

Technical Conference

March 7, 2016



Let's turn the answers on.

Presentation

- Order of events
- Stakeholder communications
- Market communications
- Program impacts

Timeline of Events

Nov-Dec 2015

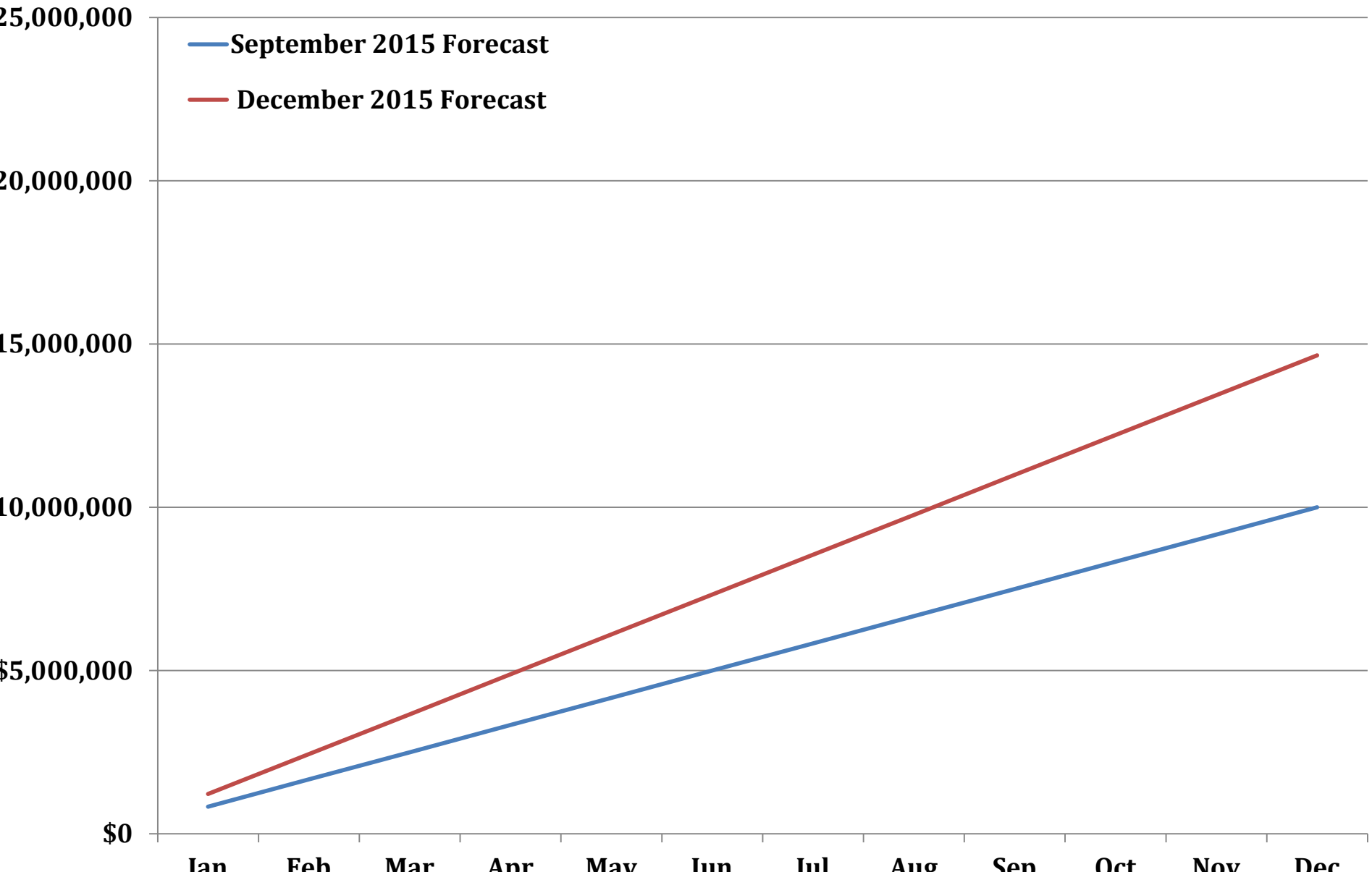
- Company discovers an escalation in the volume of requests for lighting incentives for Q3 & Q4 of 2015. Staff identifies the rate of incentive commitments for 2016 projects was increasing to a point to outstrip the 2016 budget allocation.

