

## **PacifiCorp’s Planned Changes to Wattsmart Business in Idaho September 2021**

PacifiCorp is planning modifications to the Wattsmart Business energy efficiency incentive program (“Program”), which is offered through Schedule 140. Consistent with the flexible tariff process<sup>1</sup> documented and approved in Case No. PAC-E-12-10, notice of the changes will be posted on the program website<sup>2</sup> 45 days prior to implementation. Proposed changes to the incentive tables are included in Exhibit A.

### **BACKGROUND**

The Wattsmart Business program is available to PacifiCorp’s commercial, industrial, and agricultural customers in Idaho and offers incentives for prescriptive, custom and energy management measures. Incentives are available for both retrofit projects and new construction/major renovation projects.

### **DESCRIPTION OF PLANNED WATTSMART BUSINESS CHANGES**

Proposed adjustments are listed below, with further explanation provided in subsequent sections.

1. Market incentives; and
2. Miscellaneous updates to incentives and eligibility criteria for the following measure categories:
  - a. Non-General Illuminance;
  - b. New Construction/Major Renovation Lighting;
  - c. Motors;
  - d. HVAC Equipment;
  - e. Building Envelope;
  - f. Irrigation;
  - g. Farm and Dairy Equipment; and
  - h. Market Lighting;

### **MARKET INCENTIVES**

Currently, the Company’s Mid-Market program is structured to only offer incentives to end-use customers. The Company proposes to expand/shift the mid-market program to a broader market program structure for prescriptive lamps and fixtures, which will allow the program to provide incentives at the most effective point(s) in the supply chain to influence the market. Market actors will only need to collect and submit information that they have readily available in their applications, and the program will adjust kWh savings based on market assumptions. While the savings and incentives will decrease at the measure level for distributors when compared to the traditional mid-market only program, the distributors will be able to submit a higher volume of projects since they will no longer need to submit end-use customer data. End-use customers or contractors will then also be eligible for an incentive if they apply through the post-purchase path for these lighting incentives.

---

<sup>1</sup> See Direct Testimony of Nancy Goddard pp. 16-18 and Attachment C in Case No. PAC-E-12-10.

<sup>2</sup> <https://www.rockymountainpower.net/savings-energy-choices/business/wattsmart-efficiency-incentives-idaho.html>

The Company’s Wattsmart Homes residential energy efficiency program has a similar concept already in place, offering incentives to both the end-use customer that receives the energy efficiency upgrade as well as the trade ally that completes the work. This structure has been well received and proven to be a successful motivator for participation and influencing the market.

**MEASURE UPDATES**

As a result of the Company’s ongoing analysis of its offerings, including reviews of eligibility requirements, savings assumptions, and incentive levels, several proposed changes have been identified to improve Program offerings. The purpose of these changes is to better align with current measure research, market conditions, and cost-effectiveness thresholds. The sections below describe the proposed changes for each measure category. It should be noted that the sections and tables below only reference measures with proposed changes and do not constitute a comprehensive list of all Program offerings in each category. Current Program offerings that are not specifically mentioned in the sections below will remain unchanged.

**Non-General Illuminance Incentives**

- **LED Message Center Sign** – Remove measure offering due to lack of participation.

**Maximum “up to” Incentives for non-general illuminance (retrofit only)**

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
LED Message Center Sign	\$5/Lamp	\$0/Lamp

**New Construction/Major Renovation (NCMR) Lighting Incentives**

- **LED Wall Packs** – Remove all NCMR Wall pack measure offerings due to the cost of efficient equipment no longer exceeding the cost of baseline equipment enough to justify an incentive.
- **LED Area Flood** – One of the current offerings in the NCMR LED flood light category is \$50/fixture for lamps that are less than 100 watts. This offering will be discontinued due to the cost of efficient equipment no longer exceeding the cost of baseline equipment enough to justify an incentive.

**Maximum “up to” Incentives for NCMR Lighting Table**

Measure	Category	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
Exterior Lighting	LED wall packs	\$75/fixture	\$0/fixture

**Currently Offered Incentives for NCMR Lighting Table**

Equipment Type	Category	Minimum Requirements	Currently Offered Incentive	Proposed Offered Incentive
Exterior Lighting	LED flood lights	< 100W	\$50/fixture	\$0/fixture

## Motor Incentives

- **Electronically Commutated Motor (ECM)** –
  - Increase the maximum “up to” horsepower incentive option from \$50/horsepower (hp) to \$100/hp to better promote ECMs.
  - In addition to the existing offerings for ECMs, a new offering set at \$100/hp will be added for ECMs that are greater than 1 hp and less than or equal to 10 hp.
- **Variable Frequency Drives (VFD) (HVAC fans and pumps)** – Increase the maximum and offered incentive amounts from \$65/hp to \$200/hp to better promote VFDs and account for higher incremental costs for this measure.

### Maximum “up to” Incentives for Motors

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
<b>Electronically Commutated Motor</b> – (ECM retrofit only)	\$1/watt or \$50/hp	\$1/watt or \$100/hp
<b>Variable Frequency Drives</b> (HVAC fans and pumps)	\$65/hp	\$200/hp

### Currently Offered Incentives for Motors

Equipment Type	Minimum Requirements	Sub-Category	Currently Offered Incentive	Proposed Offered Incentive
<b>Electronically Commutated Motor</b> – (ECM retrofit only)	>1hp and ≤ 10hp	HVAC application	N/A	\$100/hp
<b>Variable Frequency Drives</b> (HVAC fans and pumps)	≤ 100 hp	HVAC fans and pumps	\$65/hp	\$200/hp

