies	1
Commercial and Industrial	Lighting Trade Allies	184
	HVAC Trade Allies	53
	Motors Trade Allies	60
	Engineering Firms	22

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<sup>13</sup> Heating, ventilation and air conditioning



## 2013 Performance

Program and Sector level results for 2013 are provided in Table 3.

Table 3<sup>14</sup>  
Utah Program Results for January 1, 2013 – December 31, 2013<sup>15</sup>

<b>Load Management Programs</b>	<b>kW/Yr (at site)</b>	<b>kW/Yr (at gen)</b>	<b>Program Expenditures</b>
Cool Keeper (114)	100,875	110,275	\$ 10,340,051
Irrigation Load Control (105)	15,000	16,386	\$ 743,345
<b>Total Load Management</b>	<b>115,875</b>	<b>126,660</b>	<b>\$ 11,083,396</b>
<b>Energy Efficiency Programs</b>	<b>kWh/Yr Savings (at site)</b>	<b>kWh/Yr Savings (at gen)</b>	<b>Program Expenditures</b>
Low Income Weatherization (118)	475,374	519,669	\$ 129,097
New Homes (110)	2,138,279	2,337,524	\$ 1,413,515
Refrigerator Recycling (117)	13,139,386	14,363,714	\$ 1,618,186
Home Energy Savings (111)	89,481,784	97,819,697	\$ 20,792,304
Home Energy Reporting	32,298,825	35,308,430	\$ 802,595
<b>Total Residential</b>	<b>137,533,648</b>	<b>150,349,034</b>	<b>\$ 24,755,696</b>
Wattsmart Business Commercial (140)	66,524,798	72,320,438	
Wattsmart Business Industrial (140)	38,530,080	40,782,163	
Wattsmart Business Agricultural (140)	845,167	923,235	
Wattsmart Portfolio (140)			\$ 14,168,001
<b>Total Wattsmart Business</b>	<b>105,900,045</b>	<b>114,025,837</b>	<b>\$ 14,168,001</b>
<b>Outreach &amp; Communications + Class 4</b>			
Outreach and Communication Campaign			\$ 1,442,042
U of U Ambassador Sponsorship			\$ 6,426
<b>Total Energy Efficiency</b>	<b>243,433,693</b>	<b>264,374,870</b>	<b>\$ 40,372,164</b>
<b>Total System Benefit Expenditures - All Programs</b>			<b>\$ 51,455,561</b>
Portfolio Technical Reference Database			\$ 179,999
Portfolio Code Training			\$ 52,865
Portfolio DSM Central			\$ 255,672
Self Direction Credits			\$ 3,281,617
<b>Total Utah Program Expenditures</b>			<b>\$ 55,225,715</b>

<sup>14</sup> Reported savings are ex-ante

<sup>15</sup> The values at generation include line losses between the customer site and the generation source. The company's line losses by sector for 2013 are 9.32 percent for residential, 8.71 percent for commercial, 5.85 percent for industrial and 9.24 percent for irrigation.

## REGULATORY ACTIVITIES

During the reporting period, the Company filed a number of compliance filings, updates and requests with the Commission in support of the Company programs. The Company requested and received approval of tariff modifications for the following:

- Approval of DSM Adjusted Credit rate increase on Schedule 194, effective March 1, 2013.
- Approval of new Schedule No. 105, Irrigation Load Control Program and cancellation of Schedule 96A, Dispatchable Irrigation Load Control Credit Rider Program, effective March 15, 2013.
- Tariff revisions to Home Energy Savings – Schedule 111, effective May 1, 2013.
- Approval to cancel Schedule No. 115 ("Commercial and Industrial Energy Efficiency Incentives Optional for Qualifying Customers"); Schedule No. 125 ("Commercial and Industrial Energy Services Optional for Qualifying Customers"); Schedule No. 126 ("Utah Commercial and Industrial Re-Commissioning Program"); and Schedule No. 192 ("Self-Direction Credit") and approval of the new Schedule No. 140 ("Non-Residential Energy Efficiency"), effective July 1, 2013.
- Approval to cancel Schedule No. 194, DSM Cost Adjustment Credit, effective September 15, 2013, in order to fund changes to the Schedule No. 114, Cool Keeper Program.

The Company also received approval or requested the following items:

- Acknowledgement on April 24, 2013 of the 2013 DSM Semi-Annual Forecast Report in compliance with the Commission Order of August 25, 2009, in Docket No. 09-035-T08 approving the Phase I Stipulation.
- On March 1, 2013, the Commission issued an Order directing the Company to file supplementary information reporting savings estimates for the 2013 DSM Irrigation Load Control program both in terms of total program participation and contribution to peak.
- Approval of the optional new application process for the New Homes Program, effective May 7, 2013.
- Acceptance of the 2012 Annual Report, acknowledged September 11, 2013 with supplemental information filed October 7, 2013.
- Acknowledgement on September 27, 2013, for the August 8, 2013 filing of the Schedule No. 193 "Balancing Account Analysis."
- Submitted the Demand Side Management November 1 deferred account and forecast in compliance with the Commission's August 25, 2009, Order in docket No. 09-035-T08. The Commission issued an Order on January 9, 2014.
- Requested approval of the Strategic Outreach and Communications Plan for DSM for 2014 on December 27, 2013. The Commission approved the plan on February 12, 2014.

### Advisory Group and Steering Committee Activities

Consistent with the discussion in Docket No. 12-035-69, the Company seeks input regarding its energy efficiency programs from both the Utah DSM Advisory Group and the DSM Steering Committee. Both groups include representatives from a variety of constituent organizations.

Members of the Steering Committee, who are not already governed by Commission confidentiality rules, signed Confidentiality Agreements with the Company in order to provide input on issues involving sensitive, confidential, or proprietary information.

The Company consulted with the DSM Advisory Group or DSM Steering Committee throughout 2013 on the follow matters:

January 2, 2013 – Steering Committee

- Deferred Balancing Account
- Irrigation Load Control

February 5, 2013 – Steering Committee

- AFUDC to Debt Rate
- Cool Keeper Evaluation
- New Homes Evaluation
- Northwest Power and Conservation Council and E Source memberships and cost allocations
- DSM Central
- Commercial and Industrial Program Updates

March 6, 2013 – Steering Committee

- Commercial and Industrial Program Changes
- New Homes Updates
- Lawrence Berkeley Labs – Offer to Review Decoupling
- Evaporative Cooling Working Group Update

April 24, 2013 – Steering Committee

- Draft Non-Residential Energy Efficiency Tariff Discussion
- Evaluations / Annual Report
- Home Energy Reports
- Cool Keeper Procurement
- wattsmart Marketing at the University of Utah

June 18, 2013 – Steering Committee

- Cool Keeper Procurement Update

August 21, 2013 – Steering Committee

- Review Required Filings and Potential Consolidation/Changes
- Review Deferred Balance at the Portfolio Level
- Review – Annual Report Data Requirements
- Cool Keeper Procurement Update
- Carrying Charge Rate Discussion

August 21, 2013 – Advisory Group

- Status of PacifiCorp's Energy Storage Demonstration Project, Update on Docket No. 11-035-140
- Review Annual Demand-Side Management 2012 Report
- Review Results of the Integrated Resource Plan on the DSM Forecast
- Review Program Upgrades and Changes during 2012/2013
- Act! wattsmart video contest

#### December 10, 2013 – Steering Committee

- New Homes Program
- Home Energy Reports
- Cool Keeper Program
- Irrigation Load Control

#### December 10, 2013 – Advisory Group

- Program Evaluations Review
- November 1 Forecast Review – 2014 Savings Goals and Budget
- wattsmart Business
- Low Income Access to Home Energy Savings

### **Schedule 193 Balancing Account Summary**

Energy efficiency and peak reduction activities are funded by revenue collected through Schedule 193 Expenditures and are charged as incurred. The DSM balancing account is the mechanism used for managing Schedule 193 revenues collected and tracking the offsetting DSM expenses incurred.

As referenced above, on August 14, 2013 the Company filed an application in Docket No. 13-035-136 to cancel Schedule 194 – DMS Cost Adjustment Credit in order to fund improvements to Schedule 114 – Air Conditioner Direct Load Control Program. A hearing was held on September 12, 2013 for all interested parties to comment on the filing. Approval of the cancelation of Schedule 194 was received and became effective on September 15, 2013.

The balancing account summary for 2013 is shown in Table 4.

