



Citizens' Utility Board of Oregon

610 SW Broadway, Suite 400

Portland, OR 97205

(503) 227-1984 • (503) 274-2956 • cub@oregoncub.org • www.oregoncub.org

June 20, 2011

All Parties:

Re: PUBLIC UTILITY COMMISSION OF OREGON Investigation of Fuel Switching and Cross Fuel Energy Efficiency Issues

On March 21, 2012, ALJ Hardie ruled that the parties in docket UM 1565 should file a status report and issues list by March 28, 2012. The Citizens' Utility Board of Oregon ("CUB") was unable to reach an agreement with the other parties to this proceeding regarding a single issues list. Therefore, pursuant to ALJ Hardie's ruling, CUB submits the following issues list for UM 1565:

Issue 1: Is fuel switching occurring with respect to space conditioning?

Issue 2: Is fuel switching uneconomic to ratepayers?

Issue 3: Staff's third issue has suddenly become broad in its scope but narrow in looking solely at the ETO. If this docket is going to look at the broad subject of heat pumps and high-efficiency furnaces, it should not be limited to programs marketed by the ETO. Rather, the docket should also be looking at programs marketed by the utilities themselves, such as programs that Idaho Power markets to the customers of Cascade Natural Gas. CUB does not understand why Staff appears to be carving out programs marketed by utilities. As an example, CUB's Executive Director, Bob Jenks, who has a new gas furnace, has received three letters (attached) from PGE encouraging him to take advantage of high-efficiency heat pumps. Though the letters cite ETO incentives, possible tax credits, and an additional \$200 incentive available through PGE-approved contractors, the letters are on PGE's letterhead. CUB questions whether these letters or similar letters from other utilities are an appropriate use of SB 838 funds. It is with that in mind that CUB proposes its third issue: What is the impact of incentive programs, such as the incentives for high efficiency heat pumps, and the marketing of such incentive programs, on fuel switching?

Issue 4: Given the above, should ratepayer-funded messaging, policies, or practices from utilities or the Energy Trust be modified?

CUB otherwise supports the status report filed by Commission Staff.

Sincerely,

A handwritten signature in black ink, appearing to read "Sommer Templet". The signature is written in a cursive, flowing style.

Sommer Templet, OSB #105260
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Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204

February 24, 2012

*002855



ROBERT T JENKS

PORTLAND OR 97214-5626

Dear ROBERT T JENKS:

With the heating season upon us, I want you to know about a **special offer** on an energy-efficient ductless heat pump that is available through PGE-approved contractor Honke Heating and Air Conditioning. Heat pumps are highly efficient in Portland's moderate climate and can help **reduce heating costs** by up to 60 percent.¹ To help make this heating and cooling system affordable for all, Honke Heating is offering PGE customers two options on systems installed by Mar. 31, 2012:

- \$3,197 cost for a ductless heat pump, complete with installation² OR
- \$38.77/per month for a ductless heat pump, with installation³ for qualifying borrowers

Get up to \$1,200⁴ back in incentives and tax credits

In addition, your system may qualify for an Energy Trust of Oregon cash incentive of up to \$800 and up to a \$400 state tax credit, for a total of up to an additional \$1,200⁴ in savings. **With the Energy Trust cash incentives at a premium combined with a tax credit, you need to take advantage of this offer soon.**

Hurry, the first 10 systems will receive a FREE indoor ductless wall mount unit!

As an incentive to help you prepare for cold weather ahead or the hot weather this summer, Honke Heating will give a free indoor ductless wall mount unit to the first 10 PGE customers who install a qualifying system.

An energy-efficient heat pump can help make this heating season more comfortable and affordable and will cool your home just like an air conditioner this summer. Take advantage of this offer by calling Honke Heating and Air Conditioning today at 503-666-3725.

Don't wait for this offer to **expire on Mar. 31 2012**

Sincerely,

John P. Karasaki
Heat Pump Program Manager

¹ Compared to a standard electric furnace replaced with a ductless heat pump system. Individual circumstances will vary. Ask the PGE Energy Experts, or your dealer, for more information.

² Cost **after** receiving a \$200 PGE instant discount available for PGE customers who use a PGE-approved heat pump contractor. Includes, standard installation on exterior wall, up to 25 feet of refrigerant lines, electrical and mechanical permits, basic electric hookup, GFCI and breakers may be required at cost extra. System model number RXN12KEVJU indoor unit and FTXN12KEVJU outdoor heat pump.

³ For qualifying customers that finance systems up to \$5,000 at 7.99% interest for 120 months. For systems with costs more than \$5,000, financing as low as 4.99% interest for 120 months may be available for qualified customers.

⁴ Up to \$800 Energy Trust of Oregon cash incentive. Up to \$400 State of Oregon tax credit. Ask your tax advisor details on tax credits. Other restrictions apply. See www.portlandgeneral.com/heatpump for details.