## HVAC Equipment Incentives

- **Heat Pump Loops** – Increase the maximum “up to” incentive amount from \$25/ton to \$125/ton to encourage more participation and account for higher incremental costs and deemed savings for this measure. The offered amount for the Ground Source Heat Pump Loop measure will be set at \$125/ton.
- **Advanced Rooftop Unit Controls (ARC) (Retrofit)** –
  - Increase the maximum “up to” incentive from \$4,500 to \$6,500 for the retrofit category.
  - Differentiate incentive offerings for ARC retrofits between gas-fired RTUs and heat pump RTUs to accommodate a higher incentive for heat pumps given that they capture more savings than controls in buildings with gas-fired RTUs. The current offered amounts for gas-fired RTUs will remain unchanged. The current offered amounts for heat pump RTUs will be increased as reflected in the table below.
- **Advanced Rooftop Unit Controls (New RTU)** –
  - Increase the maximum “up to” incentive from \$2,800 to \$4,000 for the new RTU ARC category.
  - Differentiate incentive offerings for new RTUs between gas-fired RTUs and heat pump RTUs to accommodate a higher incentive for heat pumps and to align with the proposed updates to the retrofit category. The current offered amounts for gas-fired RTUs will remain unchanged. The current offered amounts for heat pump RTUs will be increased as reflected in the table below.

### Maximum “up to” Incentives for HVAC Equipment

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
Heat Pump Loop	\$25/ton	\$125/ton
Advanced Rooftop Unit Control (Retrofit)	\$4,500	\$6,500
Advanced Rooftop Unit Control (New RTU)	\$2,800	\$4,000

### Currently Offered Incentives for HVAC Equipment

Equipment Type	Size Parameters	Currently Offered Incentive		Proposed Offered Incentive	
		Gas-fired RTU	Heat Pump RTU	Gas-fired RTU	Heat Pump RTU
Advanced Rooftop Unit Control (Retrofit)	≥ 5 tons and ≤ 10 tons	\$2,000		No Change	\$2,900
	> 10 tons and ≤ 15 tons	\$2,800			\$4,000
	> 15 tons and ≤ 20 tons	\$4,000			\$5,800
	> 20 tons	\$4,500			\$6,500
Advanced Rooftop Unit Control (New RTU)	≥ 5 tons and ≤ 10 tons	\$1,200		No Change	\$1,700
	> 10 tons and ≤ 15 tons	\$1,800			\$2,600
	> 15 tons and ≤ 20 tons	\$2,500			\$3,600
	> 20 tons	\$2,800			\$4,000

### Building Envelope (Retrofit) Incentives

- **Cool Roof** – Decrease the maximum incentive from \$0.10/square foot to \$0.04/square foot to ensure that this measure is cost effective given updated savings and costs assumptions.
- **Roof/Attic Insulation** – Increase the maximum incentive from \$0.09/square foot to \$0.20/square foot to account for increased incremental costs and savings.
- **Wall Insulation** – Increase the maximum incentive from \$0.07/square foot to \$0.15/square foot to account for increased incremental costs and savings.
- **Windows** – Increase the maximum incentive from \$0.35/square foot to \$0.50/square foot to account for increased incremental costs and savings.

### Maximum “up to” Incentives for Building Envelope Retrofits

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
Cool Roof	\$0.10/square foot	\$0.04/square foot
Roof/Attic Insulation	\$0.09/square foot	\$0.20/square foot
Wall Insulation	\$0.07/square foot	\$0.15/square foot
Windows	\$0.35/square foot	\$0.50/square foot

### Currently Offered Incentives for Building Envelope Retrofits

Equipment Type	Sub-Category	Currently Offered Incentive	Proposed Offered Incentive
Cool Roof	--	\$0.05/square foot	\$0.04/square foot
Roof/Attic Insulation	--	\$0.09/square foot	\$0.20/square foot
Wall Insulation	--	\$0.07/square foot	\$0.15/square foot
Windows	Site-built	\$0.35/square foot	\$0.50/square foot
	Assembly		

### Building Envelope (New Construction/Major Renovation) Incentives

- **Cool Roof** – Decrease the maximum incentive from \$0.10/square foot to \$0.02/square foot to maintain measure cost effectiveness.
- **Roof/Attic Insulation** – Decrease the maximum incentive from \$0.09/square foot to \$0.07/square foot to maintain measure cost effectiveness.

### Maximum “up to” Incentives for Building Envelope Retrofits

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
Cool Roof	\$0.10/square foot	\$0.02/square foot
Roof/Attic Insulation	\$0.09/square foot	\$0.07/square foot

### Currently Offered Incentives for Building Envelope Retrofits

Equipment Type	Currently Offered Incentive	Proposed Offered Incentive
Cool Roof	\$0.05/square foot	\$0.02/square foot
Roof/Attic Insulation	\$0.09/square foot	\$0.07/square foot

### Irrigation Incentives

- **Wheel/Hand Line and Other Portable Systems (Retrofits)** –
  - **Rotating Sprinkler** (New or Rebuilt) – Decrease the maximum and offered incentive amounts from \$2.50 each to \$0.50 each in accordance with the most recent revision to unit energy savings in the Regional Technical Forum (RTF).
  - **Impact Sprinkler** (New or Rebuilt) – Decrease the maximum and offered incentive amounts from \$2.25 each to \$0.50 each in accordance with the most recent revision to unit energy savings in the RTF.
  - **Drain Replacement** (New) – Decrease the maximum and offered incentive amounts from \$3 each to \$2 each in accordance with the most recent revision to unit energy savings in the RTF.
  - **Pipe Repair** – Decrease the maximum and offered incentive amounts from \$10/repair to \$8/repair in accordance with the most recent revision to unit energy savings in the RTF.
  - **Leveler** (New or Rebuilt) – Decrease the maximum and offered incentive amounts from \$3 each to \$1 each in accordance with the most recent revision to unit energy savings in the RTF.
  - **Nozzle Replacement** (New) – Increase the maximum and offered incentive amounts from \$0.50 each to \$1.50 each in accordance with the most recent revision to unit energy savings in the RTF.