Table 4  
Schedule 193 Balancing Account Summary

**State of Utah****Summary - Balancing Account**

	Monthly Program Costs - Fixed Assets	Monthly Net Accrued Costs *	Rate Recovery	Carrying Charge	Cash Basis Accumulated Balance	Accrual Based Accumulated Balance	Accumulated Balance Total Carrying Costs
Balance as of 12/31/12					(12,939,521)	(8,292,887)	
January	2,239,836	468,371	(3,769,990)	(89,422)	(14,559,096)	(9,444,091)	3,327,274
February	1,840,982	556,090	(3,595,521)	(100,722)	(16,414,358)	(10,743,262)	3,226,552
March	4,105,880	(378,162)	(3,171,663)	(104,056)	(15,584,197)	(10,291,264)	3,122,496
April	3,968,474	55,405	(2,745,405)	(97,697)	(14,458,825)	(9,110,486)	3,024,799
May	4,432,566	(1,259,705)	(2,876,433)	(89,267)	(12,991,959)	(8,903,325)	2,935,532
June	3,151,913	209,876	(3,561,547)	(86,109)	(13,487,702)	(9,189,193)	2,849,423
July	4,851,757	(244,503)	(4,488,209)	(86,821)	(13,210,975)	(9,156,969)	2,762,602
August	3,159,027	3,252,543	(4,740,990)	(91,363)	(14,884,301)	(7,577,752)	2,671,239
September	2,652,618	64,463	(4,427,712)	(102,911)	(16,762,307)	(9,391,295)	2,568,328
October	5,504,239	(904,373)	(4,114,850)	(104,841)	(15,477,759)	(9,011,119)	2,463,487
November	3,263,632	1,139,337	(3,868,999)	(94,611)	(16,177,737)	(8,571,761)	2,368,876
December	11,905,940	(4,945,115)	(4,580,101)	(81,033)	(8,932,931)	(6,272,071)	2,287,843
2013 totals	51,076,863	(1,985,773)	(45,941,421)	(1,128,853)			

\*December 2013 total accrual

\$2,660,861

**Column Explanations:**

**Monthly Program Costs – Fixed Assets:** Monthly expenditures for all DSM program activities posted in 2013.

**Monthly Net Accrued Costs:** Monthly net change of program costs incurred during the period not yet posted.

**Rate Recovery:** Revenue collected through Schedule 193.

**Carrying Charge:** Monthly carrying charge based on “Cash Basis Accumulated Balance” of the account.

**Cash Basis Accumulated Balance:** Current balance of the account; a running total of account activities. A negative accumulative balance means cumulative revenue exceeds cumulative expenditures; positive accumulative balance means cumulative expenditures exceed cumulative revenue.

**Accrual Based Accumulative Balance:** Current balance of account including accrued costs.

**AFUDC Rate:** The carrying charge rate applied to the accumulated balance. AFUDC means Allowance for Funds Used During Construction.

## PLANNING PROCESS

### Integrated Resource Plan

The Company develops a biennial integrated resource plan (“IRP”) as a means of balancing cost, risk, uncertainty, supply reliability/deliverability and long-run public policy goals. The plan presents a framework of future actions to ensure the Company continues to provide reliable, reasonable-cost service with manageable risks to the Company’s customers. Energy efficiency and peak management opportunities are incorporated into the plan based on their availability, characteristics and costs.

Energy efficiency and peak management resources can be divided into four general classes based on their relative characteristics, the classes are:

- Class 1 DSM (Resources from fully dispatchable or scheduled firm capacity product offerings/programs) – Capacity savings occur as a result of active Company control or advanced scheduling. Once customers agree to participate, the timing and persistence of the load reduction is involuntary on their part within the agreed limits and parameters.
- Class 2 DSM (Resources from non-dispatchable, firm energy and capacity product offerings/programs) – Sustainable energy and related capacity savings are achieved through facilitation of technological advancements in equipment, appliances, lighting and structures or sustainable verifiable changes in operating and maintenance practices, also commonly referred to as energy efficiency resources.
- Class 3 DSM (Resources from price responsive energy and capacity product offerings/programs) – Short-duration energy and capacity savings from actions taken by customers voluntarily based on pricing incentives or signal.
- Class 4 DSM (Resources from energy efficiency education and non-incentive based voluntary curtailment programs/communications pleas) – Energy and/or capacity reduction typically achieved from voluntary actions taken by customers, to reduce costs or benefit the environment through education, communication and/or public pleas.

As technical support for the IRP, a third-party analysis is conducted to estimate the magnitude, timing and cost of alternative energy efficiency and peak management options.<sup>16</sup> The main focus of the study has been on resources with sufficient reliability characteristics that are anticipated to be technically feasible and assumed achievable during the IRP’s 20-year planning horizon. The estimated achievable energy efficiency potential identified in the 2013 study for Utah was 389 average megawatts or 13 percent of retail sales.<sup>17</sup> By definition this was the energy efficiency potential that may be achievable to acquire during the 20-year planning horizon if determined least

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<sup>16</sup>Assessment of Long-term, System-Wide Potential for Demand-Side and Other Supplemental Resources, [www.pacificorp.com/content/dam/pacificorp/doc/Energy\\_Sources/Demand\\_Side\\_Management/DSM\\_Potential\\_Study/PacifiCorp\\_DSMPotential\\_FINAL\\_Vol%20I.pdf](http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Demand_Side_Management/DSM_Potential_Study/PacifiCorp_DSMPotential_FINAL_Vol%20I.pdf)

<sup>17</sup>Ibid, page 75.

cost and cost-effective compared to supply-side alternatives within the Company's integrated resource planning process.

The achievable technical potential by sector is shown in Table 5. The 2013 potential study indicates that 60 percent of the achievable technical potential for the Company, excluding Oregon<sup>18</sup>, is in Utah.<sup>19</sup>

**Table 5**  
**Utah Energy Efficiency Achievable Technical Potential by Sector**

Sector	Average Megawatts in 2032	Percent of Retail Sales
Residential	118	14%
Commercial	163	15%
Industrial	103	9%
Irrigation	2	10%
Street Lighting	3	29%

Energy efficiency resources vary in their reliability, load reduction and persistence over time. Based on the significant number of measures identified in the potential study it is difficult to incorporate each measure as a standalone resource in the IRP. To address this issue, energy efficiency measures are bundled by their relative cost to reduce the number of combinations to a more manageable number.

The evaluation of energy efficiency resources within the IRP is also informed by state specific evaluation criteria. While all states generally use commonly accepted cost effectiveness tests, some states require variations in calculating or prioritizing the tests.

- Washington and Oregon utilize the total resource cost but allow for consideration of non-energy benefits and a 10 percent regional conservation credit in the determination of cost effectiveness.
- Utah utilizes the utility cost test as the primary determination of cost effectiveness.

The Company evaluates program implementation cost effectiveness (both prospectively and retrospectively) under a variation of five tests to identify the relative impact and/or value to customers and the Company (i.e. utility cost, total resource cost, near-term rate impact, program value to participants, etc.).

The 2013 Integrated Resource Plan preferred portfolio includes the acquisition of energy efficiency resources. The plan seeks opportunities to accelerate these acquisitions as evidenced by the range of the savings target and expanded set of demand side management related Action Plan

<sup>18</sup> Demand-side Management potential studies for Oregon are performed by the Energy Trust of Oregon.

<sup>19</sup> Page 75, Table 52 of the 2013 Assessment of Long-term, System-Wide Potential for Demand-Side and Other Supplemental Resources.

activities. The action plan savings targets for the 2013 Integrated Resource Plan <sup>20</sup> are shown in Table 6.

Table 6  
Preferred Portfolio Energy Efficiency Targets

2013 Preferred Portfolio	Acquire 1,425-1,876 gigawatt hours (GWh) of cost-effective Class 2 (energy efficiency) resources by the end of 2015 and 2,034-3,180 GWh by the end of 2017.
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<sup>20</sup> 2013 IRP, April, 2013, [www.pacificorp.com/content/dam/pacificorp/doc/Energy\\_Sources/Integrated\\_Resource\\_Plan/2013IRP/PacifiCorp-2013IRP\\_Vol1-Main\\_4-30-13.pdf](http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Integrated_Resource_Plan/2013IRP/PacifiCorp-2013IRP_Vol1-Main_4-30-13.pdf), page 248.



## 2013 PERFORMANCE COMPARED TO FORECAST

In 2013, the Company forecasted Utah targets of 248,000 MWh/year of energy efficiency and 152 MW<sup>21</sup> of load under management. These targets were filed with the commission on November 1, 2012.<sup>22</sup> The Company achieved energy efficiency acquisitions of 264,375 MWh and realized load management reductions of 127 MW. Load management program performance was impacted by a pre-season transition to a new delivery vendor and pay-for-performance contract structure for the Irrigation Load Control program and post-season end to the contract with the vendor delivering the Cool Keeper program (decrease in vendor program marketing).

Table 7 - 2013 Program Performance Compared to Forecast

Utah DSM 2013 Projected Savings	2013 Forecast (Gross - at Gen)		2013 Actual (Gross - at Gen)	
	MWH	MW	MWH	MW
<b>Class 1 - Residential, Commercial, Industrial</b>				
A/C Load Control Prgm - Residential (Sch. 114)		117		110
Industrial Irrigation Load Control (Sch. 96 & 96A)		35		16
<b>Total Class 1</b>		152		127
<b>Class 2 - Residential Programs</b>				
Low Income (Sch. 118)	1,719		520	
New Construction (Sch. 110)	3,850		2,338	
Refrig. Recycle (Sch. 117)	15,002		14,364	
Home Energy Efficiency Incentive Prgm (Sch. 111)	95,000		97,820	
Home Energy Reports	15,000		35,308	
	130,571		150,349	
<b>Class 2 - Commercial Programs</b>				
Wattsmart Business (Sch. 140)			72,320	
Energy FinAnswer (Sch. 125)	26,401			
Commercial Self-Direct (Sch. 192)	2,990			
Commercial FinAnswer Express (Sch. 115)	39,736			
Retrofit Commissioning Program (Sch. 126)	1,449			
	70,576		72,320	
<b>Class 2 - Industrial Programs</b>				
Wattsmart Business (Sch. 140)			41,705	
Industrial FinAnswer (Sch. 125)	32,267			
Industrial Self-Direct (Sch. 192)	10,010			
Industrial FinAnswer Express (Sch. 115)	4,415			
	46,692		41,705	
<b>Total Class 2</b>	247,839		264,375	

<sup>21</sup> Forecast realized load reduction associated with Cool Keeper and load under Irrigation management

<sup>22</sup> Refer to Docket No 13-035-183

## PEAK REDUCTION PROGRAMS

Peak Reduction programs assist the Company in balancing the timing of customer energy requirements during heavy use summer hours; deferring the need for higher cost investments in delivery infrastructure and generation resources that would otherwise be needed to serve those loads for a select few hours each year. These programs help the Company maximize the efficiency of the Company’s existing electrical system and reduce costs for all customers.