Jan 7 – Feb 5

- **Weekly EEA Event Invitations**
- Feb 5 announces that big changes will be addressed at the event



Dec 2015 Lighting Budget Forecast



Timeline of Events

Jan 29

- Sent draft filing to stakeholders

Feb 4

- Stakeholder meeting held to discuss filing

Feb 8

- Incorporated stakeholder changes into draft filing

Timeline of Events

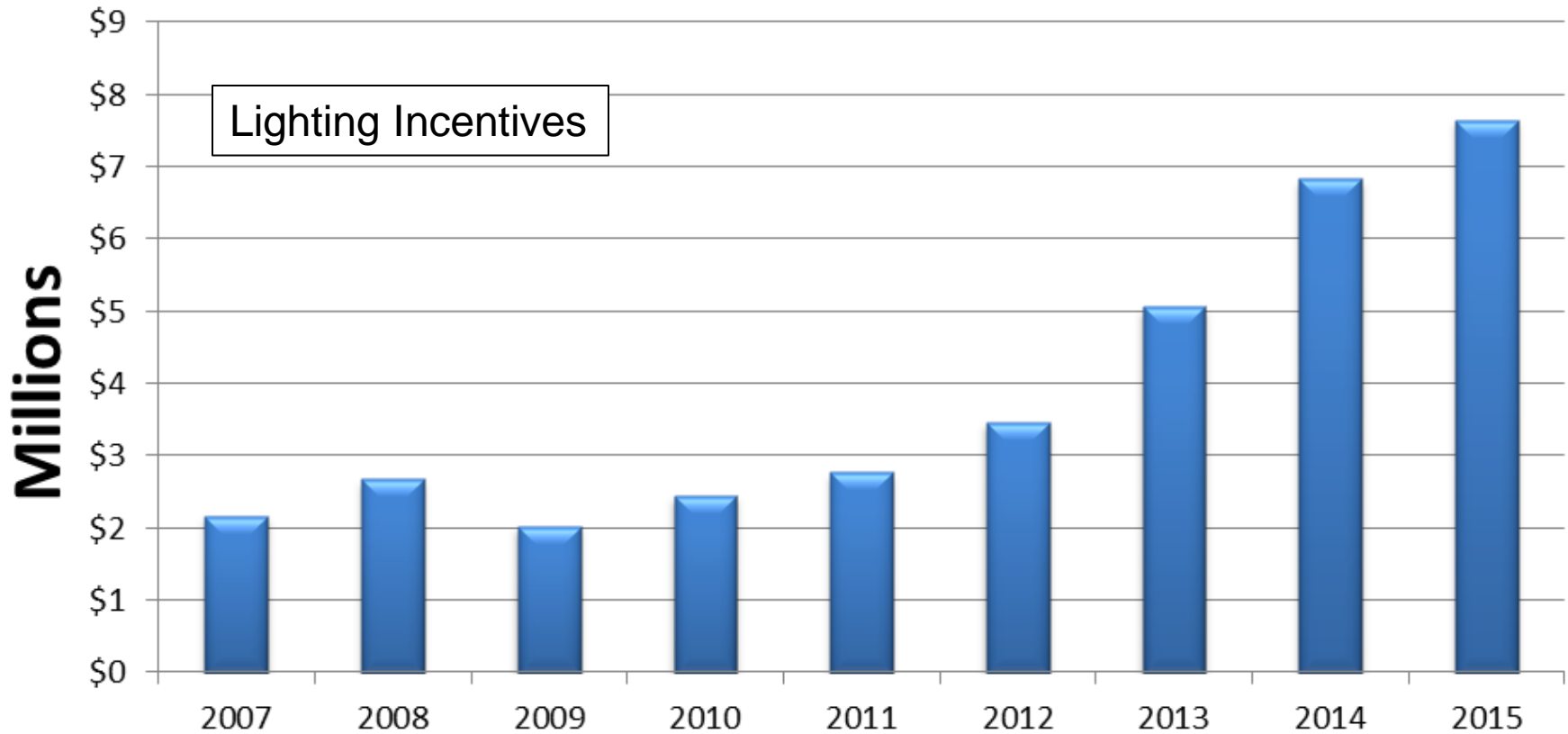
Feb 9

- **Tariff Filing**
- Posted filing notification on wattsmart.com

Feb 10

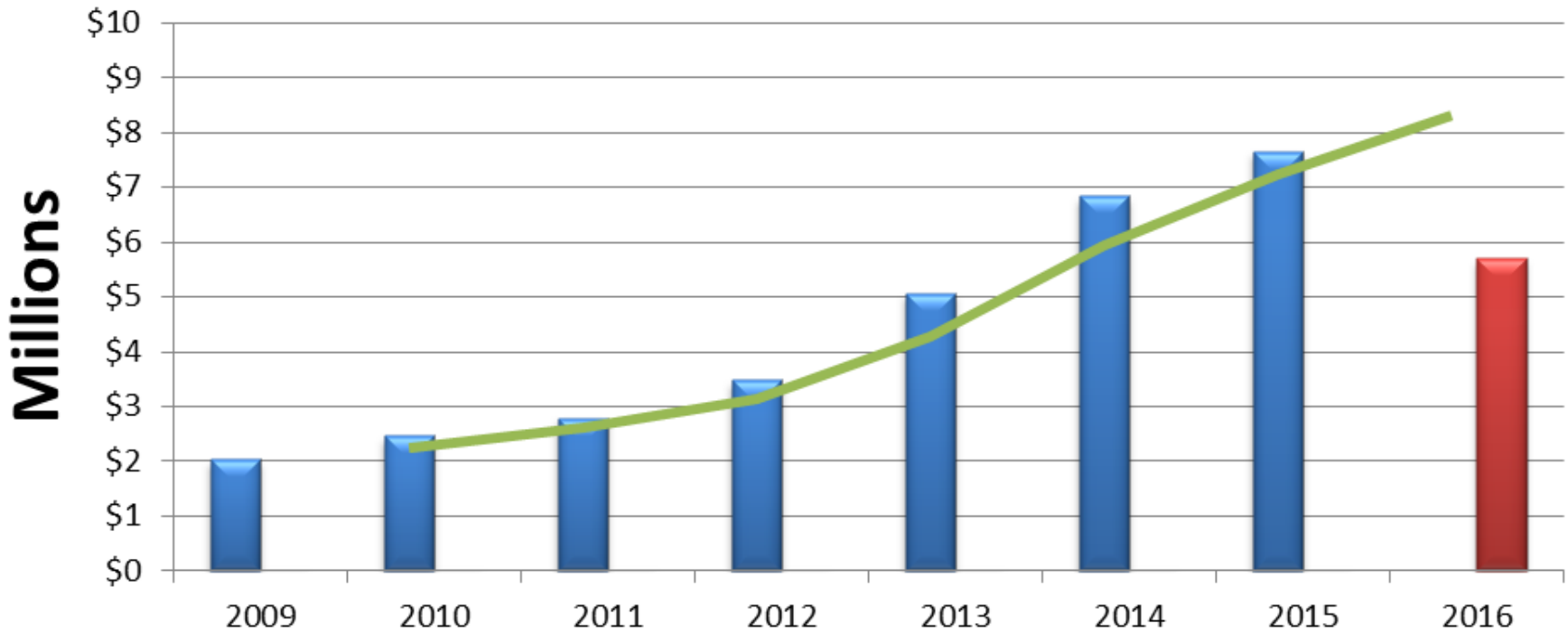
- **EEA Event**
- Announce filing & program status in [general session presentation](#)

UT Incentive Totals Over Time



UT Incentives Paid by Year

■ 2016 Existing Incentive Offers



2016 Surcharge Adjustment

- January 1st went up to 4%
 - Very active stakeholder and commission input
- Fixed program budget

Planned Changes

- Filed: 2/9/16
- Requested effective date: 3/10/16
- PC Power Management
 - Measure to be removed
- LED Refrigerated Case Lights & Sensors
 - Incentive caps will be added
 - Case lights must be on the LED qualified product list
- Evaporative Pre-coolers
 - Incentive caps will be added

Planned Changes

- Electric Water Heater, residential used in a business
 - Incentive to be removed
- Heat Pump Water Heater, residential used in a business
 - Incentive to be added
 - Aligns with the residential incentive
- Lighting Changes

Lighting Incentives Adjustments

- Filed: 2/9/16
- Requested effective date: 3/10/16
- New simplified incentive structure
 - Interior
 - Exterior
 - Pole/Streetlight



Measure			Customer Incentive
T8 Fluorescent	CEE T8	qualified ballast included on qualified ballast list	\$3/lamp
		4' CEE qualified reduced wattage lamp and CEE qualified ballast included on qualified list	\$5/lamp