**Maximum “up to” Incentives for Irrigation Wheel Line, Hand Line, or Other Portable Systems (Retrofits)**

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
Sprinkler Replacement (Rotating Sprinkler)	\$2.50	\$0.50
Sprinkler Replacement (Impact Sprinkler)	\$2.25	\$0.50
Drain Replacement	\$3	\$2
Pipe Repair	\$10	\$8
Leveler Replacement	\$3	\$1
Nozzle Replacement	\$0.50	\$1.50

**Currently Offered Incentives for Incentives for Irrigation Wheel Line, Hand Line, or Other Portable Systems (Retrofits)**

Equipment Type	Sub-Category	Currently Offered Incentive	Proposed Offered Incentive
Sprinkler Replacement	Rotating sprinkler	\$2.50	\$0.50
	Impact sprinkler	\$2.25	\$0.50
Drain Replacement	Replacing leaking drain	\$3	\$2
Pipe Repair	Cut & press or weld repair of leaking line	\$10	\$8
Leveler Replacement	Replacing leaking or malfunctioning leveler	\$3	\$1
Nozzle Replacement	Replacement of worn nozzle	\$0.50	\$1.50

- **Pivot and Linear Systems (Retrofits) –**
  - **Low Pressure Sprinkler, Pressure Regulator, New Drain** – Remove and replace individual measure offerings with packaged offerings to better align with the RTF.
  - **Sprinkler Replacement Package** – Add a sprinkler replacement package offering category with a maximum incentive of \$7. Initially offered incentives will be broken out between High Pressure, Mid-Elevation Spray Application (MESA), Low-Elevation Spray Application (LESA), Low-Elevation Precision Application (LEPA), and Mobile Drip Irrigation (MDI) categories:
    - **High Pressure** – The initially offered incentive for high pressure sprinkler package replacements will be set at \$7 each.
    - **MESA** – The initially offered incentive for MESA sprinkler package replacements will be set at \$4 each.
    - **LESA/LEPA/MDI** – The initially offered incentives for LESA, LEPA, and MDI sprinkler package replacements will be set at \$2 each.
  - **Pivot/Linear Upgrade** – Add an upgrade offering category with a maximum incentive of \$7 each. Incentives will be broken out between upgrades from high pressure to MESA, high pressure to LESA/LEPA/MDI, and MESA to LESA/LEPA/MDI, with initially offered incentives set at \$7, \$7, and \$5, respectively, for each upgrade type.

**Maximum “up to” Incentives for Irrigation Pivots and Linear Systems (Retrofits)**

Equipment Type	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
Low Pressure Sprinkler Replacement for impact sprinkler	\$3	\$0
Low Pressure Sprinkler Replacement for low pressure sprinkler	\$1.50	\$0
Pressure Regulator	\$3	\$0
New drain replacing leaking drain	\$3	\$0
Sprinkler Replacement Package	N/A	\$7
Pivot/Linear Upgrade	N/A	\$7

**Currently Offered Incentives for Irrigation Pivots and Linear Systems (Retrofits)**

Equipment Type	Sub-Category	Currently Offered Incentive	Proposed Offered Incentive
Low Pressure Sprinkler	Replacing impact sprinkler	\$3	\$0
	Replacing worn low pressure sprinkler	\$1.50	\$0
Pressure regulator	--	\$3	\$0
Drain (New)	Replacing leaking drain	\$3	\$0
Sprinkler Replacement Package	High Pressure	N/A	\$7
	MESA	N/A	\$4
	LESA/LEPA/MDI	N/A	\$2
Pivot/Linear Upgrade	High Pressure to MESA	N/A	\$7
	High Pressure to LESA/LEPA/MDI	N/A	\$7
	MESA to LESA/LEPA/MDI	N/A	\$5

**Market Incentives Table**

- **Pin-Based Lamps** – Decrease the maximum incentive from \$15/lamp to \$12/lamp, to maintain cost effectiveness.
- **Linear Replacement Lamps** – Update the “TLED” category to “Linear Replacement Lamps,” and decrease the maximum incentive from \$25/lamp to \$20/lamp to maintain cost effectiveness.
- **Wall Pack Fixture** – Remove measure offering due to low participation.
- **Outdoor Retrofit Kits** – Add new measure category for outdoor retrofit kits with a maximum incentive of \$150/Kit.

Adjustments to offered incentive amounts for each Market category are included in the table section below, which are intended to better align with current measure research, market conditions, and the new Market structure for end-use customers and supply chain(s).

**Maximum “up to” Market Incentives**

Equipment Type	Category	Current Maximum “up to” Incentive	Proposed Maximum “up to” Incentive
LED	Pin-based lamps	\$15/Lamp	\$12/Lamp
	Linear Replacement Lamps	\$25/Lamp	\$20/Lamp
	Wall Pack Fixture	\$30	\$0
	Outdoor Retrofit Kits	N/A	\$150/Kit