Programs targeting capacity related resources are often specific to end use loads most prevalent in a given jurisdiction, such as the agricultural pumping and space cooling loads in Utah. In 2013, the Company offered the irrigation load control program (Schedule 105) and the air conditioner load management program (Schedule 114) for residential and small commercial customers.

The Peak Reduction Programs achieved a total of 126,660 kilowatt (“kW”) of realized load control (gross at generation) in 2013. Cost effectiveness results for the reporting period are provided in Table 8.

Table 8  
Cost Effectiveness for Load Control Portfolio<sup>23</sup>

	Benefit/Cost Ratio
Total Resource Cost Test plus 10 percent	Pass
Total Resource Cost Test	Pass
Utility Cost Test	Pass
Participant Cost Test	N/A
Rate Payer Impact	Pass

### Irrigation Load Control

The *Irrigation Load Control* program was offered in 2013 to irrigation customers receiving electric service on Schedule 10, Irrigation and Soil Drainage Pumping Power Service. Participants enrolled with the third party program administrator to allow the curtailment of their electricity usage in exchange for a participation credit. For most participants, their irrigation equipment is set up with a dispatchable two-way control system giving the Company control over their loads. Under this control option participants are provided a day-ahead notification in advance of control events and have the choice to opt-out of a limited number of dispatch events per season.

A summary of the program performance, participation and cost effectiveness results for the reporting period are provided in Tables 9 and 10.

<sup>23</sup> Decrement values or avoided costs are considered confidential on load control programs. Cost effectiveness ratios and inputs will be available under a protective agreement. A “Pass” designation equates to a benefit to cost ratio of 1 or better.

Table 9  
Irrigation Load Control Program Performance

Total Enrolled (Gross – at Gen)	26 MW
Average Realized load (at Gen)	13 MW
Maximum Realized load (at Gen)	16 MW
Participation Customers	54
Participation (Sites)	207

Table 10  
Cost Effectiveness for Irrigation Load Control

	Benefit/Cost Ratio
Total Resource Cost Test plus 10 percent	Pass
Total Resource Cost Test	Pass
Utility Cost Test	Pass
Participant Cost Test	N/A
Rate Payer Impact	Pass

### Program Management

The program manager who is responsible for the *Irrigation Load Control* programs in Utah is also responsible for the *Irrigation Load Control* program in Idaho. For each state the program manager is responsible for the cost effectiveness of the program, contracting with program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

### Program Administration

Starting with the 2013 program season, the Company selected EnerNoc to manage the irrigation load control program through a pay-for-performance structure. See Appendix 4 for EnerNoc's 2013 PacifiCorp Irrigation Load Control Program Report.

### Load Control Events and Performance

There were ten control events initiated in 2013. The date, time and estimated impact for each event is provided in Table 11.

Table 11  
Irrigation Load Control Events

Date	Event	Event Times	Estimated Load Reduction - Utah at Gen (MW)
6/18/13	1	3pm-7pm	-7
6/28/13	2	3pm-7pm	-14
7/1/13	3	3pm-7pm	-14
7/2/13	4	3pm-7pm	-14
7/3/13	5	3pm-7pm	-16
7/9/13	6	3pm-7pm	-15
7/10/13	7	3pm-7pm	-15
7/18/13	8	3pm-7pm	-11
7/25/13	9	3pm-7pm	-12
7/26/13	10	3pm-7pm	-10

### Evaluation

No evaluation activities occurred during 2013.

### **Cool Keeper**

The *Cool Keeper* program is an air conditioner direct load management program targeting residential and qualifying commercial customers (equipment size equal to or less than 7.5 tons) who cool their homes and businesses with electric central air conditioners and heat pumps. On select summer weekday afternoons, when electricity demand is at its highest, the *Cool Keeper* control equipment installed on a participating customer's cooling equipment is sent a signal to cycle the operation of the air conditioners compressor "off and on" for brief periods each hour in coordination with the air conditioners of other participating customers. For their participation, customers receive an annual "thank you" bill credit of either \$20 or \$40 per air conditioner being controlled depending on the size of the air conditioner. Commercial customers have the option of receiving a programmable thermostat in lieu of the "thank you" bill credit as an incentive for their participation. Like the direct control unit or switch used to control equipment for the majority of the program, the programmable thermostat is capable of receiving remote signals used to initiate control events, but also has the added feature of doubling as an intelligent programmable thermostat customers may use to effectively manage their heating and cooling systems year around.

A summary of the program performance, participation and cost effectiveness results for the reporting period are provided in Tables 12 and 13 below.

Table 12  
Cool Keeper Program Performance

Maximum Realized (Gross – at Gen)	110 MW
Maximum Realized (At Site)	101 MW
Total Participation	105,457
Residential	104,927
Commercial	530

Table 13  
Cost Effectiveness for Cool Keeper

	Benefit/Cost Ratio
Total Resource Cost Test plus 10 percent	Pass
Total Resource Cost Test	Pass
Utility Cost Test	Pass
Participant Cost Test	NA
Rate Payer Impact	Pass

### Program Management

The program manager who was responsible for *Cool Keeper* program in Utah was also responsible for the *Home Energy Reports* in Utah and Washington and the *New Homes* program in Utah. For each program and in each state, the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in each tariff or state’s compliance requirements.

### Program Administration

The *Cool Keeper* program was administered by Comverge, Inc. through a pay-for-performance agreement. Comverge delivers a portfolio of energy management solutions that enable utilities, grid operators, and commercial and industrial organizations to optimize their energy usage and demand.

Comverge was responsible for the following:

- Installation and maintenance of load control devices and communication infrastructure.
- Business Continuity – Ensure processes are in place and administered to ensure the continued operation of the irrigation load control program.
- Data System Management – Maintain the load control management system for participant data, load reduction performance and reconciliation of annual performance.
- Providing a dispatch portal and communications network to facilitate the effective operation of the irrigation load control devices.
- Customer Services – Manage customer interface including the program hotline and ensuring trained and knowledgeable staff are available to handle all customer service issues. Customer recruitment to maintain adequate participation level.

The Company's 10-year pay-for-performance contract with Comverge expired at the end of the 2013 program season. New contracts were signed with Cooper Power Systems and Good Cents to provide equipment and assist the Company in the operation and administration of the Cool Keeper program starting in 2014. The change will result in a company owned and operated control environment relying on two-way communications equipment for improved control, measurement and verification of program performance.

### Evaluation

No evaluation activities occurred during 2013.

## ENERGY EFFICIENCY PROGRAMS

Energy Efficiency programs are offered to all major customer sectors: residential, commercial, industrial and agricultural. The residential energy efficiency portfolio included the following programs: *Home Energy Savings* – Schedule 111, *Residential Refrigerator Recycling* – Schedule 117, *New Homes* – Schedule 110, *Home Energy Reports*, *Low-Income Weatherization* – Schedule 118.

The non-residential energy efficiency portfolio consisted of *FinAnswer Express* – Schedule 115, *Energy FinAnswer* – Schedule 125, *Re-commissioning* – Schedule 126 and *Self-Direction* – Schedule 192 during the first part of 2013. Effective July 1, 2013, the non-residential programs were consolidated into a *Non-Residential Energy Efficiency* program – Schedule 140.

The cost effectiveness results of the Energy Efficiency Portfolio for the 2013 reporting period is provided in Table 14.

Table 14  
Cost Effectiveness for Energy Efficiency Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.61	\$58,692,862
Total Resource Cost Test	1.46	\$44,615,664
Utility Cost Test	2.76	\$89,794,343
Participant Cost Test	2.24	\$110,164,069
Rate Payer Impact	0.73	(\$51,199,626)

Table 15 provides a summary by program of the Gross and Net savings acquired in 2013 at site and at generation.

Table 15  
Energy Efficiency Gross and Net Savings<sup>24</sup>

Program	Gross kWh Savings at site	Net kWh Savings at site	Gross kWh Savings at gen	Net kWh Savings at gen
Low Income	475,374	475,374	519,669	519,669
New Homes	2,138,279	1,710,623	2,337,524	1,870,019
Refrigerator Recycling	13,139,386	7,677,190	14,363,714	8,392,551
Home Energy Savings	89,481,784	67,206,422	97,819,697	73,468,716
Home Energy Reports	32,298,825	32,298,825	35,308,430	35,308,430
wattsmart Business	105,900,045	104,477,462	114,025,837	112,483,971
Total	243,433,693	213,845,896	264,374,870	232,043,355

<sup>24</sup> Net savings include realization rates and NTG ratios.

## RESIDENTIAL PROGRAMS

The residential energy efficiency portfolio was comprised of five programs; *Home Energy Savings*, *Residential Refrigerator Recycling*, *New Homes*, *Home Energy Reports*, and *Low Income Weatherization*. As shown in Table 16 below, the residential portfolio was cost effective based on four of the five standard cost effectiveness tests for the 2013 reporting period. The ratepayer impact test was less than 1.0 indicating that there is near term upward pressure placed on the price per kilowatt-hour given a reduction in sales.

