

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

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ELECTRONICALLY FILED

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301

Re: Oregon Tariff Advice No. 19-10
Modifications to Schedule 72 – Heating and Cooling Efficiency Program

Attention Filing Center:

Pursuant to ORS 757.054 and 757.205, Idaho Power Company (“Idaho Power” or “Company”) herewith transmits for filing its Fifth Revised Sheet Nos. 72-1 and 72-2 requesting an effective date of January 1, 2020. The purpose of this filing is to seek approval of changes to eligibility requirements to Schedule 72, Heating and Cooling Efficiency Program (“Program”), as well as a housekeeping update to the location of general Program requirements.

The objective of the existing Program is to acquire energy savings by offering incentives to residential customers in order to motivate them to purchase qualified forms of residential heating and cooling equipment and services that save energy. In this filing, the Company is proposing to modify eligibility requirements applicable to the smart thermostat measure which will broaden the number of Oregon customers qualifying for the incentive.

Smart Thermostats

Smart Thermostats were added to the Program on March 1, 2016, and were eligible for incentive based on the following criteria: (1) installations in single-family site-built homes, (2) installations completed by a licensed contractor, and (3) products listed on the Qualified Products List (“QPL”). The Company requests to modify the eligibility requirements to (1) expand the types of homes qualifying to include manufactured, duplex, triplex, and fourplex homes, (2) allow for installation by the homeowner, and (3) replace the QPL with a requirement that the qualifying device have internet connectivity.

When Idaho Power launched the smart thermostat incentive, the Regional Technical Forum (“RTF”) had not yet developed savings estimates for this measure, so Idaho Power endeavored to design the program in a manner in which it would be able to perform a future billing analysis to determine energy savings. To develop a reliable billing analysis, the Company structured

qualifications for the smart thermostat incentive to include assurances that the products had key energy impacting features, were correctly installed, and installed in high energy use home types.

Following Idaho Power's launch of the incentive, the RTF created a Planning Measure savings workbook which Idaho Power used and continues to use for measure savings. Now basing savings on this RTF workbook, and through Idaho Power's recent involvement with the Northwest Energy Efficiency Alliance ("NEEA") plan to perform a Smart Thermostat Research Study, the Company is able to broaden the eligibility requirements. Following conclusion of the NEEA Smart Thermostat Research Study, study data will be analyzed by the RTF to inform RTF deemed savings for the measure. Upon the conclusion of the NEEA Smart Thermostat Research Study and determination of RTF deemed savings for the measure, Idaho Power will reevaluate eligibility requirements and incentive design based on the study and RTF findings.

Qualifying Home Types

Expansion of the measure to additional home types is consistent with Idaho Power's definition of a single-family residence for its other programs, which also includes manufactured homes, duplexes, triplexes, and fourplexes.

Installation by Homeowner

As smart thermostat devices have gained wider market acceptance, manufacturers have greatly improved resources for self-installation, including providing online how-to videos, phone support, and enhanced user guides, so that homeowners may need less on-site professional installer assistance. Many of the devices are even packaged with basic tools to assist homeowners in the installation process.

For customers with heat pumps, self-installation requires additional steps and a greater understanding of system features than those customers with electric furnaces to prevent installation mistakes that may result in higher energy usage. To assist customers with heat pumps, the Company will add installation guidance to the incentives website to inform homeowners that certain product defaults and set-up features should be addressed for optimum performance.

The Company believes updating eligibility requirements to remove the requirement for licensed contractor installation will allow a broader number of Oregon customers to qualify for the incentive. For the period of January 1, 2018, through April 30, 2019, the Company incented 205 smart thermostats across its Idaho and Oregon service area. During the same period, 28 smart thermostat incentive applications for customers with electric furnaces or heat pumps did not qualify due to being self-installed.

Device Internet Connectivity Requirement

Idaho Power seeks to replace the need for devices to be included on a QPL with a requirement for internet connectivity to ensure that the smart thermostat measure continues to offer the key energy impacting features while allowing the Company to incent new products that are coming to market more quickly than can be added to the QPL. Of the key energy impacting features evaluated for inclusion in the QPL, internet connectivity is shared among all devices, with a mix of the remaining features such as occupancy sensing and set back schedule also included, but not on all devices.

The Company believes replacing the QPL with an internet connectivity requirement, instead of a different agency's QPL, such as Energy Star®, provides customers with broader product options, including HVAC manufacturer brands. The Company's current QPL includes 115 models of smart thermostats, while the Energy Star® QPL is limited to 14 devices and does not include some of the popular models currently on Idaho Power's QPL.

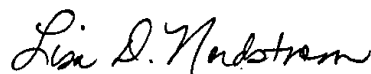
Finally, as the Company is involved with other northwest utilities in performing a research study which will inform a future NEEA QPL, Idaho Power does not believe it is in the best interest to limit the incentivized device models to another existing QPL as it would limit the homeowner's ability to participate in the Program and obtain an incentive, as well as assume that models on a different QPL would pass the upcoming NEEA QPL requirements.