### Currently Offered Market Incentives

Measure Category	Equipment	Currently Offered Incentive	Proposed Offered Incentive	
		Customer	Distributor	Customer
A-Lamps	A-19 Lamp < 8 W, Medium Base	\$2/Lamp	\$0.50/Lamp	\$0.50/Lamp
	A-19 Lamp ≥ 8 W, Medium Base	\$2.50/Lamp	\$0.75/Lamp	\$1.25/Lamp
	A-21 Lamp ≥ 12 W, Medium Base	\$4/Lamp	\$1/Lamp	\$2.25/Lamp
Reflector Lamps	PAR Lamp	\$12/Lamp	\$3/Lamp	\$5.75/Lamp
	BR Lamp	\$10/Lamp	\$0.75/Lamp	\$0.75/Lamp
	MR-16 Lamp	\$7/Lamp	\$1.25/Lamp	\$1.75/Lamp
Pin-Based Lamps	PLC Lamp < 10 W	\$4/Lamp	\$2.50/Lamp	\$4/Lamp
	PLC Lamp ≥ 10 W	\$4/Lamp	\$2.50/Lamp	\$4/Lamp
	PLL Lamp	\$4/Lamp	\$4/Lamp	\$6.50/Lamp
Decorative Lamps	Decorative Lamp	\$5/Lamp	\$0.75/Lamp	\$1/Lamp
Downlight Kits	Recessed Downlight Kit	\$10/Kit	\$4/Kit	\$6/Kit
Linear Replacement Lamps	T8 TLED Lamp – Type A, A/B Dual Mode	\$4/Lamp	\$1.25/Lamp	\$2.50/Lamp
	T8 TLED Lamp – Type B	\$6/Lamp	\$2/Lamp	\$3/Lamp
	T8 TLED Lamp – Type C	\$12/Lamp	\$3.25/Lamp	\$6.50/Lamp
	T5 TLED Lamp – Type A, A/B Dual Mode	\$6/Lamp	\$2.50/Lamp	\$3.50/Lamp
HID Replacement Lamps	HID Replacement Lamp < 40 W	\$45/Lamp	\$12/Lamp	\$15/Lamp
	HID Replacement Lamp ≥ 40 W and < 70 W	\$65/Lamp	\$12/Lamp	\$18/Lamp
	HID Replacement Lamp ≥ 70 W and < 140 W	\$85/Lamp	\$20/Lamp	\$30/Lamp
	HID Replacement Lamp ≥ 140 W	\$105/Lamp	\$30/Lamp	\$40/Lamp
Outdoor Retrofit Kits	Outdoor Retrofit Kit < 50 W	N/A	\$10/Kit	\$40/Kit
	Outdoor Retrofit Kit ≥ 50 W and < 90 W	N/A	\$20/Kit	\$50/Kit
	Outdoor Retrofit Kit ≥ 90 W and < 135 W	N/A	\$30/Kit	\$60/Kit
	Outdoor Retrofit Kit ≥ 135 W and < 220 W	N/A	\$40/Kit	\$70/Kit
	Outdoor Retrofit Kit ≥ 220 W	N/A	\$50/Kit	\$80/Kit

### COST-EFFECTIVENESS

The cost effectiveness analysis for these changes is attached hereto as Exhibit B, and was based on the maximum “up to” incentive levels listed in the flexible tariff tables. The Table below, pulled from Exhibit B, presents the expected cost-effectiveness for 2021-2022 with the assumption that these proposed changes will become effective. Additional details and inputs are included in Exhibit B. The Program is expected to remain cost effective for the 2021 and 2022 period from the Utility Cost Test perspective with a combined benefit/cost ratio of 1.39.



**Table 5: Wattsmart Business Program Cost-Effectiveness Results, PY2021 and PY2022 Combined**

<b>Cost-Effectiveness Test</b>	<b>Levelized \$/kWh</b>	<b>NPV Costs</b>	<b>NPV Benefits</b>	<b>Net Benefits</b>	<b>Benefit /Cost Ratio</b>
Utility Cost Test (UCT)	\$0.0372	\$6,206,194	\$8,631,325	\$2,425,131	1.39
Total Resource Cost Test (TRC) No Adder	\$0.0591	\$9,869,066	\$9,103,966	(\$765,099)	0.92
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0591	\$9,869,066	\$9,967,099	\$98,033	1.01
Participant Cost Test (PCT)		\$8,067,078	\$21,443,420	\$13,376,343	2.66
Rate Impact Test (RIM)		\$23,912,574	\$8,631,325	(\$15,281,249)	0.36
Lifecycle Revenue Impacts (\$/kWh)				\$0.0009802	

**Exhibits Provided**

Exhibit A – Clean/Redlined Wattsmart Business Flexible Tariff Incentive Tables.

Exhibit B – Wattsmart Business Program Cost Effectiveness 2021-2022.

# Exhibit A

## Idaho Non-Residential Energy Efficiency

**This document includes the following three sections:**

- Definitions of terms used in Schedule 140 and other program documents
- Incentives – General Information
- Incentive tables

### DEFINITIONS:

**Customer:** Any party who has applied for, been accepted and receives service at the real property, or is the electricity user at the real property.

**Energy Efficiency Incentive:** Payments of money made by Company to Owner or Customer for installation of an Energy Efficiency Measure pursuant to an acknowledged Energy Efficiency Incentive Offer Letter or approved Energy Efficiency Incentive Application.

**Energy Efficiency Incentive Offer Letter:** An offer made by Company and acknowledged by Owner or Customer providing for Company to furnish Energy Efficiency Incentives for an Energy Efficiency Project.

**Incentive Application:** An application submitted by Owner or Customer to Company for Energy Efficiency or Energy Management Incentives.

**Energy Efficiency Measure (EEM):** A permanently installed measure which can improve the efficiency of the Customer's electric energy use.

#### **Energy Efficiency Measure (EEM) Cost:**

New Construction/Major Renovation: EEM Cost is the total installed cost of energy efficiency equipment or system minus the cost of the code compliance/common practice equipment or system.

Retrofit: EEM Cost is the total installed cost of the energy efficiency equipment or modification.

In the case of New Construction, Major Renovation and Retrofits, EEM Costs shall mean the Owner or Customer's reasonable costs incurred (net of any discounts, rebates or incentives other than Energy Efficiency Incentives from the Company, or other consideration that reduces the final actual EEM Cost incurred by the Owner or Customer) to purchase and install EEMs at the Owner's or Customer's facility. If the owner or customer installs the EEM then the cost of installation shall be equal to the Owner's or Customer's actual labor costs for such installation.

**Energy Efficiency Project:** One or more EEM(s) at a Non-residential Facility<sup>1</sup> with similar one year payback limitations (below) covered by one Energy Efficiency Incentive Offer Letter.

**Energy Efficiency Project Cost:** The sum of EEM Costs for one or more EEM(s) with similar one year payback limitations (see below) covered by one Energy Efficiency Incentive Offer Letter.