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204

March 16, 2012

*003587



ROBERT T JENKS

PORTLAND OR 97214-5626

Dear ROBERT T JENKS:

Portland General Electric understands that every dollar counts. That's why I want you to know about a **special offer** on an energy-efficient Daikin **ductless heating and cooling system** that is available through PGE-approved contractor Tri County Temp Control, Inc. This heat pump is highly efficient in Portland's moderate climate and can help **reduce heating costs** by up to 60 percent.¹

To help make this system affordable for all, Tri County is offering PGE customers two options on systems installed by April 30, 2012:

- \$3,400 cost, complete with installation² OR
- \$37/per month², financed at 7.99 percent interest for 144 months for qualifying borrowers

Get up to \$1,200³ back in incentives, rebates and tax credits

The system you choose might also qualify for:

- \$800 Energy Trust of Oregon cash incentive on qualifying installations
- Oregon tax credit of up to \$400

The first 10 installations receive a free indoor unit!

Tri County will give a free Daikin indoor ductless wall mount to the first 10 PGE customers who install a qualifying system. It's Tri County's way of helping you trim your energy use in honor of Earth Day.

Daikin ductless heating and cooling will cool your home just like an air conditioner this summer and will help make the heating season more comfortable and affordable next winter. Take advantage of this offer now by contacting Tri County at 503-557-2220 or www.tricountytemp.com/ductlessoffer.

Don't wait for this offer to **expire on April 30**.

Sincerely,

John P. Karasaki
Heat Pump Program Manager

¹ Compared to a standard electric furnace replaced with a ductless heat pump system. Individual circumstances will vary. Ask the PGE Energy Experts, or your dealer, for more information.

² Includes, standard installation on exterior wall, up to 25 feet of refrigerant lines, electrical and mechanical permits, basic electric hookup. GFCI and breakers may be required at cost extra. \$3,400 system is Daikin AC model # RXN12KEVJU indoor unit and FTXN12KEVJU outdoor heat pump.

³ Ask your tax advisor for details on tax credits. Go to www.EnergyTrust.org/heatpump for details on whether your installation would qualify for an Energy Trust cash incentive.



Portland General Electric Company
121 SW Salmon Street • Portland, Oregon 97204

March 16, 2011

*002837



ROBERT T JENKS

PORTLAND OR 97214-5626

Dear ROBERT T JENKS:

Portland General Electric understands that every dollar counts. That's why I want you to know about a **special offer** on an energy-efficient Daikin **ductless heating and cooling system** that is available through PGE-approved contractor Sun Glow, Inc. This heat pump is highly efficient in Portland's moderate climate and can help **reduce heating costs** by up to 60 percent.¹

To help make this system affordable for all, Sun Glow is offering PGE customers two options on systems installed by April 30, 2012:

- \$3,280 cost, complete with installation² OR
- \$56.71/per month², financed at 3.9 percent interest for 60 months for qualifying borrowers

Get up to \$1,400³ back in incentives, rebates and tax credits

The system you choose might also qualify for:

- \$200 instant discount offered only through PGE-approved contractors
- \$800 Energy Trust of Oregon cash incentive
- Oregon tax credit of up to \$400

The first 10 installations receive a free indoor unit!

Sun Glow will give a free Daikin indoor ductless wall mount to the first 10 PGE customers who install a qualifying system. It's Sun Glow's way of helping you trim your energy use in honor of Earth Day.

Daikin ductless heating and cooling will cool your home just like an air conditioner this summer and will help make the heating season more comfortable and affordable next winter. Take advantage of this offer now by contacting Sun Glow at 503-253-7789 or www.sunglowinc.com/pge

Don't wait for this offer to **expire on April 30**.

Sincerely,

John P. Karasaki
Heat Pump Program Manager

¹ Compared to a standard electric furnace replaced with a ductless heat pump system. Individual circumstances will vary. Ask the PGE Energy Experts, or your dealer, for more information.

² Includes, standard installation on exterior wall, up to 25 feet of refrigerant lines, electrical and mechanical permits, basic electric hookup. GFCI and breakers may be required at cost extra. \$3,280 system is Daikin AC model # RXN12KEVJU outdoor heat pump and FTXN12KEVJU indoor unit

³ Ask your tax advisor for details on tax credits. Go to www.EnergyTrust.org/heatpump for details on whether your installation would qualify for an Energy Trust cash incentive.

UM 1565 – CERTIFICATE OF SERVICE

I hereby certify that, on this 28th day of March, 2012, I served the foregoing **ISSUES LIST OF THE CITIZENS' UTILITY BOARD OF OREGON** in docket UM 1565 upon each party listed in the UM 1565 PUC Service List by email and, where paper service is not waived, by U.S. mail, postage prepaid, and upon the Commission by email and by one original and one copy by U.S. mail, postage prepaid, to the Commission's Salem offices.

(W denotes waiver of paper service)

(C denotes service of Confidential material authorized)

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Respectfully submitted,



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