

Utah Conservation and Respect Report 2014

Providing safe, reliable electric service has been our job for more than a century. A big part of that job is respecting the environment. We strive to be good stewards by conserving natural resources, developing renewable resources, reducing emissions, protecting habitats and more. Since 2005, we've added more than 1,800 megawatts of owned and contracted wind resources and have avoided more than 7 million tons of carbon dioxide from entering the atmosphere.



Let's turn the answers on.



Energy Efficiency



Saving energy conserves natural resources, reduces emissions and helps keep electricity costs low. Rocky Mountain Power encourages customers to be wattsmart®. Together with our Utah customers in 2013, we achieved a **peak load reduction of 127 megawatts**. In addition, our energy efficiency efforts also **saved more than 264,300 megawatt-hours of electricity**, creating benefits equivalent to:

- Powering nearly 28,000 homes for a year.
- The electricity generated by 57 utility-scale wind turbines.

Some of our wattsmart energy-saving programs in Utah include:

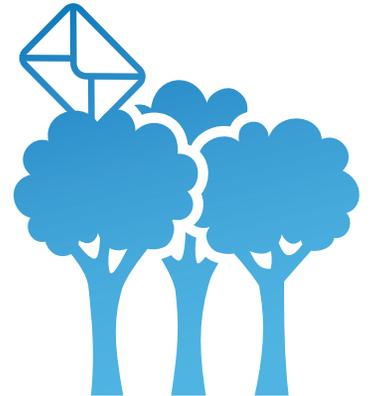
- Home Energy Savings – customers can get cash back on energy-efficient appliances, windows, insulation and heating and cooling equipment.

- See ya later, refrigerator® – customers receive a cash incentive for recycling their old inefficient refrigerator or freezer.
- wattsmart New Homes – offers incentives for energy-efficient home construction, including lighting, appliances and windows.
- Cool Keeper – this device helps keep energy costs down for all of us by coordinating air conditioner use on select weekdays during the summer. Participants receive an annual \$20 thank you credit.
- wattsmart® Business – provides technical services and incentives to commercial, industrial and agricultural customers for upgrading equipment to increase energy efficiency.
- Irrigation Load Control – offers incentives to irrigators who agree to curtail their electricity use during designated periods.



Paperless Billing and Reusable Envelopes

The only thing better than recycling paper is saving paper. With **28 percent** of our customers choosing paperless billing at the end of 2013, we are saving nearly **235,000 pounds of paper** envelopes and bills each year. In addition, the company introduced a two-in-one, reusable envelope for customers who still prefer a paper bill. Each year, the reusable envelope is expected to **conserve 3,216 trees, 3.7 million gallons of water and electricity equivalent to the annual use of 62 homes**, all which were required to manufacture the paper for the payment envelopes used previously.



Renewable Energy

Wind, hydro, geothermal and other noncarbon resources currently make up more than 20 percent of the company's owned generating capacity. We support prudent and cost-effective renewable resources through power purchase agreements, ownership, leasing and by continuing to offer programs that help customers install their own renewable energy systems. We own 13 wind projects, and purchase additional wind and solar resources. The American Wind Energy Association named our company the **second largest rate-regulated utility owner of wind resources in the nation.**

Since 2005, we have invested in the following renewable technologies:

- More than 1,800 megawatts of owned and contracted wind
- 2 megawatts of solar
- 12 megawatts of geothermal

We offer incentives to help customers offset some of the costs of installing solar panels on Utah homes and businesses. Our Utah Solar Incentive Program began in 2007 and was expanded to offer \$50 million more in incentives from 2013-2017. This year, a lottery process selected more than 376 Utah customers to receive incentives toward 10 megawatts of solar capacity.

Blue SkySM is a voluntary program customers can participate in to support the development of renewable energy resources in the Western U.S., including community-based projects. Blue Sky renewable energy is separate from, and in

addition to, what Rocky Mountain Power buys or generates to serve customers. More than 94,000 customers are enrolled in Blue Sky in the six states our company serves, including more than **38,500 customers in Utah.** Over the last year, Utah customers supported renewable energy equal to planting 2.2 million trees. Participants also have helped fund 104 community-based renewable energy projects across the state since 2006.



Wildlife and Habitat Protection

Protecting wildlife habitat is central to our goal of protecting the environment. We focus on preserving forests, grasslands and wetlands; and reducing hydroelectric facilities' impact on fish; and implementing avian protection plans.

In 2013, we installed bird protection equipment companywide on **9,920 of our power poles.** We reframe poles and install covers on conductors to prevent birds from making electrical contact. In areas where bird collisions are a risk, lines are marked to make them more visible. We also install platforms to provide nesting sites away from energized lines. These efforts benefit birds and other wildlife and improve service reliability.



Trees

To maintain a safe corridor around power lines, our crews worked on **887,000 trees** companywide along 5,700 miles of transmission and distribution line in 2013. Trees are the most common cause of power outages when branches fall on lines during high winds and storms.