---

<sup>1</sup> Measures at multiple Non-residential Facilities may be included in one Offer Letter for convenience; however, project incentive caps (if any) are applied per individual Non-residential Facility.  
Idaho Wattsmart Business (Schedule 140) – Effective ~~November~~ January 1, 2021

**Energy Management Offer Letter:** An offer made by Company and acknowledged by Owner or Customer and Company providing for Company to furnish Energy Management Incentives for an Energy Management Project.

**Energy Management Incentive:** Payments of money made by Company to Owner or Customer for implementation of an Energy Management Measure pursuant to an executed Energy Management Offer Letter.

**Energy Management Measure (EMM):** an operational improvement which, when implemented in an eligible facility, result in electric savings compared to current operations as determined by Company.

**Energy Management Project:** One or more EMM(s) at a Non-residential Facility covered by one Energy Management Offer Letter.

**Energy Project Manager:** an employee or direct contractor of the Customer who will manage electrical energy efficiency projects that deliver savings toward the Customer/Owner's energy savings goal.

**Energy Project Manager Co-funding:** funding towards the Energy Project Manager agreed upon full value salary that is solely attributable to electrical energy efficiency work.

**Major Renovation:** A change in facility use type or where the existing system will not meet Owner/Customer projected requirements within existing facility square footage.

**Market Incentive:** Incentive available to different market actors in the supply chain including manufacturers, distributors, contractors, and end-use customers.

**Mixed Use:** Buildings served by a residential rate schedule and a rate schedule listed under **Applicable** in Idaho Schedule 140 shall be eligible for services under Schedule 140 provided the Energy Efficiency Project meets the definition of New Construction or where the Company adjusts the baseline energy consumption and costs.

**New construction:** A newly constructed facility or newly constructed square footage added to an existing facility.

**Non-residential Facility:** A Customer site that is served by Company and meets the applicability requirements of Idaho Schedule 140, the program tariff, on file with the Idaho Public Utilities Commission.

**Owner:** The person who has both legal and beneficial title to the real property, and is the mortgager under a duly recorded mortgage of real property, the trustor under a duly recorded deed of trust.

**Retrofit:** Changes, modifications or additions to systems or equipment in existing facility square footage.

**Purchase Transaction-level Cost:** The total eligible cost of qualifying equipment on a single invoice for a non-Residential Facility.

## INCENTIVES – GENERAL INFORMATION

### Incentives for Measures Listed in the Incentive Tables

Per unit incentives are listed in the program incentives tables for specific Energy Efficiency Measures (EEMs) and are subject to the incentive caps below. Incentives are subject to change and current incentives can be found on the Idaho energy efficiency program section of the Company website.

### Custom Incentives

EEMs not listed in the prescriptive incentive tables (typical upgrades) may be eligible for a Custom Energy Efficiency Incentive. The Company will complete an analysis of the EEM Cost and electric energy savings and determine whether to offer a custom Energy Efficiency Incentive and the Energy Efficiency Incentive amount.

### Energy management incentives

Non-Capital improvements to operations and maintenance within a qualifying facility may be eligible for an Energy Management Incentive. Company will partner with Customer to complete an analysis of the electric energy savings of potential energy management measures and determine whether to offer an Energy Management Incentive and the incentive amount.

### Energy project manager co-funding

The Company may fund an additional \$0.025 per kWh of verified Wattsmart Business annual energy savings, up to 100 percent of the Energy Project Manager's salary. Salary is based on a letter from the Customer/Owner's human resources or accounting department stating the base annual salary and an appropriate overhead percentage, and subject to approval by Company.

### Baseline adjustments

~~The baseline wattage for all Retrofit linear fluorescent lighting Energy Efficiency Measures is the lesser of~~

- ~~a) Wattage of existing equipment or~~
- ~~b) Wattage of deemed baseline ballast and lamp combination as listed in the lighting table available on the Idaho energy efficiency program section of the Company website.~~

Company may adjust baseline electric energy consumption and costs to reflect any of the following: energy codes, standard practice, changes in capacity, changes in production or facility use and equipment at the end of its useful life. Such adjustments may be made for lighting energy efficiency measures installed in New Construction/Major Renovation projects where energy code does not apply.

**INCENTIVES:<sup>2,3</sup>**

Category		Incentive	Percent Project Cost Cap <sup>4</sup>	1-Year Simple Payback Cap for Projects <sup>5</sup>	Other Limitations
Prescriptive Incentives (Typical Upgrades)	Lighting – Retrofit	See incentive lists	70%	Yes	See incentive lists
	Lighting – New Construction/ Major Renovation		None	No	
	Motors		None	No	
	HVAC		None	No	
	Building Envelope		None	No	
	Food Service		None	No	
	Appliances		None	No	
	Office		None	No	
	Farm and Dairy		70%	Yes	
	Compressed Air		70%	Yes	
	Wastewater and other Refrigeration		70%	Yes	
Small Business <del>Direct Install</del> <u>Enhanced</u> (retrofit only)	Determined by Company with not-to-exceed amounts as shown in the Table below	Up to <del>75</del> <u>90</u> %	No	Available to all Schedule 6, 6A, 23, 23A, 35, and 35A customers meeting eligibility requirements. Qualifying equipment must be installed by an approved contractor/vendor.	
<del>Mid-market</del> <u>Market</u> incentives	Determined by Company with not-to-exceed amounts as shown in incentive table for this offer	None	No	<del>Incentives available at the point of purchase through approved distributors/retailers or via a post-purchase customer application process.</del> <u>Incentives available to different market actors in the supply chain including manufacturers, distributors, contractors, and end-use customers.</u>	
Custom Non-Lighting Incentives for qualifying measures not on the prescriptive list. <sup>6,7</sup>	\$0.15 per annual kWh savings	70%	Yes	N/A	

<sup>2</sup> The Customer or Owner may receive only one financial incentive from Company per measure. Financial incentives include energy efficiency incentive payments and energy management payments. Energy Project Manager Co-Funding is available in addition to the project incentives.