	Premium delamp	4' CEE qualified reduced wattage or high performance lamp and CEE qualified ballast. Must remove one or more lamps. To delamp an existing fixture, the lamp and all corresponding sockets must be permanently disabled.	\$21/lamp removed
	Relamp	Lamp wattage reduction ≥ 3 watts, no ballast retrofit	\$1/lamp
	High bay	Fixture with less than six (6) lamps: 4' CEE qualified high performance lamp. Must replace T12HO/VHO, incandescent or HID	\$18/lamp
		Fixture with six (6) or more lamps: 4' CEE qualified high performance lamp. Must replace T12HO/VHO, incandescent or HID	\$12/lamp
Continuous operation	4' CEE qualified reduced wattage or high performance lamp and CEE qualified ballast included on qualified list installed in a continuous operation application	\$20/lamp	
T5 Fluorescent	Standard	4' nominal lamp ≤ 28 watts, ballast factor ≤ 1.0	\$5/lamp
	Relamp	Lamp wattage reduction ≥ 3 watts, no ballast retrofit	\$1/lamp
	High bay	Fixture with less than six (6) lamps: 4' T5HO lamp. Must replace T12HO/VHO, incandescent or HID	\$18/lamp
		Fixture with six (6) or more lamps: 4' T5HO Lamp. Must replace T12HO/VHO, incandescent or HID	\$12/lamp
	Continuous operation	4' nominal high output lamp installed in a continuous operation application	\$20/lamp
Cold Cathode	Screw-in lamp	All wattages	\$5/lamp
Compact Fluorescent Lamp (CFL)	Hardwired fixture	All wattages	\$5/fixture
Ceramic Metal Halide (CMH)	CMH fixture	All wattages	\$35/fixture
Pulse-Start Metal Halide (PSMH)	PSMH fixture	Wattages > 500W	\$60/fixture
	Electronic ballast	Must be used in place of or replace a magnetic ballast	\$20/ballast
Induction	Induction fixture	All wattages, new fixtures only	\$75/fixture
Light-Emitting Diode (LED)	LED	LED must be listed on qualified equipment list	\$0.15/kwh annual energy savings
Lighting	Custom	Not listed above	\$0.15/kwh annual energy savings