Table 16  
Cost Effectiveness for Residential Portfolio

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	\$11,353,812	1.22
Total Resource Cost Test	\$5,567,905	1.11
Utility Cost Test	\$31,757,297	2.22
Participant Cost Test	\$48,900,656	1.92
Rate Payer Impact	(\$32,891,365)	0.64

### Home Energy Savings

The *Home Energy Savings* program is designed to provide access to and incentives for more efficient products and services installed or received by customers in new or existing homes, multi-family housing units or manufactured homes. Program participation by measure is provided in Table 17.

Table 17  
Eligible Program Measures (Units)<sup>25</sup>

Measures	Unit Measurement	2013 Total Units	2013 Total Participants
Attic Insulation	Sq Feet	16,100,600	8,581
Bonus Insulation Incentive	Units	18	18
Ceiling Fan	Units	39	23
Central Air Conditioner Equipment	Units	1,690	1,681
Clothes Washer	Units	8,241	8,232
Dishwasher	Units	3,291	3,282
Duct Sealing and Insulation	Projects	5,714	5,668

<sup>25</sup> Units are dependent on the measure i.e. insulation is in square feet, dishwashers is a straight count of dishwashers receiving an incentive, CFLs are an estimate of total bulbs, etc.



Measures	Unit Measurement	2013 Total Units	2013 Total Participants
Electric Water Heater	Units	10	10
Evaporative Cooler - Permanently Installed	Units	64	64
Evaporative Cooler - Premium	Units	493	493
Evaporative Cooler - Replacement	Units	277	276
Evaporative Cooler - Premium Ducted	Units	15	15
Fixture	Units	128,964	10,587
Floor Insulation	Sq Feet	3,466	6
Freezer	Units	5	5
Gas Furnace	Units	1,277	1,265
Portable Evaporative Cooler	Units	74	73
Central Air Conditioner Best Practice Installation	Projects	1,666	1,656
Central Air Conditioner Proper Sizing	Projects	1,048	1,043
Refrigerator	Units	1,179	1,179
Room Air Conditioner	Units	762	711
Wall Insulation	Sq Feet	449,269	514
Windows	Sq Feet	267,159	1,491
Lighting - CFL General	Bulbs	2,106,733	210,673
Lighting - CFL Specialty	Bulbs	646,382	64,638
Lighting - LED Downlight	Bulbs	231,445	231,445
Lighting - LED General	Bulbs	118,746	118,746
Lighting - LED Specialty	Bulbs	200,357	200,357
<b>Grand Total</b>		<b>20,278,984</b>	<b>872,732</b>

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 18.

Table 18  
Cost Effectiveness for Home Energy Savings

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	1.22	\$9,784,434
Total Resource Cost Test	1.11	\$4,860,748
Utility Cost Test	2.37	\$28,444,561
Participant Cost Test	1.73	\$35,449,043
Rate Payer Impact	0.67	(\$24,064,302)

### Program Management

The program manager who is responsible for the *Home Energy Savings* program in Utah is also responsible for the *Home Energy Savings* program in California, Idaho, Washington and Wyoming and the *Refrigerator Recycling* program in Utah, California, Idaho, Washington, and Wyoming. For each program and in each state the program manager is responsible for the cost effectiveness

of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

### Program Administration

The *Home Energy Savings* program is administered by PECEI. PECEI, a private non-profit corporation, has been designing and implementing energy efficiency programs since 1990.

PECEI is responsible for the following:

- Retailer and trade ally engagement – PECEI identifies, recruits, supports and assists retailers to increase the sale of energy efficient lighting, appliances and electronics. PECEI enters into promotion agreements with each lighting manufacturer and retailer for the promotion of discounted compact fluorescent lights (“CFLs”). The agreements include specific retail locations, lighting products receiving incentives and not-to-exceed annual budgets. Weatherization and HVAC contractors engaged with the program are provided program materials, training and receive regular updates.
- Inspections – PECEI recruits and hires inspectors to verify on an on-going basis the installation of measures. Summary of the inspection process is in Appendix 5.
- Incentive processing and call-center operations – PECEI receives all requests for incentives, determines whether the applications are completed, works directly with customers when information is incorrect and/or missing from the application and processes the application for payment.
- Program specific customer communication and outreach – A summary of the communication and outreach conducted by PECEI on behalf of the Company is outlined in the Communication, Outreach and Education section.

### Infrastructure

The Company through its third party vendor is working with 282 retailers to promote CFLs and light-emitting diode lights (“LEDs”). See Appendix 6 for the list of lighting, appliance, HVAC and weatherization retailers.

### Evaluation

During 2013, a process and impact evaluation was initiated by a third party evaluator for program years 2011-2012. The process and impact evaluation was completed in first quarter of 2014.

### **Refrigerator Recycling**

The *Refrigerator Recycling* program, also known as “See ya later, refrigerator®”, is designed to decrease electricity use through voluntary removal and recycling of inefficient refrigerators and freezers. Participants receive a \$30 incentive for each qualifying refrigerator or freezer recycled through the program and an energy-saving kit which includes two CFLs, a refrigerator

thermometer card, energy-savings educational materials, and information on other efficiency programs relevant to residential customers. Program participation by measure is provided in Table 19.

**Table 19**  
**Eligible Program Measures (Units)**

Measures	2013 Total	2013 kWh @ site
Refrigerator Recycling	8,719	10,593,585
Freezer Recycling	1,977	1,743,714
Energy Savings Kit	10,153	802,087

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 20.

**Table 20**  
**Cost Effectiveness for Refrigerator Recycling**

	Benefit/ Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	2.19	\$1,931,609
Total Resource Cost Test	1.99	\$1,608,900
Utility Cost Test	1.99	\$1,608,900
Participant Cost Test <sup>26</sup>	N/A	\$8,409,396
Rate Payer Impact	0.52	(\$3,034,822)

In 2013, more than 1.3 million pounds of metal, 213,920 pounds of plastics, 13 tons (26,157 pounds) of tempered glass and the capture, recovery or destruction of more than 13,909 pounds of ozone depleting Chlorofluorocarbons (greenhouse gases) and Hydro fluorocarbons, commonly used in refrigerants and blowing agents for polyurethane foam insulation. The Carbon Dioxide and Equivalent carbon dioxide avoided from the atmosphere was in excess of 40,000 metric tons.

### Program Management

The program manager who is responsible for the *Refrigerator Recycling* program in Utah is also responsible for the *Refrigerator Recycling* program in California, Idaho, Washington and Wyoming and *Home Energy Savings* program in Utah, California, Idaho, Washington, and Wyoming. For each program and in each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the tariff.

### Program Administration

<sup>26</sup> Participants in program incur no costs.

The *Refrigerator Recycling* program is administered by JACO Environmental (“JACO”). JACO started over 20 years ago in Snohomish County, north of Seattle, Washington, JACO has grown to become one of the largest recyclers of house-hold appliances in the United States. The Company contracts with JACO to provide customer scheduling, pick-up, incentive processing and marketing services for the program.

JACO also ensures that over 95 percent of the components and materials of the discarded appliance are either recycled for beneficial uses or eliminated in an environmentally responsible way. The remaining 5 percent can then be productively used as “fluff” to facilitate the decomposition of biodegradable landfill material.

JACO Environmental is responsible for the following:

- Appliance handling – JACO handles all customer and field service operations for the program including pick-up of refrigerators and freezers from customers, transporting the units to the de-manufacturing facility and recycling of the appliances.
- Incentive processing and call-center operations – Customer service calls, pick-up scheduling and incentive processing are handled by JACO.
- Program specific customer communication and outreach – Working in close coordination with the Company, JACO handles all the marketing for the program. The program is marketed through bill inserts, customer newsletters and TV, newspaper and online advertising.

Independent third party contract inspectors are employed by the Company to ensure JACO’s performance. The summary of the inspection process is included in Appendix 5.

### Infrastructure

Refrigerators and freezers are collected from residential customers and trucked to JACO facility in Salt Lake City, Utah for disassembly and recycling.

### Evaluation

In October 2013, a process and impact evaluation was completed by a third party evaluator for program years 2011-2012. The impact evaluation provided data on the gross realized savings and the Net-to-gross (“NTG”) ratio. The process evaluation investigated participant satisfaction, implementation and delivery processes, marketing methods and quality assurance. The Company’s response to the recommendations and web link to the evaluation report are included in Appendix 7.

## **New Homes**

The *New Homes* program provides incentives for new homes and multi-family units meeting the specific energy efficiency requirements as outlined in the program's tariff. The New Homes program has shown success in helping improve building practices in Utah. To be eligible for program incentives, a home must have installed qualifying stand-alone measures, or a residence must meet the minimum standards and certifications set by the program, such as a certification of ENERGY STAR.

The *New Homes* program received three awards and recognition in 2013. The program was included in the American Council for an Energy-Efficient Economy's Third National Review of Exemplary Programs. The program earned special recognition for Innovative Marketing & Outreach Strategies as part of ENERGY STAR's Profiles in Leadership. The program was awarded an ENERGY STAR 2013 Leadership in Housing award.

Program participation results for 2013 are provided in Table 21.