<sup>3</sup> Incentives for prescriptive measures are restricted to the amounts shown on the website.

<sup>4</sup> All EEM Costs are subject to Company review and approval prior to making an Energy Efficiency Incentive Offer. All final EEM Costs are subject to Company review and approval prior to paying an Energy Efficiency Incentive per the terms of the Energy Efficiency Incentive Offer Letter or approved Application. Company review and approval of EEM Costs may require additional documentation from the Customer or Owner.

<sup>5</sup> The 1 year simple payback cap means incentives will not be available to reduce the simple payback of a project below one year. If required, individual measure incentives will be adjusted downward pro-rata so the project has a simple payback after incentives of one year.

<sup>6</sup> Project Cost and 1-Year Simple Payback Caps do not apply to New Construction and Major Renovation projects that are subject to state energy code.

<sup>7</sup> Energy Efficiency Incentives may be adjusted such that Customer or Owner does not receive more than 100% of EEM Costs in total incentives including incentives available under this program and Environmental Quality Incentives Program (EQIP) incentives.

Energy Management	\$0.02 per kWh annual savings	N/A	No	N/A
Energy Project Manager Co-Funding	\$0.025 per kWh annual savings	100% of salary and eligible overhead	No	Minimum savings goal posted on Company website <sup>8</sup>

### Lighting System Retrofits Incentive Table

Measure	Category		Maximum Incentive "up to"
Lighting System Retrofit	Interior Lighting	Non-Prescriptive	\$0.20/kWh
		Prescriptive	See <del>Mid-market</del> Market incentive table
	Exterior Lighting	Non-Prescriptive	\$0.15/kWh
		Prescriptive	See <del>Mid-market</del> Market incentive table
	Custom		\$0.05/kWh

### Incentives for non-general illuminance (retrofit only)

Measure	Category	Incentive "up to"
Non-General Illuminance	Exit Sign	\$15/Sign
	<del>LED Message Center Sign</del>	<del>\$5/Lamp</del>
	LED Channel Letter Sign	\$5/Linear Foot
	LED Marquee/Cabinet Sign	\$5/Linear Foot
	LED Case Lighting – Refrigerated Case	\$10/linear foot
	LED Case Lighting –Freezer Case	\$10/linear foot
Lighting	Refrigerated Case Occupancy Sensor	\$1/linear foot
	Custom	\$0.15/kWh annual energy savings

### Incentives for new construction/major renovation lighting

Measure	Category	Incentive "up to"
Interior Lighting	Lighting and Lighting Control	\$0.08/kWh annual energy savings
Exterior Lighting	LED Outdoor Pole/Roadway, decorative	\$75/Fixture
	LED Outdoor Pole/Roadway	\$400/fixture
	LED Canopy/Soffit	\$125/fixture
	<del>LED Wall Packs</del>	<del>\$75/fixture</del>
	LED Flood Lights	\$150/fixture
	Exterior Dimming Control	\$0.34/Watt controlled
	Custom	\$0.08/kWh annual energy savings

### Incentives for Motors

Equipment Type	Incentive "up to"
Electronically Commutated Motor	\$1/watt or <del>\$50-100</del> horsepower based on application
Variable-Frequency Drives (HVAC fans and pumps)	<del>\$65</del> 200/horsepower
Green Motor Rewinds	\$1/horsepower

<sup>8</sup> Customers may aggregate accounts to achieve minimum requirements.  
Idaho Wattsmart Business (Schedule 140) – Effective ~~November~~January 1, 2021

### Incentives for HVAC equipment

Equipment Type	Incentive “up to”
Unitary Commercial Air Conditioners	\$75/ton
Packaged Terminal Air Conditioners	\$25/ton
Packaged Terminal Heat Pumps	\$50/ton
Unitary Commercial Heat Pumps	\$75/ton
VRF Heat Pumps	\$150/ton
Heat Pump Loop	<del>\$25</del> 125/ton

### Incentives for other HVAC equipment

Equipment Type	Incentive (“up to”)
Evaporative Cooling	\$0.06/ CFM
Indirect-Direct Evaporative Cooling	\$0.15/kWh annual energy savings
Chillers	\$0.15/kWh annual energy savings
365/366 Day Programmable or Occupancy-based Thermostat	\$150/thermostat
Occupancy Based PTHP/PTAC control	\$50/controller
Evaporative Pre-cooler (Retrofit Only)	\$75/ton of attached cooling capacity
Advanced Rooftop Unit Control (Retrofit)	<del>\$4,500</del> 6,500
Advanced Rooftop Unit Control (New RTU)	<del>\$2,800</del> 4,000
Advanced Rooftop Unit Control (DCV Only)	\$800
Smart Thermostat	See offering in Wattsmart Homes Program.

### Incentives for building envelope (Retrofit)

Equipment Type	Incentive (“up to”)
Cool Roof	<del>\$0.100</del> .04/square foot
Roof/Attic Insulation	<del>\$0.090</del> .20/square foot
Wall Insulation	<del>\$0.070</del> .15/square foot
Windows	<del>\$0.350</del> .50/square foot
Window Film	\$0.15/kWh annual energy savings

### Incentives for building envelope (New Construction/Major Renovation)

Equipment Type	Incentive (“up to”)
Cool Roof	<del>\$0.100</del> .02/square foot
Roof/Attic Insulation	<del>\$0.090</del> .07/square foot
Wall Insulation	\$0.07/square foot
Windows	\$0.35/square foot



