

November 13, 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 15-03—Schedule 114—Residential Energy Efficiency Rider—Optional for Qualifying Low Income Customers

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

First Revision to Sheet No. 114.1	Schedule 114	Residential Energy Efficiency Rider—Optional for Qualifying Low Income Customers
Second Revision to Sheet No. 114.3	Schedule 114	Residential Energy Efficiency Rider—Optional for Qualifying Low Income Customers
Second Revision to Sheet No. 114.4	Schedule 114	Residential Energy Efficiency Rider—Optional for Qualifying Low Income Customers

The Low Income Weatherization program is designed to leverage funds with state and federal grants so that the energy efficiency improvements provided can be delivered to income eligible households at no cost. The Company partners with three local non-profit agencies to provide weatherization services to income-qualifying households throughout its Washington service territory. These agencies include Blue Mountain Action Council located in Walla Walla, Northwest Community Action Center in Toppenish, and Opportunities Industrialization Center of Washington in Yakima. The leveraging of Company funding along with Washington Match Maker Program funds allows the agencies to provide these energy efficiency services to more households at no cost to participating customers. The Company provides rebates to partnering agencies for 50 percent of the cost of services while Match Maker funds are available, and will cover 100 percent of costs when these state funds are depleted.

The Company regularly evaluates this program (as well as other programs in the portfolio) to ensure the most current information for planning and savings reporting is available. The most recent evaluation for the 2011-2012 program years was completed in August 2015 and provided to the demand-side management (DSM) Advisory Group (Advisory Group) in September 2015. As part of developing the 2016-2017 business plan, the Company incorporated the updated per

home unit energy savings into the forecast for this program. As part of that process, the Company also reviewed the program for adjustments or additions that would a) better align eligibility and/or requirements with other sources of funding, b) better match installations with updated technology or equipment efficiencies, c) respond to agency requests, and d) provide updated measure life information to assist agencies in calculating Savings to Investment Ratios for individual projects. The changes are described below:

- The Company will eliminate the requirement that the program is applicable only to existing dwellings built before July 1, 1991. This requirement was intended to focus agencies (and funding) on homes with the lowest insulation levels, which when treated, provided the highest level of savings. This requirement, at times, has imposed an additional barrier for agencies and does not align with the Washington Match Maker program requirements, which do not require a home to be built before a specified date to be eligible. Any home considered for additional insulation will still be screened with a US Department of Energy approved audit program and require a Savings to Investment Ratio (SIR) of 1.0 or greater for the measure to be installed.
- Estimated measure life for ceiling, floor, and wall insulation will be adjusted to 45 years and duct insulation and sealing to 20 years to better align with comparable Regional Technical Forum (RTF) assumptions.
- Agencies have identified that the current requirement to install ceiling insulation for eligibility for kitchen and bath ventilation funding creates a barrier in complying with American Society of Heating, Refrigeration, and Air Conditioning Engineers (ASHRAE) 62.2 requirements. Eliminating this requirement responds to a specific agency request and will allow agencies to use Company program funding for ventilation upgrades, which is often a pressing need in income-qualified homes, regardless of ceiling insulation.
- Water heater eligibility and specifications will be adjusted to reflect new federal standards that require heat pump water heaters for tanks larger than 55 gallons. This change allows for high efficiency tanks in smaller (55 gallons or under) applications and heat pump water heaters in all applications if they meet Northern Climate specifications. Water heater replacement projects will be required to have a SIR of 1.0 or greater to be eligible for funding. Measure life is also updated.
- Light emitting diode (LED) light fixtures and bulbs will be added in direct response to agency requests and the increased availability of competitively priced bulbs. The limit of 10 bulbs is eliminated.
- The refrigerator replacement section will be reworded, eliminating the reference to Energy Star. Replacement of a model with estimated annual consumption of 600 kWh or less is required when SIR is 1.0 or greater.
- Ductless heat pumps will be added to the measures in direct response to agency requests. The measure life of 15 years aligns with RTF values. Installation of this measure will also require an SIR of 1.0 or greater to be eligible for funding.
- Specifications for replacement windows will be updated to reflect wide-spread availability of efficient windows (U-0.30), which is used to meet the current Washington building code. Measure life is also updated.

The requirement for projects to be screened with a US Department of Energy approved audit program and require a Savings to Investment Ratio (SIR) of 1.0 or greater to be eligible for program funding will not be changed. Consistent with the new rules and direction from Commission staff, cost-effectiveness for the low-income weatherization program will not be assessed at a program or portfolio level. Proposed changes are not expected to generate the need for any changes in the currently established annual funding maximum of \$1,000,000 per calendar year. Reporting for the program will include number of residences weatherized, number of measures installed, energy savings, and total expenditures.

Stakeholder Involvement

The Company reviewed this information with the Advisory Group during October 2015. The Advisory Group was supportive of the requested changes outlined in this advice letter.

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

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

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah Street, 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

The proposed tariff sheet to be revised in Pacific Power and Light Company's currently effective Tariff WN U-75 are designated as follows:

First Revision to Sheet No. 114.1	Schedule 114	Residential Energy Efficiency Rider— Optional for Qualifying Low Income Customers
Second Revision to Sheet No. 114.3	Schedule 114	Residential Energy Efficiency Rider— Optional for Qualifying Low Income Customers
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