

November 19, 2015

**VIA ELECTRONIC FILING**

Steven V. King  
Executive Director and Secretary  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive SW  
PO Box 47250  
Olympia, WA 98504 – 7250

**RE: Advice 15-04—Schedule 107—Refrigerator Recycling Program Service Optional for Qualifying Customers**

Pacific Power & Light Company, a division of PacifiCorp (Pacific Power or Company), submits this advice filing to cancel the following tariff sheet in accordance with RCW 80.28.050 and WAC chapter 480-80. The Company respectfully requests an effective date of January 1, 2016.

Eighth Revision of Sheet No. INDEX.3

Tariff Index

**CANCEL** Second Revision to Sheet No. 107.1 Schedule 107 Refrigerator Recycling Program Service Optional for Qualifying Customers

**Background**

The Refrigerator Recycling Program (Program) has been offered to Washington customers since 2005 and has acquired cost-effective electric savings by recycling older, less-efficient refrigerators and freezers from residential homes, and more recently from businesses locations and retailers who sell new appliances.

Unit energy savings delivered by this program were directly tied to: a) the age of the appliances recycled; b) what customers would do in the absence of the program; and c) what the program helps customers to do; i.e., purchase a replacement appliance. The Company has regularly evaluated this program (as well as other programs in the portfolio) to ensure the most current information for planning and savings reporting is available.

On both a regional and national level, evaluation methodologies used to measure the impacts from appliance recycling programs have evolved since this program was originally launched in Washington. In the Northwest, the Regional Technical Forum (RTF) has moved from a savings calculator to establishing a unit energy savings value in June 2005. In 2010 the RTF started to consider what would happen in the absence of the program. In April 2013, the National Renewable Energy Laboratory (NREL) funded by the US Department of Energy published their first sets of protocols for determining energy savings. These protocols are part of a larger effort known as the Uniform Methods Project (UMP). The refrigerator recycling protocol was among the first set of protocols. In 2013, the RTF aligned their methodology with the UMP protocol

when the organization updated the unit energy savings values. A summary of the most recent evaluations is provided below.

Program year(s)	Report date	Evaluation firm
2006-2008	September 22, 2010	Cadmus
2009-2010	January 6, 2012	Cadmus
2011-2012	October 23, 2013	Cadmus
2013-2014	September 18, 2015 (results memo)	Cadmus

The 2011-2012 evaluation used the UMP and RTF protocols to determine updated unit energy savings for recycled refrigerators and freezers. The 2013-2014 evaluation currently underway follows the same approach.

During preparation of the 2016-2025 conservation forecast, the Company compared the unit energy savings used in the conservation potential assessment (CPA) with the updated information from the in-progress 2013-2014 program impact evaluation. The CPA used unit energy savings values of 583 kWh for refrigerators and 495 kWh for freezers from the previous program impact evaluation, which used a methodology consistent with the RTF methodology.

In August 2015, the Company received draft evaluation results using the UMP methodology for appliance recycling, which is consistent with the current RTF methodology. This evaluation used a set of legacy RTF values (50% “yes”, 50% “no”) in response to a protocol question about whether the “would-be acquirer finds an alternate unit.” The revised unit energy savings for refrigerators declined to 328 kWh. Freezers declined to 321 kWh. Table 10 in the Cadmus September 18, 2015 Results Memo, included as Attachment 1, provides additional information on the key factors contributing to these revised values.

During the latter part of the conservation forecast process (August/September 2015), the RTF updated their unit energy savings for appliance recycling. While the Company used the RTF methodology, but not the unit energy savings values (which are more applicable to the region as a whole), the Company’s evaluation team at Cadmus stayed connected with the RTF update process to ensure alignment. The RTF updates, approved at the September meeting changed the values incorporated in the “would-be acquirer” program logic question to 75% “yes”, 25% “no”, When these factors were incorporated into the Company’s evaluation results, they further lowered the unit energy savings to 299 kWh for refrigerators and 265 kWh for freezers. Table 11 in Attachment 1 provides additional information on key factors contributing to these revised values.

The Company and the Washington Demand-side Management (DSM) Advisory group (Advisory Group) discussed the material decline in current evaluated unit energy savings values relative to the 2014-2015 biennium and the comparable results generated by the RTF.<sup>1</sup> The group agreed on the need to assess cost effectiveness of the measure to inform the decision about leaving the savings in the 2016-2025 forecast and including the program in the 2016-2017 DSM business plan. The Company evaluated cost effectiveness by appliance and channel (i.e., customer or

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<sup>1</sup> The Company reviewed this information with the Advisory Group in meetings held August 20, 2015, and September 14, 2015.

retailer pick-up) basis using the 2015 Class 2 DSM decrement values. When the analysis used unit energy savings with the UMP assumptions for “would-be-acquirer” (generating highest unit energy savings), three of the four appliance/channel configurations were not cost-effective. The remaining configuration (refrigerator/retailer pick-up) was not cost effective when the unit energy savings associated with the RTF values for “would-be acquirer” were used. The benefit/cost results are provided in the Navigant memo dated September 10, 2015, which is included as Attachment 2. Based on the results of the cost effectiveness analysis, the Advisory group was supportive of the Company’s decision to remove the savings from the conservation forecast and remove the program from the business plan.

The Company is providing notice of the proposed change to affected customers in accordance with WAC 480-100-194(2). The customer notice is enclosed as Attachment 3.

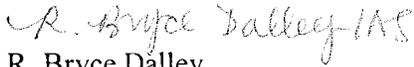
It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to:

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

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

Please direct any informal inquiries regarding this filing to Ariel Son at (503) 813-5410.

Sincerely,

  
R. Bryce Dalley  
Vice President, Regulation

Enclosures:

Attachment 1: Cadmus September 18, 2015 Results Memo  
Attachment 2: Navigant memo dated September 10, 2015  
Attachment 3: Customer Notice