### Incentives for food service equipment

Equipment Type	Incentive/Unit ("up to")
Commercial Dishwasher (High Temperature models w/electric boosters Only)	\$1,000
Electric Insulated Holding Cabinet	\$700
Electric Steam Cooker	\$300
Electric Convection Oven	\$350
Electric Griddle	\$150
Electric Combination Oven	\$1,000
Electric Commercial Fryer	\$300
Ice Machines (Air-Cooled Only)	\$150
Residential Refrigerator	See offering in Wattsmart Homes Program
Residential Freezer	See offering in Wattsmart Homes Program.
Demand Controlled Kitchen Ventilation Exhaust Hood (Retrofit Only)	\$0.15/kWh annual energy savings
Anti-Sweat Heater Controls (Retrofit Only)	\$20/linear foot (case length)

### Incentives for office equipment

Equipment Type	Incentive ("up to")
Smart Plug Strip	\$5/qualifying unit

### Incentives for appliances

Equipment Type	Incentive ("up to")
High-Efficiency Clothes Washer	\$100
Heat Pump Water Heater	See offering in Wattsmart Homes Program

### Irrigation Incentives for Wheel Line, Hand Line, or Other Portable Systems (Retrofit Only)

Irrigation Measure	Customer Incentive ("up to")
<del>New rotating, sprinkler replacing worn or leaking impact or rotating sprinkler</del>	<del>\$2.50 each</del>
<del>New or rebuilt impact Sprinkler replacing worn or leaking impact sprinkler</del>	<del>\$2.25 each</del>
<u>Sprinkler Replacement</u>	<u>\$0.50 each</u>
<del>New gasket replacing leaking gasket, including mainline valve or section gasket, seal, or riser cap (dome disc)Gasket Replacement</del>	\$2 each
<del>New drain replacing leaking drainDrain Replacement</del>	<del>\$3.2 each</del>
<del>Cut and press or weld repair of leaking wheel line, hand line, or portable main linePipe Repair</del>	<del>\$108/repair</del>
<del>New or rebuilt wheel line leveler replacing leaking or malfunctioning levelerLeveler Replacement</del>	<del>\$3.1 each</del>
<del>New nozzle replacing worn nozzle of same design flow or less on existing sprinklerNozzle Replacement</del>	<del>\$0.1.50 each</del>

### Irrigation Incentives for Pivot and Linear Systems (Retrofit Only)

Irrigation Measure	Customer Incentive (“up to”)
<del>Low pressure sprinkler (e.g. rotating, wobbling, multi-trajectory spray) replacing impact sprinkler</del>	<del>\$3 each</del>
<del>Low pressure sprinkler (e.g. rotating, wobbling, multi-trajectory spray) replacing worn low pressure sprinkler</del>	<del>\$1.50 each</del>
Pressure regulator	\$3 each
New drain replacing leaking drain	\$3 each
Sprinkler Replacement Package	\$7 each
Pivot/Linear Upgrade	\$7 each

### Irrigation Incentives for Any Type of System (Retrofit or New Construction, Including Non-agricultural Irrigation Applications)

Irrigation Measure	Customer Incentive (“up to”)
Irrigation pump VFD	\$0.15/kWh annual savings

### Incentives for Farm and Dairy Equipment

Equipment Type	Incentive (“up to”)
High Efficiency Circulating Fan	\$75/fan
<del>VSD on Milk Transfer Pump</del>	<del>\$165 per HP</del>
Heat Recovery	\$0.15/kWh annual energy savings
High-efficiency livestock waterer	\$165 each
High Efficiency Ventilation Fan	\$150/fan
Milk Pre-cooler (Retrofit Only)	\$0.15/kWh annual energy savings
Programmable Ventilation Controller	\$20/fan controlled
Variable Frequency Drive for Dairy Vacuum Pump (Retrofit only)	\$165/hp
Potato or onion storage fan VFD	\$175/hp

### Incentives for Compressed Air Equipment

Equipment Category	Incentive (“up to”)
Receiver Capacity Addition	\$3/gallon above 2 gallons per scfm
Cycling Refrigerated Dryer	\$2/scfm
VFD Controlled Compressor	\$0.15/kWh annual energy savings
Zero Loss Condensate Drain	\$100 each
Outside Air Intake	\$6/hp

### Incentives for Wastewater and Other Refrigeration Energy Efficiency Measures

Equipment Type	Incentive (“up to”)
Adaptive refrigeration control	\$0.15/kWh annual energy savings
Fast acting door	\$0.15/kWh annual energy savings
Wastewater – low power mixer	\$0.15/kWh annual energy savings

**Incentives for Small Business ~~Direct Installation~~ Enhanced (Retrofit Only)**

Eligible Customer Rate Schedules	Incentive “up to”	Customer Co-pay “up to”	
		Minimum	Maximum
6, 6A	\$7,500 / facility	10%	50%
23, 23A	\$7,500 / facility	10%	50%
35, 35A	\$7,500 / facility	10%	50%

**Mid-Market Incentives**

Measure	Category	Incentive “up to”
LED	A-Lamps	\$10/Lamp
	Reflector Lamps	\$15/Lamp
	Pin-based Lamps	<del>\$12</del> /Lamp
	Decorative Lamps	\$10/Lamp
	<del>Recessed</del> Downlight Kits	<del>\$15/Fixture</del> Kit
	<del>TLED</del> Linear Replacement Lamps	<del>\$25</del> 20/Lamp
	HID Replacement Lamp	\$110/Lamp
	<del>Wall Pack</del> Fixture	<del>\$30</del> Fixture
	Outdoor Retrofit Kits	\$150/Kit

## Idaho Non-Residential Energy Efficiency

**This document includes the following three sections:**

- Definitions of terms used in Schedule 140 and other program documents
- Incentives – General Information
- Incentive tables

### DEFINITIONS:

**Customer:** Any party who has applied for, been accepted and receives service at the real property, or is the electricity user at the real property.

**Energy Efficiency Incentive:** Payments of money made by Company to Owner or Customer for installation of an Energy Efficiency Measure pursuant to an acknowledged Energy Efficiency Incentive Offer Letter or approved Energy Efficiency Incentive Application.