New Table

ELECTRIC SERVICE SCHEDULE NO. 140 - Continued

Table 1a - Retrofit Lighting Energy Efficiency Measures

Measure	Category	Eligibility Requirements	Incentive "up to"
Interior Lighting	Lighting Retrofits		\$0.15/kWh
	<u>TLED Relamp</u>	Lamp wattage reduction of ≥ 10 Watts, No ballast or driver retrofit.	\$10/lamp
	<u>Fluorescent Relamp</u>	Lamp wattage reduction of ≥ 3 Watts, No ballast retrofit.	\$1/lamp
Exterior Lighting	Lighting Retrofits		\$0.15/kWh
	Street/Pole		\$0.15/kWh

- Lighting incentive amounts to be posted online

Proposed Incentive Changes

Table 1a - Retrofit Lighting Energy Efficiency Measures

Measure	Category	Eligibility Requirements	"up to" Incentive	Offered Incentive
Interior Lighting	Lighting Retrofits		\$0.15/kWh	\$0.10/kWh
	TLED Relamp	Lamp wattage reduction of ≥ 10 Watts, No ballast or driver retrofit.	\$10/lamp	\$6/lamp
	Fluorescent Relamp	Lamp wattage reduction of ≥ 3 Watts, No ballast retrofit.	\$1/lamp	\$1/lamp
Exterior Lighting	Lighting Retrofits		\$0.15/kWh	\$0.08/kWh
	Street/Pole		\$0.15/kWh	\$0.05/kWh

Incentive Offer & Reservation

- Incentive offers will be considered incentive reservations
- A reservation provides assurance of incentive payment
- Provides transparency to customers



Incentive Offer & Reservation

- Prevents over-commitment of incentive offers
- Encourages accuracy in initial project design
- Promotes communication of project status and schedule



Transition to new Incentives

In order to achieve goals:

- Shift to new incentives quickly
- Transitional incentive offers will have 90-day completion requirement
- Projects requiring more time will only be eligible for the new incentive rates going into effect March 10, 2016.

Incentive Reservation

- More information to come
- Current application process to remain
- Screened for Eligibility
 - Customer Eligible
 - Completeness
 - Quality
 - Funding based on proposed project schedule
- Incentive Offer Issued

Incentive Reservation

- Funds offered are reserved
- Additions/changes to scope must be submitted as a separate reservation request
- Changes to project schedule to be communicated in real time
- Failure to meet terms of the offer may result in forfeiture of reservation
- Our team is here to support you in the process

Timeline of Events

- Feb 11 {
- **Eblast - Tariff filing** announcement to all Allies
 - **Eblast - Incentive Offer Policy Change** announcement to Lighting Allies
 - **Tariff filing** announcement posted on wattsmart.com/vendor
 - **Event presentations** posted on wattsmart.com/vendor

Feb 11	{	<ul style="list-style-type: none">• IO Requests: 17• Incentive: \$348,772
Feb 12	{	<ul style="list-style-type: none">• IO Requests: 8• Incentives : \$193,894
Feb 15	{	<ul style="list-style-type: none">• IO Requests: 26• Incentive: \$160,175
Feb 16	{	<ul style="list-style-type: none">• IO Requests: 13• Incentive: \$43,942
Feb 17	{	<ul style="list-style-type: none">• IO Requests: 34• Incentive: \$904,934
Feb 18	{	<ul style="list-style-type: none">• IO Requests: 9• Incentive: \$121,623
Feb 19	{	<ul style="list-style-type: none">• IO Requests: 26• Incentive: \$160,175
Feb 22	{	<ul style="list-style-type: none">• IO Requests: 10• Incentive: \$171,943



Timeline of Events

Feb
22- 23

- Eblast to lighting allies indicating:
- Funds are still available
- A first-come reservation system is being implemented
- All lighting requires pre-approval including NCMR & LED Case Lighting