Table 21  
New Homes Program Participation

<b>New Homes Measure Participation</b>	<b>Units</b>
15 SEER / 12 EER / TXV MF	54
15 SEER / 12 EER / TXV SF	123
2012 EISA - 80% E* lighting <2000 SF	5
2012 EISA - 80% E* lighting > 1500 MF	1
2012 EISA - 80% E* lighting >3500 SF	21
2012 EISA - 80% E* lighting 2000 to 3500 SF	54
2012 EISA - 80% E* lighting 850 to 1500 MF	28
2012 EISA - 80% E* lighting <850 MF	2
2013 EISA - 80% E* lighting <2000 SF	124
2013 EISA - 80% E* lighting <850 MF	305
2013 EISA - 80% E* lighting >1500 MF	11
2013 EISA - 80% E* lighting >3500 SF	185
2013 EISA - 80% E* lighting 2000 to 3500 SF	506
2013 EISA - 80% E* lighting 850 to 1500 MF	246
2X6 R-20 Walls MF	760
2X6 R-20 Walls SF	701
80% E* lighting < 2000 SF	28
80% E* lighting < 850 MF	71
80% E* lighting > 1500 MF	4
80% E* lighting > 3500 SF	31
80% E* lighting 2000 to 3500 SF	66
80% E* lighting 850 to 1500 MF	47
Dishwasher EF 0.75+ MF	889
Dishwasher EF 0.75+ SF	1050
ENERGY STAR V3 - Whole Home Option MF	271
ESTAR 2.5 SF	9
ESTAR 3.0 SF	405
Evap Prem Eff non-ducted SF	1
GSHP E* 17 EEF 3.6 COP SF	3
High Performance ESTAR v3 MF	3

<b>New Homes Measure Participation</b>	<b>Units</b>
High Performance ESTAR v3 SF	17
HVAC-QI Contractor cert SF	2
HVAC-QI Contractor cert w ECM SF	2
HVAC-QI Rater cert MF	424
HVAC-QI Rater cert SF	366
HVAC-QI Rater cert w ECM MF	10
HVAC-QI Rater cert w ECM SF	83
IECC 2009 Builder cert SF	28
IECC 2009 Rater cert MF	510
IECC 2009 Rater cert SF	345
Refrigerator 10%> Energy Star MF	43
Refrigerator 10%> Energy Star SF	64
R-5 Windows SF	1
90% Energy Star CFL's MF (Old Program)	7
Tier 1 MF (Old Program)	8
Tier 2 MF (Old Program)	3
<b>TOTALS</b>	<b>7,917</b>

Program performance results for January 1, 2013 – December 31, 2013 are provided in Tables 22 and 23.

**Table 22**  
Cost Effectiveness for New Homes Scenario 1<sup>27</sup>

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	0.56	(\$1,185,790)
Total Resource Cost Test	0.51	(\$1,324,928)
Utility Cost Test	0.98	(\$22,138)
Participant Cost Test	1.26	\$554,156
Rate Payer Impact	0.43	(\$1,852,334)

**Table 23**  
Cost Effectiveness for New Homes Scenario 2<sup>28</sup>

	Benefit/Cost Ratio	Net Benefits
Total Resource Cost Test plus 10 percent	0.58	(\$1,118,355)
Total Resource Cost Test	0.53	(\$1,257,493)
Utility Cost Test	1.03	\$45,297
Participant Cost Test	1.26	\$554,157
Rate Payer Impact	0.44	(\$1,784,899)

<sup>27</sup> Scenario 1 – 2013 expenditures including final allocation portion from 2011 program design efforts.

<sup>28</sup> Scenario 2 – 2013 expenditures excluding final allocation portion from 2011 program design efforts.

As shown in Table 22, the *New Homes* program ex-ante results suggest the program was only cost effective for the Participant Cost Test and was not cost effective in all other cost effectiveness tests for the 2013 reporting period. Table 22 includes redesign costs incurred in 2011 but allocated across 2011, 2012 and 2013. Table 23 shows the program ex-ante results excluding the 2011 redesign cost. Without the redesign costs included, the program is cost effective for the Utility Cost Test and Participant Cost Test. The Company met with the Utah Steering Committee on December 10, 2013, to review program performance and challenges. Despite numerous operational improvements the program's savings were seriously impacted by the continuing improvement in federal lighting efficiency standards.<sup>29</sup> The Company is reviewing the adequacy of the program's cost effectiveness methodology as well as investigating program enhancements to improve program cost effectiveness going forward. If these actions do not demonstrate the Company can rectify the program's performance, the program will be terminated in 2014 and its program services abbreviated and folded under the Company's *Home Energy Savings* program.

### Program Management

The program manager who was responsible for the *New Homes* program in Utah was also responsible for the *Home Energy Reports* program in Utah and Washington and the *Cool Keeper* program in Utah. For each program and in each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set in each state's compliance requirements.

### Program Administration

The *New Homes* program is administered by Nexant, Inc. ("Nexant"). Nexant services include design, implementation and evaluation of commercial, industrial, and residential energy efficiency program in the United States. The Company contracts with Nexant to provide coordination and application processing services for *New Homes* program.

Specifically, Nexant is responsible for the following:

- Builder and trade ally engagement – Identifies, recruits, supports and assists builders and their sub-contractors to increase energy efficiency standards in new residential contractions
- Incentive processing and administrative support – Handles incoming inquiries as assigned, processes incentive applications, provide program design services, evaluation and regulatory support upon request.
- Inspections – Verifies on an on-going basis the installation of measures. Summary of the inspection process is in Appendix 5.
- Program specific customer communication and outreach

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<sup>29</sup> Energy Independence and Security Act of 2007

### Infrastructure

The program had 161 builders under agreement in 2013, of which 82 submitted incentive applications during the year. In addition, the program provided training sessions and promotional support including:

- 4 Utah state energy code trainings (attended and gave short presentations).
- HVAC training for builders at the Habitat for Humanity home in Park City.
- Summit County Energy Code training.
- Energy efficiency training videos with and for Ivory Homes.
- All Wasatch front local home builder associations about new homes efficiency and program incentives.
- 3-hour training on proper HVAC installations at Salt Home Builders Association office.
- Quarterly rater meetings.

### Evaluation

No evaluation activities occurred during 2013.

### **Home Energy Reports**

The *Home Energy Report* program is designed to better inform residential customers about their energy usage by providing comparative energy usage data for similar homes located in the same geographical area. In addition, the report provides the customer with information on how to decrease their energy usage. Equipped with this information, customers can modify behavior and/or make structural equipment, lighting or appliance changes to reduce their overall electric energy consumption.

Reports were initially provided to approximately 95,000 customers; however this number is expected to decrease over the 41 month pilot period due to customer attrition related to general customer churn (customer move-outs)<sup>30</sup> and customers requesting to be removed from the program

The customer population selected to participate is made up of customers with an annual average electrical energy usage of 16,215 kilowatt hours. As degradation occurs over the pilot period, the average usage of the population may also change. The change in average usage will be measured and verified in the pilot evaluation.

Reports were mailed monthly for the initial three months in order to build program awareness. Following this initial three month period, report frequency was moved to a bi-monthly schedule for the remainder of the pilot. Each participating customer will receive 21 reports over the term of the pilot. Customers were given the right to opt-out of the mailed paper copy of the report and request an electronic version delivered via email. Participating customers also have access to a

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<sup>30</sup> As of the end of 2013 approximately 81,700 customers were still participating and receiving home energy reports.



web portal containing the same information about their usage provided in the report. The web portal also contains other functions such as a home energy audit tool and suggestions to improve energy conservation and efficiency of their home.

Program performance results for January 1, 2013 – December 31, 2013, are provided in Table 24.

Table 24  
Cost Effectiveness for Home Energy Reports

	B/C Ratio	Net Benefits
Total Resource Test plus 10%	3.15	\$1,723,883
Total Resource Cost Test	2.86	\$1,494,203
Utility Cost Test	2.86	\$1,494,203
Participant Cost Test	N/A	\$3,410,756
Rate Payer Impact	0.55	(\$1,916,553)

### Program Management

The program manager who was responsible for the *Home Energy Reports* program in Utah and Washington was also responsible for the *New Homes* and the *Cool Keeper* programs in Utah. For each program and in each state the program manager is responsible for the cost effectiveness of the program, identifying and contracting with the program administrator through a competitive bid process, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set in each state's compliance requirements.

### Program Administration

The *Home Energy Reports* program is administered by Opower. Opower is a privately held Software-as-a-Service company that partners with utility providers around the world to promote energy efficiency. Opower works with more than 75 utility companies in 31 U.S. states and five other countries. Opower's software creates individualized energy reports for utility customers that analyze their energy usage and offers recommendations on how to save energy and money by making small changes to their energy consumption. The Company contracts with Opower to provide energy savings, software services, and printing and delivery of energy reports to customers.

Opower is responsible for the following:

- Selecting Qualifying Customers – Opower conducts an analysis to identify qualifying customers that are then randomly selected into the program's treatment (those who will receive reports) and control groups (for measurement and verification).
- Customer Comparison Analysis – Opower conducts statistical analysis to perform pattern recognition in order to derive actionable insights to selected customers.
- Energy Report Delivery – By mail or email.
- Web Portal Design and Support – Opower operates and maintains a customer Web portal that participants may visit for additional information about their energy usage and saving opportunities.

## Evaluation

A third party contractor will evaluate Opower's reported savings after 18-months of report distribution (January 2014) and after 36-months (December 2015).

### **Low Income Weatherization**

The *Low Income Weatherization* program provides energy efficiency services through a partnership with the Utah Department of Workforce Services, Housing and Community Development Division ("HCD") to income-eligible households. Services are at no cost to the program participants.

In 2013, there were 543 homes served. The measures installed through the *Low Income Weatherization* program are limited to those that reduce electricity use in a participant's homes. Total homes served and number of specific measures in 2013 is provided in Table 25.

Table 25  
Total Homes Served and Measure Counts

Participation – Total number of Homes Served	543
Ceiling Insulation	2
Furnace Fans	114
Compact Fluorescent Light Bulbs	8,272
Refrigerator Testing	345
Refrigerator Replacements	199
Energy Education	2

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 26.