Since 2002, the company has been recognized with the Tree Line USA award from the National Arbor Day Foundation for our tree-friendly practices. We also offer tree certificates for Arbor Day planting projects in partnership with communities.



Reducing Vehicle Emissions



We have partnered with the state, counties and cities to reduce carbon dioxide and other vehicle emissions. We maintain a pulse on alternative fuel technologies and provide information on our website about purchasing and charging electric vehicles.

Automatic Vehicle Locator equipment was installed in 2,183 company vehicles in 2013 to help us use less gasoline and promote a healthier environment. Company vehicles **drove 1.79 million fewer miles** and the fuel economy rose from 8.84 to 9.02 miles per gallon. The avoidance of 2,532 tons of greenhouse gases was equivalent to taking 497 passenger vehicles off the road for a year. AVLs also have proven

useful in responding to outages and emergencies by helping us pinpoint and dispatch the nearest crews.

Through the company's idle-free policy, smarter vehicle routing, and emphasis on improving fuel economy, **more than 247,040 gallons of fuel were saved in 2013.**

Rocky Mountain Power also has joined with other Utah businesses to participate in the Emergency Business Air Quality Initiative to help reduce vehicle emissions during the inversion season. The initiative is a partnership of Salt Lake Chamber of Commerce members and the Utah Clean Air Partnership and is supported by the Utah Department of Air Quality. As part of this partnership, Rocky Mountain Power sends air quality alerts to all its Utah employees so they can limit trips and take advantage of transit passes that are provided by the company.

Recycling

Rocky Mountain Power recycles as much as possible and properly disposes of all other wastes. Proceeds from recycling are reinvested into the company to reduce operating costs.

In 2013, Rocky Mountain Power recycled about **6,250 gallons of used motor oil** from fleet vehicles. In addition, the company has established systems for recycling used transformer oil, antifreeze, batteries, metal, cardboard, paper, glass and plastics.



Air Quality

As we work to provide safe, reliable and reasonably priced electric service for customers, we are continuously developing and implementing strategies to improve our emissions performance.

Since 2005, we have invested in pollution control technology that has reduced emissions by:

- 58 percent for sulfur dioxide
- 41 percent for nitrogen oxides
- 10 percent for mercury

Further, through investments in energy efficiency, renewable resources, and other air quality initiatives we have **lowered our carbon emissions rate¹ from 1.81 to 1.55 pounds of CO₂ per kilowatt-hour**, equivalent² to:

- 7,091,000 tons of avoided CO₂, or
- 1,340,000 cars off the road, or
- 164,954,000 tree seedlings grown for 10 years

¹This is the emissions rate for electricity that is delivered to customers.

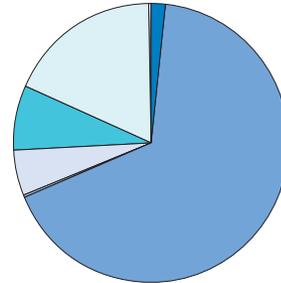
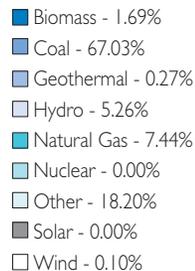
²Source: www.epa.gov/cleanenergy/energy-resources/calculator.html

Generation Sources

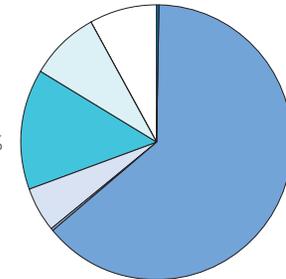
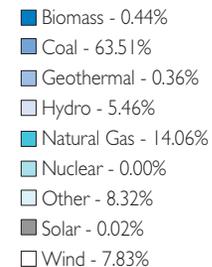
Electricity can be generated from many sources. We currently have a company-owned net generating capacity of 10,595 megawatts and purchase additional power from other suppliers as needed. The resource mix used to meet our customers' energy needs, including purchases, has changed in recent years, as shown in the charts below. According to our most recent integrated resource plan, we expect the carbon intensity of our resources to decrease over coming decades.

ENERGY RESOURCE MIX

2005*



2013*



*This information is based on Federal Energy Regulatory Commission Form 1 data. The Rocky Mountain Power "energy resource mix" is based on energy production and not resource capability, capacity or delivered energy. All or some of the renewable energy attributes associated with wind, biomass, geothermal and qualifying hydro facilities in Rocky Mountain Power's fuel mix may be: (a) used to comply with renewable portfolio standards or other regulatory requirements, (b) sold to third parties in the form of renewable energy credits and/or other environmental commodities or (c) not acquired. Rocky Mountain Power's energy resource mix includes owned resources and purchases from third parties.



Here are three simple things customers can do:

- Be wattsmart – save energy and money
- Sign up for Blue Sky renewable energy
- Choose paperless billing



wattsmart

As we move into our second century of service, we'll continue to look for more ways to operate efficiently and responsibly. To learn more about our commitment, visit rockymountainpower.net/respect.



Let's turn the answers on.