Location of Program Requirements

The Company requests a housekeeping update to Schedule 72 to replace the location of Heating and Cooling Efficiency Program requirements. Previously, the Company included all Program requirements for the ducted air source heat pump and open loop water source heat pump incentives in a physical copy Program Requirements Manual. Idaho Power made it available to the Participating Contractors at the Program's required heat pump incentive training sessions. Over the last few years due to the expansion of measures, the Company has transitioned to listing all Program requirements on the Program website, specifically on each measure's respective webpage. This provides customers and anyone else access to the Program's requirements in a more convenient manner, and the Company requests to reflect this Program requirements location change in Schedule 72.

The Company respectfully requests that the proposed modifications to Schedule 72 become effective January 1, 2020. If you have any questions regarding this filing, please contact Regulatory Analyst Paul Goralski at (208) 388-2608 or pgoralski@idahopower.com.

Sincerely,



Lisa Nordstrom

LDN:kkt
Enclosure

SCHEDULE 72
HEATING AND COOLING
EFFICIENCY PROGRAM

AVAILABILITY

Service under this schedule is available to residential Customers and owners or managers of rental properties throughout the Company’s service area within the State of Oregon that are served under a residential electric service schedule. This schedule is also available to home builders and developers who construct homes in the Company’s service area within the State of Oregon that take service under a residential electric service schedule upon completion.

APPLICABILITY

This program is applicable to site-built or manufactured homes served under a residential electric service schedule and sited in the Company’s Oregon service territory.

PROGRAM DESCRIPTION

The Heating and Cooling Efficiency Program provides incentives for the installation of qualified heating and cooling equipment and for having energy saving services performed.

INCENTIVE STRUCTURE

To be eligible for an incentive for heat pumps and single family home duct sealing, the installation must be performed by an Idaho Power authorized participating contractor who has received program training and has signed an agreement with the Company. Eligibility for an incentive for evaporative coolers, smart thermostats, or heat pump water heaters does not require a contractor. To be eligible for an incentive for the electronically commutated air handler motor (“ECM”) or the residential whole house fan, a licensed contractor must perform the services, but not necessarily an Idaho Power authorized participating contractor. Products and services performed must meet the requirements of the Heating and Cooling Efficiency Program as outlined on Idaho Power’s website and individual measure worksheets. To view a list of the participating contractors and individual measure worksheets, visit www.idahopower.com/heatingcooling. (N) (D) (C) (D)

Equipment/Service	Eligibility Requirements	Participant Incentive	Contractor Incentive	Notes
High Efficiency Air Source or Open Loop Water Source Heat Pump: Proper Sizing & Installation	A. <u>Replacing an Existing Air Source Heat Pump</u>			
	Minimum 8.5 HSPF for air source	\$250.00	\$50.00	1
	Minimum 3.5 COP for water source	\$500.00	\$50.00	1
	B. <u>Replacing an Existing Electric Forced Air Furnace or Non-ducted Electric Resistance System</u>			
	Minimum 8.5 HSPF for air source	\$800.00	\$50.00	1
	Minimum 3.5 COP for water source	\$1,000.00	\$50.00	1
	C. <u>Replacing an Existing Oil Forced Air Furnace or Propane Forced Air Furnace</u>			
	Minimum 8.5 HSPF for air source	\$400.00	\$50.00	1, 2
Minimum 3.5 COP for water source	\$1,000.00	\$50.00	1, 2	
D. <u>New Construction</u>				
Minimum 8.5 HSPF for air source	\$400.00	\$50.00	2	
Minimum 3.5 COP for water source	\$1,000.00	\$50.00	2	

SCHEDULE 72
HEATING AND COOLING
EFFICIENCY PROGRAM
(Continued)

INCENTIVE STRUCTURE (Continued)

Evaporative Cooler: Purchase & Installation	Unit must be equal to or greater than 2500 CFM	\$150.00	n/a	1
Single Family Home Duct Sealing	Homes must have electric forced-air heat or a heat pump	\$350.00	\$0	3
Electronically Commutated Air Handler Motor (ECM)	Homes must have electric forced-air heat, oil or propane or natural gas forced-air heat, or a heat pump	\$50.00	\$150.00	1
Residential Whole House Fan	Homes must have central air conditioning, zonal cooling, or a heat pump	\$200.00	\$0	3
Ductless Heat Pump	Homes must have electric baseboards, electric ceiling cable, or electric wall units	\$750.00	\$0	1
Smart Thermostat	Homes must have electric forced air heat (with or without central air conditioning) or a ducted heat pump	\$75.00	\$0	1
Heat Pump Water Heaters	Homes must have an existing electric storage water heater	\$300.00	\$0	1

(C)

Notes:

1. Must be an existing, single-family, site-built home, an existing multi-family home with 4 or fewer units, or an existing manufactured home.
2. Natural gas must not be available.
3. Must be existing single-family site-built home.

QUALIFICATIONS

In order to receive a financial incentive under this program, each participating customer must complete the following steps:

1. Read and understand all website information found on www.idahopower.com/heatingcooling for the incentives of interest.
2. Hire participating contractor or licensed contractor where required.
3. Have equipment installed or services performed.
4. Submit or assist in the contractor's submittal of incentive forms.