Table 26  
Cost Effectiveness for Low Income

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	2.69	\$218,031
Total Resource Cost Test	2.44	\$186,474
Utility Cost Test	2.44	\$186,474
Participant Cost Test	N/A	\$523,148
Rate Payer Impact	0.57	(\$238,456)

## Program Management

The program manager who is responsible for the *Low Income Weatherization* program in Utah is also responsible for the *Low Income Weatherization* program in California, Idaho, Washington and Wyoming; energy assistance programs in Utah, California, Idaho, Oregon, Washington and

Wyoming; and bill discount programs in Utah, California and Washington. The program manager is responsible for the cost effectiveness of the weatherization program in each state, partnerships and agreements in place with agencies that serve income eligible households, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions set out in the agency contracts and state specific tariffs.

### Program Administration

The Company currently has a contract in place with HCD to provide services through the *Low Income Weatherization* program. This state agency receives federal funds and subcontracts with 8 non-profit agencies that install energy efficiency measures in the homes of income eligible households throughout the Company's service area. Company funding of 50 percent of the cost of approved measures is leveraged by HCD with the federal funding they receive, allowing more homes to be served each year.

By contract with the Company, HCD and their subcontracting local agencies are responsible for the following:

- Income Verification – The local agencies determine participants are income eligible based on HCD guidelines. Household's interested in obtaining weatherization services apply through the agencies. The current income guidelines are included in Appendix 8.
- Energy Audit – Agencies use a United States Department of Energy approved audit tool to determine the cost effective measures to install in the participant's homes (audit results must indicate a savings to investment ratio of 1.0 or greater).
- Installation of Measures – Agencies install the energy efficiency measures.
- Post Inspections – Agencies inspect 100 percent of completed homes. HCD also inspects a random sample of homes. See Appendix 5 for verification summary.
- Billing Notification – HCD is required to submit a billing to Company within 60 days after job completion. They include a form indicating the measures installed and associated cost on each completed home along with their invoice.

### Evaluation

No evaluation activities occurred during 2013.

## NON-RESIDENTIAL ENERGY EFFICIENCY

The commercial and industrial energy efficiency portfolio was consolidated into a *Non-Residential Energy Efficiency* program, Schedule 140, which became effective July 1, 2013. The programs that were consolidated were FinAnswer Express, Energy FinAnswer, Recommissioning and Self-Direction Credit. The *Non-Residential Energy Efficiency* program is promoted to the Company's customers as wattsmart Business.

As a result of this consolidation taking effect July 1, 2013, summary for this reporting period will be provided as a consolidated program with results being reported by measure group.

Program performance results for January 1, 2013 – December 31, 2013 are provided in Table 27 below.

Table 27  
Cost Effectiveness for Non-Residential Energy Efficiency

	Benefit/Cost Ratio	Net Benefits
Total Resource Test plus 10 percent	2.36	\$52,551,857
Total Resource Cost Test	2.15	\$44,260,566
Utility Cost Test	4.22	\$63,249,854
Participant Cost Test	2.70	\$61,263,413
Rate Payer Impact	0.86	(\$13,095,453)

The program is intended to maximize the efficient utilization of electricity for new and existing non-residential loads through the installation of energy efficiency measures and energy management protocols. Qualifying measures are any measures which, when installed in an eligible facility, result in verifiable electric energy efficiency improvements.

Services offered through the *Non-Residential Energy Efficiency* program are:

- Typical Upgrades: Provides incentives for lighting, HVAC, compressed air and other equipment upgrades that increase electrical energy efficiency and exceed code requirements.
- Custom analysis: Offers energy analysis studies and services for more complex projects.
- Energy management: Provides expert facility and process analysis to help lower energy costs by optimizing customer's energy use. (This offer was added in July 2013.)
- Energy project manager co-funding: Available to customers who can commit to an annual goal of completing energy project resulting in at least 1,000,000 kWh/year in energy savings. (This offer was added in July 2013.)

Projects completed in the current period by customer sector are provided in Table 28.

Table 28  
Projects Completed

	2013 Total
Commercial	1,477
Industrial	149
Agricultural	43
Total Projects Completed	1,669

Program participation by measure group in the current period is provided in Table 29.

Table 29  
Participation by Measure Group

Measure Groups	2013 Total Count by Measure Group	2013 Totals kWh Savings (at site)
Additional Measures	10	2,808,091
Appliance	2	2,318
Building Shell	63	932,790
Compressed Air	26	7,653,805
Controls	7	728,899
Dairy/Farm Equipment	12	342,746
Food Service	52	477,481
HVAC	256	16,349,864
Irrigation	92	913,502
Lighting	1,284	55,184,822
Motors	205	12,255,115
Office	140	5,013,432
Refrigeration	34	3,237,180
Program Totals	2,183	105,900,045

### Program Management

The program managers overseeing program activity in Utah for the *Non-Residential Energy Efficiency* program are also responsible for the business energy efficiency programs in California, Idaho, Washington, and Wyoming. For each state the program managers are responsible for the cost effectiveness of the program, identifying and contracting with the program administrators through a competitive bid process, program marketing, establishing and monitoring program performance and compliance, and recommending changes in the terms and conditions of the program.

### Program Administration

Typical measures are primarily marketed through local trade allies who receive support from one of two program delivery contractors. The Company contracts with Nexant, Inc. (“Nexant”) and Cascade Energy (“Cascade”) for trade ally coordination, training and application processing services for commercial and industrial/agricultural measures respectively.

Nexant and Cascade are responsible for the following:

- Trade ally engagement –includes identification, recruiting, training, supporting and assisting trade allies to increase sales and installation of energy efficient equipment at qualifying business customer facilities.
- Incentive processing and administrative support –includes handling incoming inquiries as assigned, processing incentive applications, developing and maintaining standardized analysis tools and providing program design services, evaluation and regulatory support upon request.
- Inspections –includes verifying on an on-going basis the installation of measures. Summary of the inspection process is in Appendix 5.

Custom analyses are primarily administered by the Company using in-house project managers and a network of energy engineering consultants.

The final Self Direction Administrator report for 2013 is attached as Appendix 9.

### Infrastructure

To help increase and improve the supplier and installation contractor infrastructure for energy-efficient equipment and services, the Company established and developed trade ally networks for lighting, HVAC, motors and irrigation. This work includes identifying and recruiting trade allies, providing program and technical training and providing sales support on an ongoing basis. The current list of the trade allies who have applied and been approved as participating vendors are posted on the Company website and is included as Appendix 10 to this report. Customers are not required to select a vendor from these lists to receive an incentive.

The total number of participating trade allies is currently 256. The current counts of participating trade allies by technology are in the Table 30.

Table 30  
Participating Trade Allies<sup>31</sup>

	Lighting trade allies	HVAC trade allies	Motors and VFD trade allies
List dated 5/2/2014	184	53	60

<sup>31</sup> Some trade allies may participate in more than one technology so the count of unique participating firms is less than the total count provided above.

Given the diversity of the non-residential customers served by the Company, a pre-approved, pre-contracted group of engineering firms are used to perform facility specific energy efficiency analysis, quality assurance and verification. The individual projects are directly managed by one of the Company's project managers. The project manager works directly with the customer or through the appropriate community and customer account manager located in Utah. Table 31 lists the engineering firms currently under contract with the Company.

Table 31  
Energy Engineering Firms

Energy Engineering Firm	Main Office Location
Abacus Resource Management Company	Beaverton, OR
Brendle Group	Fort Collins, CO
Cascade Energy Engineering	Cedar Hills, UT
Compression Engineering Corp	Salt Lake City, UT
Ecova	Portland, OR
EMP2, Inc	Richland, VA
Energy Resource Integration, LLC	Sausalito, CA
Energy and Resource Solutions	North Andover, MA
EnerNOC Inc.	Portland, OR
EnSave, Incorporated	Richmond, VT
ETC Group, Incorporated	Salt Lake City, UT
Evergreen Consulting Group	Beaverton, OR
Fazio Engineering	Weston, OR
kW Engineering, Inc.	Salt Lake City, UT
Lincus Incorporated	Tempe, AZ
Nexant, Incorporated	Salt Lake City, UT
QEI Energy Management, Inc.	Beaverton, OR
RM Energy Consulting	Pleasant Grove, UT
Rick Rumsey, LLC	Ammon, ID
SBW Consulting, Inc.	Bellevue, WA
Solarc Architecture & Engineering, Inc.	Eugene, OR
Triple Point Energy	Portland, OR

### Evaluation

During 2013, a process and impact evaluation was completed by a third party evaluator for program years 2009-2011. The evaluation provided data on the gross realized savings and the NTG ratio. The process evaluation investigated participant satisfaction, implementation and delivery processes, marketing methods and quality assurance. The Company's response to the recommendations and web link to the evaluation report are included in Appendix 7.

## COMMUNICATIONS, OUTREACH AND EDUCATION

The Company utilizes earned media, customer communications, outreach, paid media and program specific media in an effort to communicate the value of energy efficiency, provide information regarding low-cost, no-cost energy efficiency measures and to educate customers on the availability of technical assistance, services and incentives. The overall goal is to engage customers in reducing their energy usage through behavioral changes as well as changes in equipment, appliances and structures.

### Earned Media

Earned media is managed by the Company's external communications department in cooperation with the customer and community managers located in Utah. "Earned media" generally refers to favorable television, radio, newspaper or internet news coverage gained through press releases, media events, opinion pieces, story pitches or other communication with news editors and reporters. A list of the news stories, date of publication or airing, media outlet and web links (where available) is included in Appendix 11.