Mar 7

- Technical Meeting

Feb 23

- IO Requests: 8
- Incentive: \$90,929

Feb 24

- IO Requests: 22
- Incentives : \$291,327

Feb 25

- IO Requests: 18
- Incentive: \$723,141

Feb 26

- IO Requests: 6
- Incentive: \$143,952

Feb 29

- IO Requests: 16
- Incentive: \$63,965

Mar 1

- IO Requests: 35
- Incentive: \$330,769

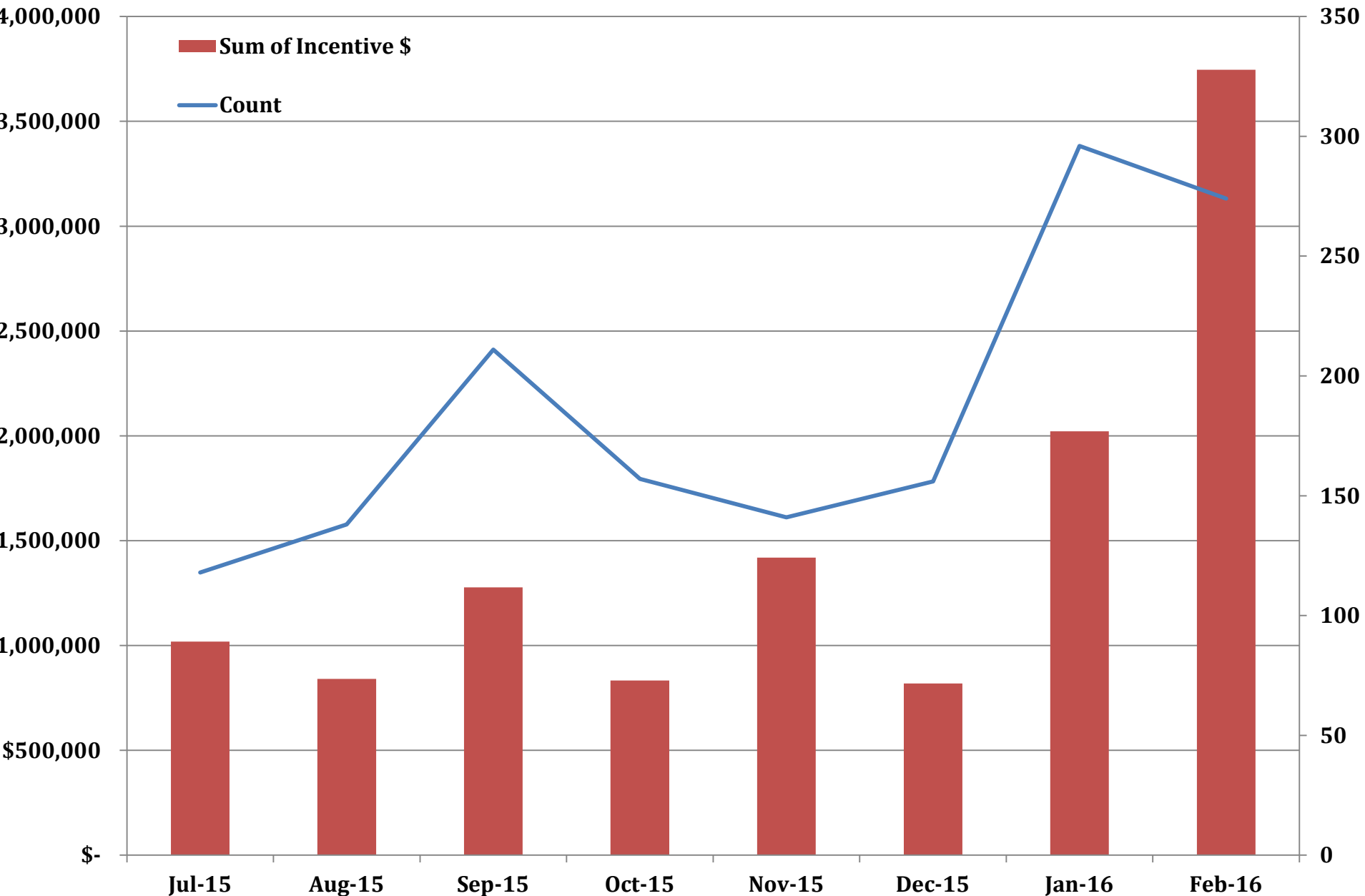
15 Day Total:

- 249 IO Requests
- \$3.8 Million

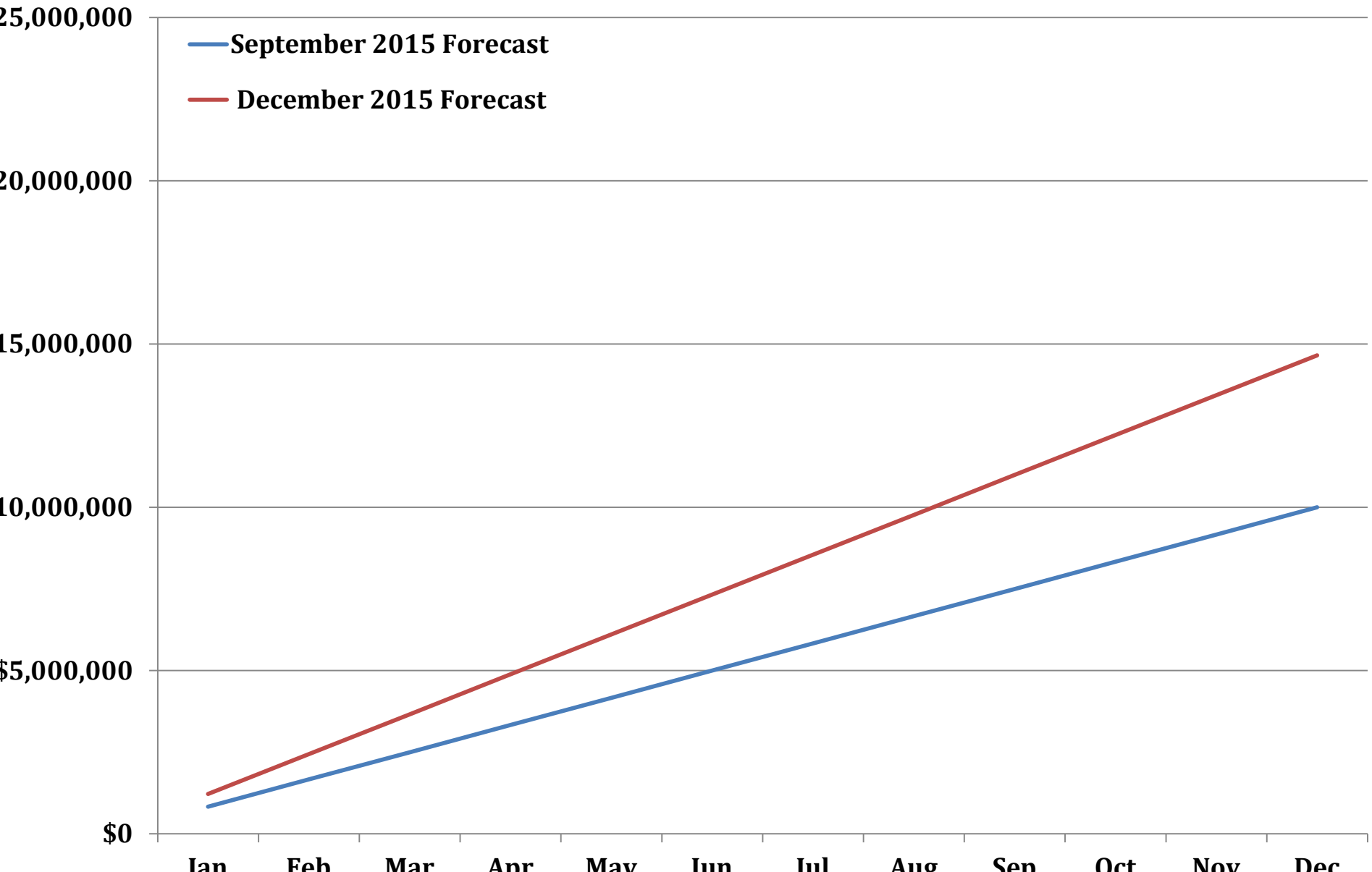
Post Trade Ally Event Messaging

- Due to overwhelming response a reservation system has been implemented
- Lighting funds are still available
- All submitted projects will be served in order of receipt
- Reservation system does not impact existing incentive offers
- Working to identify potential funds for allocation