### Customer Communications

As part of the Company's regular communications to our customers, support materials and newsletters across all customer classes, and the Company's website promote energy efficiency initiatives and case studies on a regular basis. Twice a year, the Company added the *wattsup* newsletter for all residential customers. This bill insert provided information about wattsmart energy efficiency programs and incentives prior to seasonal changes. Inserts describing specific energy efficiency programs and incentives and outer envelopes featuring energy efficiency messages and programs have also been used on a consistent basis.

The Company also utilizes social media, such as Twitter and Facebook to communicate and engage customers on DSM offers and incentives. The Company continues to build a "fan" base by providing at least three tips and program messages each week. As of December 2013, there were more than 2,000 Twitter followers in Utah who receive weekly tweets about energy efficiency.

### wattsmart Campaign

#### Paid Media

Communication efforts for 2013 were developed to provide residential and business customers with low-cost, no-cost approaches to reducing electric consumption; comprehensive information related to the Company's energy efficiency and peak reduction programs; and to provide residential customers information on the Company's summer tiered rate structure.

The audiences for communications were prioritized as follows:

- *PRIMARY*: Residential households in the Company's service area
- *SECONDARY*: Early adopters and public decision makers



- *TERTIARY*: Small and large businesses

Various communication channels were utilized to optimize effectiveness, frequency and coverage; and to build on the messages. Table 32 outlines the value provided by each communication channel.

Table 32  
Communication Channels

Communication Channel	Value to Communication Portfolio	Placement
Television	Due to the strength and reach of the Salt Lake City designated market area, television works as the most effective media channel	April – September 2013 – average 152 spots per week 14,330,900 impressions
Radio	Given the cost relative to television, radio builds on communications delivered via the television while providing for increased frequency of messages	April – September 2013 – average 280 spots per week 9,673,270 impressions
Newspaper	Supports broadcast messages and guarantees coverage of the Utah service territory	April – September 2013 – 1,144,350 impressions
Website <a href="http://www.rockymountainpower.net">www.rockymountainpower.net</a> <a href="http://wattsmart.com">wattsmart.com</a>	Supports all other forms of communications by serving as a source for detailed information regarding the company's program and other energy efficiency opportunities	292,661 overall energy efficiency (includes wattsmart) web views
Facebook	Awareness for early adopters regarding energy efficiency tips and a location to share information on how to be wattsmart; feature incentive programs and other seasonal information  Information posted three times a week	As of December 2013 there were 905 wattsmart Facebook fans for the Company  321 were a direct result of the video contest
Twitter (@RMP_Utah)	Awareness for early adopters regarding energy efficiency tips  Tweets posted on a weekly basis	As of December 2013 there were 2,100 Twitter followers in Utah
Other Online (i.e. banner ads on local sites, blogs, behavioral ad targeting, and pay-per-click ad placements)	Supports the broadcast and print media while also increasing awareness for early adopters who are online and are likely to be receptive to energy saving messaging.	12,529,113 impressions for all flash banners and paid searches during the campaign months.

Magazine	Content targeting business and metro area customers	The Enterprise, Utah Business magazine. 225,000 impressions
Spanish language media	Broadens communications to include Spanish-speaking customers	173,000 TV impressions 1,325,900 radio impressions 75,000 print impressions
Out of Home/Transit	Supports the broadcast and print media while increasing awareness	45,959,333 impressions

The total number of 2013 impressions for the wattsmart campaign was 85,826,348. This does not include impressions from the sponsorships and also does not include the 45,841,342 earned media impressions from the video contest.

Web links to the current portfolio of advertisements are included in Appendix 11 of this report.

### Public Outreach

The Company leveraged the messages initially developed in the communications campaign through various public outreach initiatives in 2013. Table 33 summarizes the Company's efforts to educate the public on the importance of implementing energy efficiency practices.

Table 33  
Outreach Initiatives

Initiative	Description
Act wattsmart Video Contest	<p>On March 6, 2013, the Company launched the statewide Act wattsmart video contest Take two! at the Home and Garden Festival. The Company's customers could submit videos between March 6 and May 31, 2013. People's Choice voting ran from when the first video was submitted on April 25, 2013 through June 30, 2013</p> <p>Winners were announced on August 1, 2013.</p> <p>Results:</p> <ul style="list-style-type: none"> <li>• 67 customers entered videos into the contest</li> <li>• The videos received 2,662 votes</li> <li>• The videos received 19,446 views</li> <li>• 321 Facebook fans were added to the wattsmart Facebook page as a direct result of the video contest</li> <li>• Web traffic on wattsmart.com increased by 525 percent during the contest period.</li> <li>• The media coverage generated by the video contest has an advertising value equivalency of more than \$140,000. This takes into account the advertising cost of the space the effort received. The Company was able</li> </ul>

Initiative	Description
	to talk about the contest and also wattsmart tips and programs.
Jazz Partnership – Basketball	<p>As part of the 2012/2013 partnership with the Utah Jazz Green Team, the wattsmart programs received a significant media presence through 40 television and 120 radio (in-game, pre and post-game), on the web and shared in-arena sponsorship at the green game in April 2013. It also included an arena presence through LED signage. Additional media included 364 :30 second KJZZ TV prime time spots and a twelve week pre-movie feature at all Megaplex theaters in May and June. Utilized Gordon Hayward to develop an energy efficiency spot – which ran online and in the Megaplex run.</p> <p>For the 2013/2014 season which runs from November 2013 through March 2014 - the Company lowered their sponsorship level with the Jazz. The new sponsorship level included:</p> <ul style="list-style-type: none"> <li>• 30 TV spots pre, post, in-game</li> <li>• 120 radio spots, pre, post, in-game</li> <li>• 364 spots on 1280 the Zone</li> <li>• 11,830 pre-movie advertising spots at Megaplex theaters</li> <li>• In concourse/arena signage</li> <li>• 41 Super Screen messages featuring Jazz player or personnel</li> </ul>
Salt Lake Real	<p>Real Salt Lake sponsorship includes one opening billboard, one: 30 in game commercial spot, 10 ABC4 games and 21 CW30 games. Features on ESPN 700 one: 60 pregame and one :60 in-game spot during game broadcasts. A rotating banner on RealSaltLake.com. One minute of in-stadium LED messaging – reaching 19,000 fans per game.” Man of the Match” highlight at the end of each home match. Salt Lake Real made it into the playoffs and had two home playoff matches in 2013.</p>
University of Utah	<p>The Company developed the “save your energy for the game” video to play at all home football and men’s basketball games when the team is announced. The sponsorship also includes LED signage at all Home Football, Men’s basketball and Women’s gymnastics meets.</p>
Radio Disney Rockin’ Recess	<p>Through The Company’s sponsorship with the local Utah Radio Disney AM station, the Company was able to host wattsmart “Rockin’ Recess” in-school events to reach out to children during school. Early in 2013 the Company was able to participate in Rockin’ Recess events in 8 schools delivering the wattsmart energy efficiency message to more than 4,435 children and school staff. 2013 Events included:</p> <ul style="list-style-type: none"> <li>• Spectrum Academy – 200 – March 11</li> </ul>

Initiative	Description
	<ul style="list-style-type: none"> <li>• Municipal Academy – 450 – March 12</li> <li>• Pleasant Green – 700 – March 20</li> <li>• Legacy Prep – 525 – April 10</li> <li>• West Jordan Elementary – 550 – May 15</li> <li>• Providence – 750 – May 17</li> <li>• Geneva – 550 – May 21</li> <li>• Falcon Ridge – 710 – May 28</li> </ul> <p>The Company also participated in the Party for the Planet and Disney Days at the Gallivan Center. Radio Disney closed its doors in Salt Lake in September 2013.</p>
KUED	Weekly sponsorship of children’s programming. These include quick tips from Slim the Lineman on how to be wattsmart.
Habitat for Humanity of Summit & Wasatch Counties	The Company partnered with Habitat for Humanity of Summit & Wasatch Counties to support the construction of a home for a deserving family in Park City and to make the project wattsmart. The sponsorship provided \$25,000 toward the construction of the 1,500-square-foot home to ensure it met high standards for energy efficiency. As a result, the new homeowners will experience improved comfort and lower energy bills for years to come. Habitat for Humanity worked to involve many local organizations and volunteers to help build its second “green home” in Park City. The sponsorship included signage at the house and publicity at several events throughout the year. On November 22, 2013, the Company employees helped with the landscaping and other finishing touches to get the home ready for the partner family to move in before the holidays. On March 2, 2013, Company employees pitched in at the home to seal joints and cracks and crevices against air infiltration.
Ragnar Relay	The Company’s wattsmart program sponsored the Ragnar Relay event for the second year. Twelve Company employees completed the 192 mile Ragnar Relay from Logan to Park City. The team spread the word about energy efficiency with messages on their shirts, vans, and banners at the van exchange points. The sponsorship included banners at the start, runner exchanges, the finish line, and a booth at the “finishers fair.” The Company was able to share the wattsmart message with nearly 40,000 Ragnar attendees. Team members also distributed wattsmart branded sunscreen and lip balm on the course. This allowed them to engage other runners during the event.
Education	In the third quarter of 2012, we began to work with National Energy Foundation to adapt existing educational materials with wattsmart branding to integrate them with other wattsmart marketing in Utah. “Be wattsmart, Begin at Home” materials include letters to educators, teachers and parents, promotional postcards, a student handbook, a teacher’s guide and packet, a home energy checklist, evaluation forms and a presentation. <i>Be</i>

Initiative	Description
	<p><i>wattsmart, Begin at Home</i>, was offered to fifth-grade students throughout Utah in both the spring and fall of 2013. The school-to-home energy awareness and energy efficiency education program was conducted by a team of National Energy Foundation presenters from February to April and again from September to November 2013. Each presentation consisted of a 60 minute assembly for fifth-grade students and their teachers.</p> <p>2013 School year accomplishments for the Energy Efficiency Education program include:</p> <p>Spring 2013</p> <ul style="list-style-type: none"> <li>• Presentations at 130 elementary schools throughout Utah</li> <li>• 466 teachers/classrooms participated</li> <li>• 12,381 fifth-grade student participants</li> </ul> <p>Fall 2013</p> <ul style="list-style-type: none"> <li>• Presentations at 130 elementary schools throughout Utah</li> <li>• 461 teachers/classrooms participated</li> <li>• 12,368 fifth-grade student participants</li> </ul>
Multicultural Outreach	<p>The Company provided outreach support at the Cinco de Mayo festival in West Valley City. The Company had a booth positioned beside the McDonald's Stage providing an opportunity to get the wattsmart message out to nearly 20,000 attendees. Company representatives spoke to attendees about being wattsmart and energy efficient. The sponsorship also included 120, 30-second spots on Telemundo and inclusion in minimum 100 promotional announcements.</p>

## Program Specific

All energy efficiency program marketing and communications are under the wattsmart umbrella to insure a seamless transition from changing customer behavior to the actions they could take by participating in specific programs. Separate marketing activities administered by and specific to the programs ran in conjunction with the wattsmart campaign.

### Home Energy Savings

The *Home Energy Savings* program communicates to customers, retailers and trade allies through a variety of channels.

A new program brochure was developed in 2013 highlighting the benefits of energy-efficient appliances and equipment and listing the incentives available in Utah. In addition, a sales kit folder with marketing materials was used by program field staff as a resource for retailer and trade ally engagement. Two co-branded pieces produced with Questar Gas communicate clothes washer and gas furnace incentives and rebates offered through both utilities.

*Home Energy Savings* program staff attended the Salt Lake Tribune Home and Garden Festival March 8-10, 2013 at the South Towne Expo Center in Sandy, Utah. To help drive festival attendance, admission coupons were inserted in customer bills leading up to the show. Just over 760 customers used the coupon or the online coupon code. Show attendees were able to enter to win a new gas furnace and central air conditioning unit. The winners were featured in May newsletters and online.

On Earth Day, program staff participated in an event at a Lowe's store in Sandy, Utah, to help promote LED fixtures and other measures. The event was a success; the store sold out of its LED inventory and set up special orders for eager customers.

In the summer, program communications focused on room air conditioners, central air conditioners and evaporative coolers. The cooling campaign included:

- Point of purchase material
- Handout material for retailers and trade allies to use in their sales to customers
- Web features
- Bill insert
- Social media

In the fall, the *Home Energy Savings* team developed a heating campaign focusing on insulation, duct sealing and duct insulation and gas furnaces. These upgrades were promoted through:

- Point of purchase displays in some retail stores
- Web features
- Sales handout and outreach to trade allies
- Bill insert and incentive check insert
- Email
- Social media

*Home Energy Savings* program staff participated in the Deseret News Fall Home and Garden Show, October 11-13, 2013 at the South Towne Expo Center in Sandy, Utah. Attendees could enter to win a new ENERGY STAR® refrigerator. Many show attendees who stopped by the booth inquired about LED lighting.

In November, program communications emphasized the deep discounts and incentives available for the GE GeoSpring Hybrid Water Heater. This offer was communicated to Utah customers via newsletters, email, website and social media.

To make it easier for customers to submit and track online applications, program staff worked to enhance the system to allow customers to upload electronic receipts and other documents. Other improvements were also made to the online system for appliances and lighting applications.

Multifamily properties were another focus in 2013. Program staff identified and targeted multifamily property owners, managers, and trade allies to partner with for attic insulation and other upgrades. A brochure was used to support this effort.

### Refrigerator/Freezer Recycling (“See ya later refrigerator®”)

The Company promotes its *See ya later, refrigerator®* program through informational advertisements and other customer communications. In 2013, the program garnered 10,090,595 impressions. Breakdown of impressions by media type are shown in Table 34.

Table 34  
See ya later, refrigerator® Program

Communications Channel	2013
TV	6,650,000
Digital	3,440,595
Total Impressions	10,090,595

Inserts promoting the *See ya later, refrigerator®* program went out in February, April and September bills. In addition, a postcard was sent in February to customers who had recently purchased a new refrigerator and received an incentive through the *Home Energy Savings* program.

From August through October, the company promoted the “refrigerator roundup” to Utah customers and reported the communities that recycled the most refrigerators and freezers during this time through news releases, social media and on the website.

On November, 15, 2013, program staff participated in the America Recycles Day Recycling Exhibition at South Towne Expo Center in Sandy, Utah. The Company communicated this event with a news release, social media and on the website. This was the first time Recycling Coalition of Utah hosted this particular event and show attendance was lower than expected.

### New Homes

The *New Homes* program encourages home builders to incorporate energy efficient measures in the homes they build primarily through training, outreach and support.

The program leverages partnerships with the following types of organizations:

- Local Home Builder Association offices
- Utah Building Energy Efficiency Strategies
- Other organizations, such as Utah Clean Energy, US Green Building Council and American Institute of Architects.

*New Homes* program staff was also involved in the work with the Habitat for Humanity super wattsmart home in Park City.

### Cool Keeper

In September, the Company transitioned *Cool Keeper* to a new program delivery contractor and started working on plans and communications to deploy new load control equipment to existing participants. The first *Cool Keeper* customers started receiving direct mail letters about the

equipment upgrade in October along with follow-up postcards and door hangers. A handout was also developed for use by company employees with customer and community groups. The equipment upgrades continue into summer 2014.

#### FinAnswer Express and Energy FinAnswer / wattsmart Business

During 2013, communications encouraged customers to inquire about incentives for lighting, HVAC, compressed air, irrigation and other energy efficiency measures. Customers were also reminded about the change in federal lighting standards that took place in July 2012. This standard applies to manufacturers of general service fluorescent lamps. Customers were notified of the change in standards and encouraged to retrofit their older linear fluorescent lighting to the more efficient bulbs. The Company retained a video and webpage dedicated to this topic.

The program was marketed with radio, newspaper, magazine, eblasts, digital display and digital paid search advertising throughout the reporting period. This was in addition to customer direct contact by Company project managers and corporate and community managers, articles in the Company newsletters, Chamber newsletter outreach and content on the Company website and on Facebook.

The Company updated all the marketing materials for the program change (overview, brochure, applications, catalog, case studies, energy management) and added them to our streamlined website. Stand-alone case studies/educational brochures were also created to support evaporative cooling measures.

The Company continued to utilize a *wattsmart* “open sign” for businesses and approved vendors to display. Customers were photographed with the open sign and the photos were used in print advertising, case studies, newsletter articles, at trade shows and on Facebook.

An irrigation mailing occurred in Utah during March 2013 to 1,710 customers to communicate changes to the load control program. The letter also included irrigation incentive information and an application. The website was also edited to reflect the changes and an FAQ section was added [www.rockymountainpower.net/uilc](http://www.rockymountainpower.net/uilc)

During 2013, the programs garnered 16,530,040 impressions from paid media. Breakdown of impressions by media type is shown in Table 35.



Table 35  
Impressions by Media Type

Communications Channel	Impressions
Radio	6,681,440
Newspaper	2,327,130
Magazine	224,000
Digital display	7,165,512
Search	131,958
Total Impressions	16,530,040

## EVALUATIONS

Evaluations are performed by independent external evaluators to validate energy and demand savings derived from the Company's energy efficiency programs. Industry best practices are adopted by the Company with regards to principles of operation, methodologies, evaluation methods, definitions of terms, and protocols including those outlined in the National Action Plan for Energy Efficiency Program Impact Evaluation and the California Evaluation Framework guides.

A component of the overall evaluation efforts is aimed at the reasonable verification of installations of energy efficient measures and associated documentation through review of documentation, surveys and/or ongoing onsite inspections.

Verification of the potential to achieve savings involves regular inspection and commissioning of equipment. The Company engages in programmatic verification activities, including inspections, quality assurance reviews, and tracking checks and balances as part of routine program implementation and may rely upon these practices in the verification of installation information for the purposes of savings verifications in advance of more formal impact evaluation results. A summary of the inspection process is included in Appendix 5.

Evaluation, measurement and verification tasks are segregated within the Company's organization to ensure they are performed and managed by personnel who have a neutral interest in the benefits associated with anticipated savings.

Information on evaluation activities completed or in progress during 2013 is summarized in the chart below. Summary of the recommendations are provided in Appendix 7. The evaluation report is available at [www.pacificorp.com/es/dsm/utah.html](http://www.pacificorp.com/es/dsm/utah.html)

<b>Program / Activities</b>	<b>Years Evaluated</b>	<b>Evaluator</b>	<b>Progress Status</b>
Cool Cash	2011 – 2012	The Cadmus Group, Inc.	Completed
See ya later, refrigerator®	2011 – 2012	The Cadmus Group, Inc.	Completed
Energy FinAnswer	2009 – 2011	Navigant Consulting, Inc.	Completed
FinAnswer Express	2009 - 2011	Navigant Consulting, Inc.	Completed
Recommissioning	2009 - 2011	Navigant Consulting, Inc.	Completed
Self-Direction Credit	2009 - 2011	Navigant Consulting, Inc.	Completed
Home Energy Savings	2011 – 2012	The Cadmus Group, Inc.	Completed Q1 of 2014