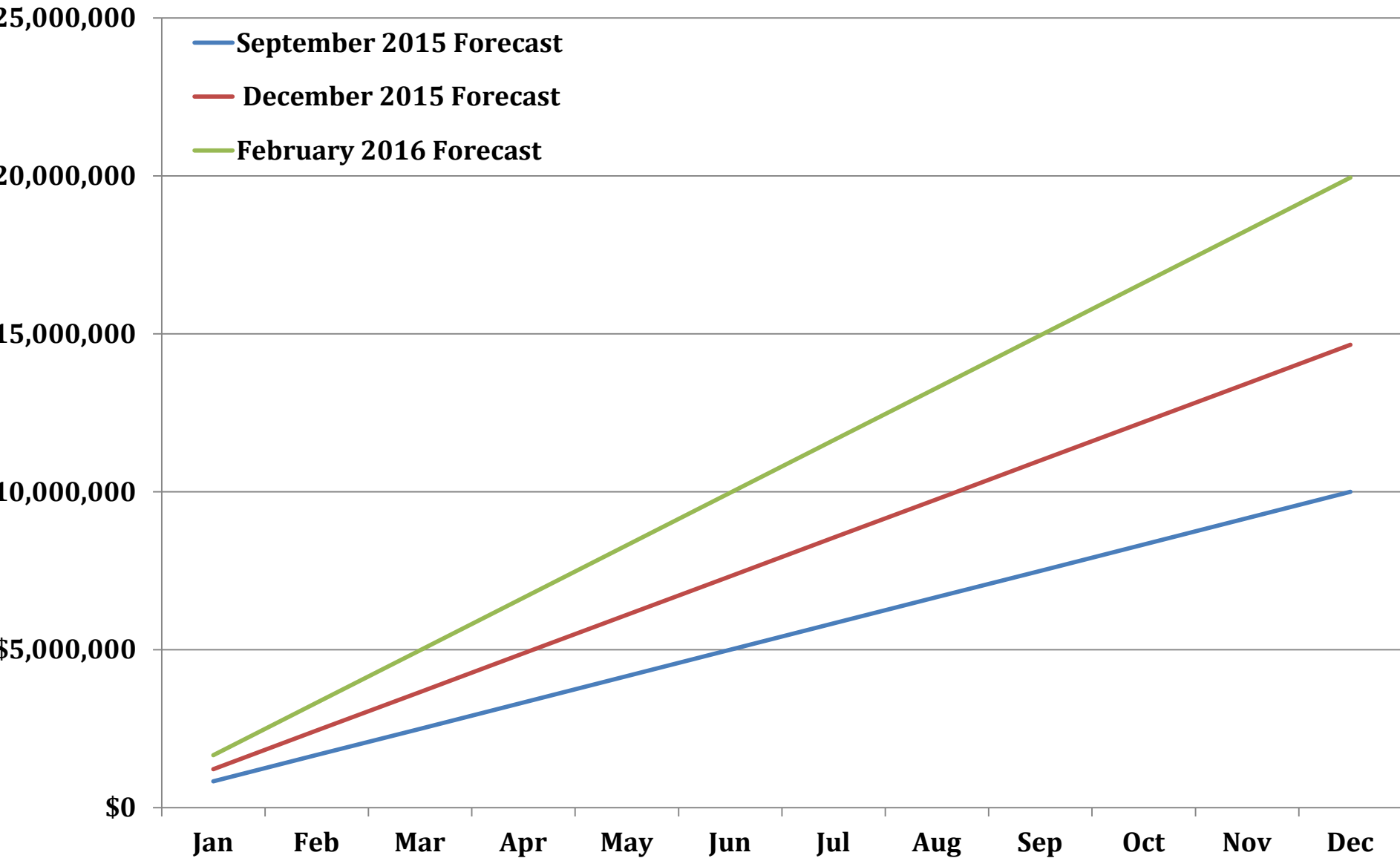
New Project & Incentive Intake Rate



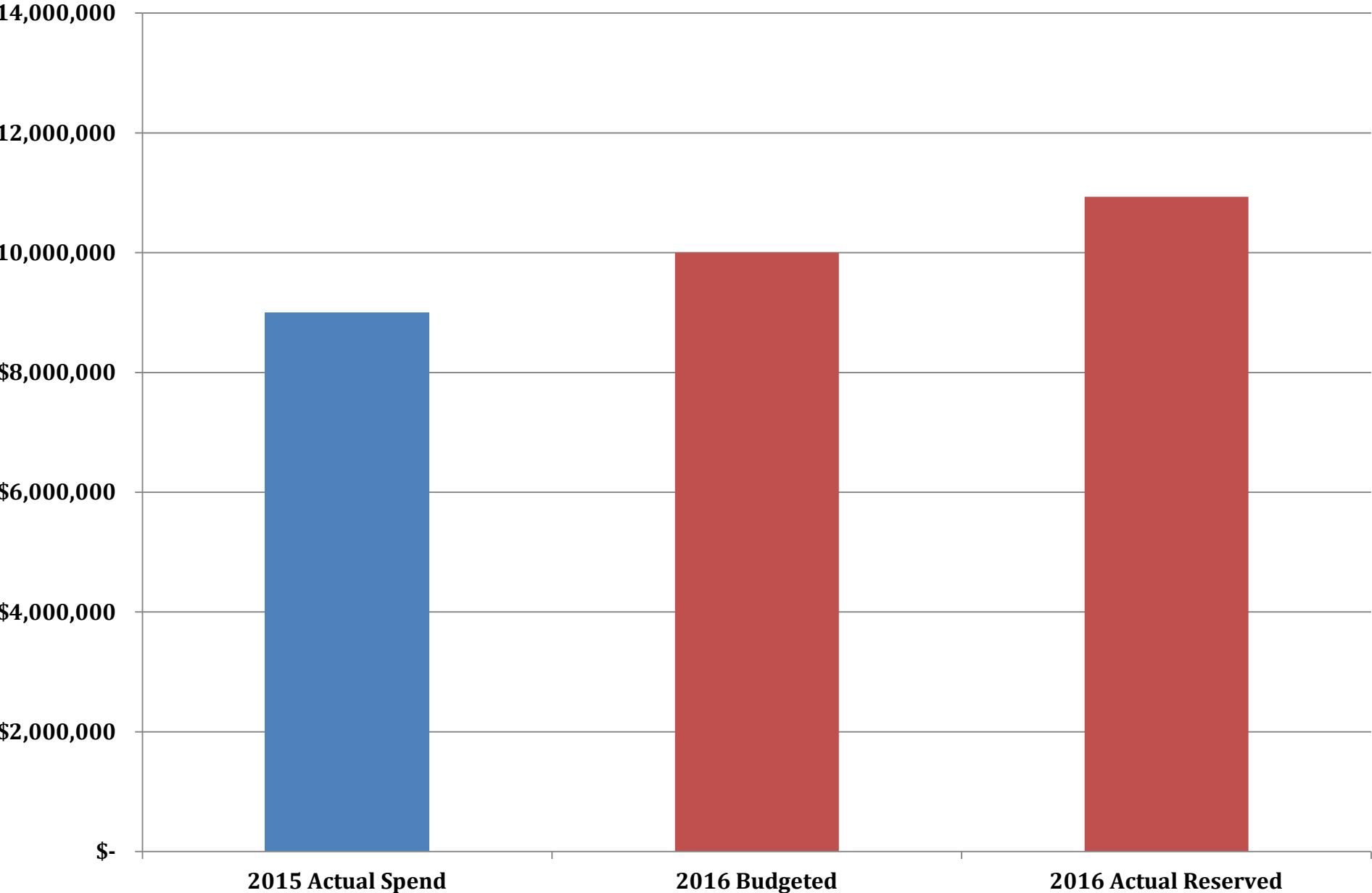
Dec 2015 Lighting Budget Forecast



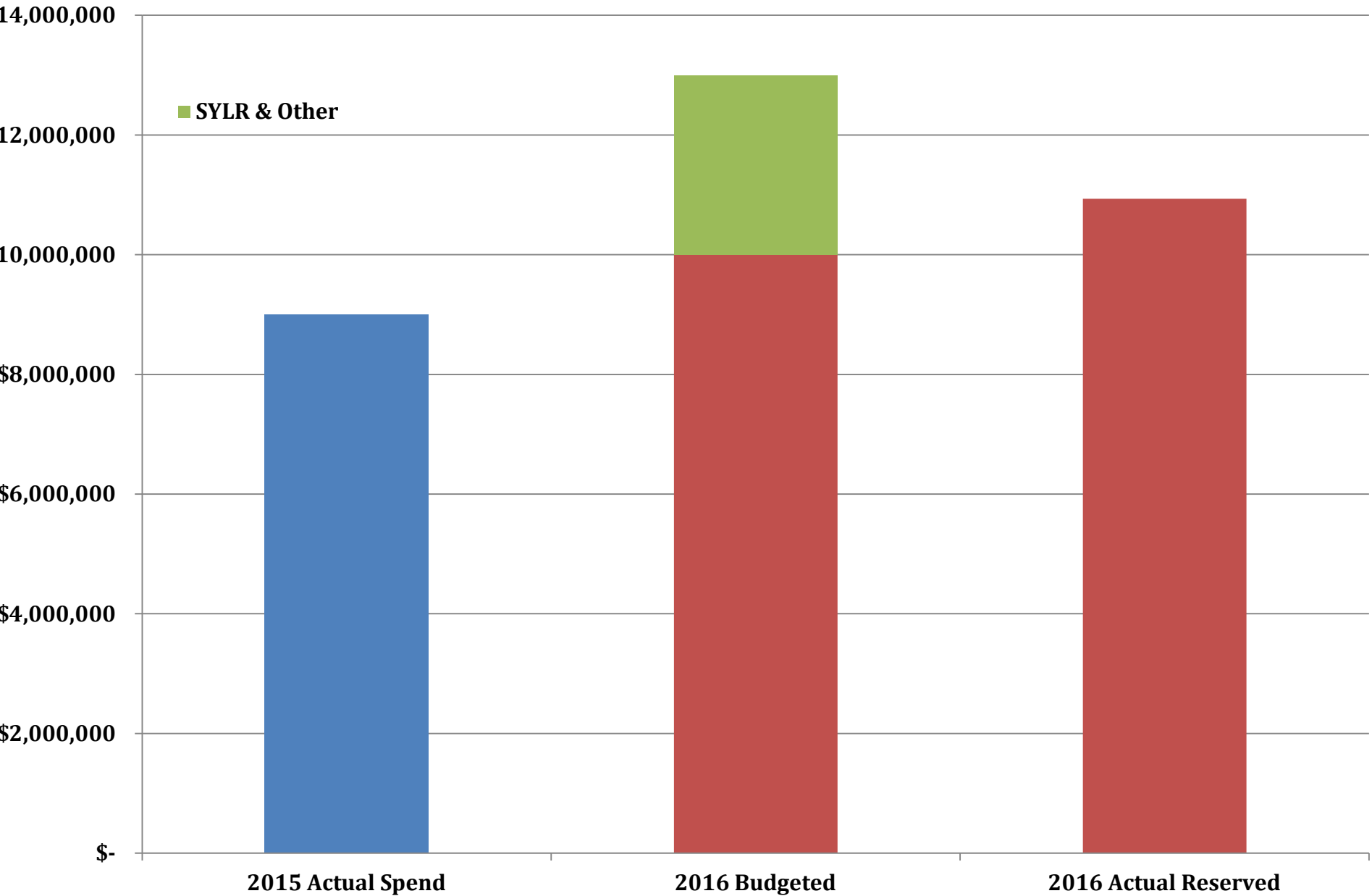
Feb 2015 Lighting Budget Forecast



Current Lighting Budget Scenario



Lighting Budget Scenario



Next Steps

- Monitor Incentive Request Receipt
- Identify budget dollars to reallocate
- File updated forecast in Q2
- Recommendations from Stakeholders
 - Suggestions if participation levels continue after tariff changes?
 - Should we reduce other program participation to stay within overall DSM forecasted budget
 - SYLR, Residential, Delay Small Business
 - “Rob Peter to pay Paul”