**Energy Efficiency Incentive Offer Letter:** An offer made by Company and acknowledged by Owner or Customer providing for Company to furnish Energy Efficiency Incentives for an Energy Efficiency Project.

**Incentive Application:** An application submitted by Owner or Customer to Company for Energy Efficiency or Energy Management Incentives.

**Energy Efficiency Measure (EEM):** A permanently installed measure which can improve the efficiency of the Customer's electric energy use.

#### **Energy Efficiency Measure (EEM) Cost:**

New Construction/Major Renovation: EEM Cost is the total installed cost of energy efficiency equipment or system minus the cost of the code compliance/common practice equipment or system.

Retrofit: EEM Cost is the total installed cost of the energy efficiency equipment or modification.

In the case of New Construction, Major Renovation and Retrofits, EEM Costs shall mean the Owner or Customer's reasonable costs incurred (net of any discounts, rebates or incentives other than Energy Efficiency Incentives from the Company, or other consideration that reduces the final actual EEM Cost incurred by the Owner or Customer) to purchase and install EEMs at the Owner's or Customer's facility. If the owner or customer installs the EEM then the cost of installation shall be equal to the Owner's or Customer's actual labor costs for such installation.

**Energy Efficiency Project:** One or more EEM(s) at a Non-residential Facility<sup>1</sup> with similar one year payback limitations (below) covered by one Energy Efficiency Incentive Offer Letter.

**Energy Efficiency Project Cost:** The sum of EEM Costs for one or more EEM(s) with similar one year payback limitations (see below) covered by one Energy Efficiency Incentive Offer Letter.

---

<sup>1</sup> Measures at multiple Non-residential Facilities may be included in one Offer Letter for convenience; however, project incentive caps (if any) are applied per individual Non-residential Facility.  
Idaho Wattsmart Business (Schedule 140) – Effective November 1, 2021

**Energy Management Offer Letter:** An offer made by Company and acknowledged by Owner or Customer and Company providing for Company to furnish Energy Management Incentives for an Energy Management Project.

**Energy Management Incentive:** Payments of money made by Company to Owner or Customer for implementation of an Energy Management Measure pursuant to an executed Energy Management Offer Letter.

**Energy Management Measure (EMM):** an operational improvement which, when implemented in an eligible facility, result in electric savings compared to current operations as determined by Company.

**Energy Management Project:** One or more EMM(s) at a Non-residential Facility covered by one Energy Management Offer Letter.

**Energy Project Manager:** an employee or direct contractor of the Customer who will manage electrical energy efficiency projects that deliver savings toward the Customer/Owner's energy savings goal.

**Energy Project Manager Co-funding:** funding towards the Energy Project Manager agreed upon full value salary that is solely attributable to electrical energy efficiency work.

**Major Renovation:** A change in facility use type or where the existing system will not meet Owner/Customer projected requirements within existing facility square footage.

**Market Incentive:** Incentive available to different market actors in the supply chain including manufacturers, distributors, contractors, and end-use customers.

**Mixed Use:** Buildings served by a residential rate schedule and a rate schedule listed under **Applicable** in Idaho Schedule 140 shall be eligible for services under Schedule 140 provided the Energy Efficiency Project meets the definition of New Construction or where the Company adjusts the baseline energy consumption and costs.

**New construction:** A newly constructed facility or newly constructed square footage added to an existing facility.

**Non-residential Facility:** A Customer site that is served by Company and meets the applicability requirements of Idaho Schedule 140, the program tariff, on file with the Idaho Public Utilities Commission.

**Owner:** The person who has both legal and beneficial title to the real property, and is the mortgager under a duly recorded mortgage of real property, the trustor under a duly recorded deed of trust.

**Retrofit:** Changes, modifications or additions to systems or equipment in existing facility square footage.

**Purchase Transaction-level Cost:** The total eligible cost of qualifying equipment on a single invoice for a non-Residential Facility.

## INCENTIVES – GENERAL INFORMATION

### **Incentives for Measures Listed in the Incentive Tables**

Per unit incentives are listed in the program incentives tables for specific Energy Efficiency Measures (EEMs) and are subject to the incentive caps below. Incentives are subject to change and current incentives can be found on the Idaho energy efficiency program section of the Company website.

### **Custom Incentives**

EEMs not listed in the prescriptive incentive tables (typical upgrades) may be eligible for a Custom Energy Efficiency Incentive. The Company will complete an analysis of the EEM Cost and electric energy savings and determine whether to offer a custom Energy Efficiency Incentive and the Energy Efficiency Incentive amount.

### **Energy management incentives**

Non-Capital improvements to operations and maintenance within a qualifying facility may be eligible for an Energy Management Incentive. Company will partner with Customer to complete an analysis of the electric energy savings of potential energy management measures and determine whether to offer an Energy Management Incentive and the incentive amount.

### **Energy project manager co-funding**

The Company may fund an additional \$0.025 per kWh of verified Wattsmart Business annual energy savings, up to 100 percent of the Energy Project Manager's salary. Salary is based on a letter from the Customer/Owner's human resources or accounting department stating the base annual salary and an appropriate overhead percentage, and subject to approval by Company.

### **Baseline adjustments**

Company may adjust baseline electric energy consumption and costs to reflect any of the following: energy codes, standard practice, changes in capacity, changes in production or facility use and equipment at the end of its useful life. Such adjustments may be made for lighting energy efficiency measures installed in New Construction/Major Renovation projects where energy code does not apply.

**INCENTIVES:<sup>2,3</sup>**

Category		Incentive	Percent Project Cost Cap <sup>4</sup>	1-Year Simple Payback Cap for Projects <sup>5</sup>	Other Limitations
Prescriptive Incentives (Typical Upgrades)	Lighting – Retrofit	See incentive lists	70%	Yes	See incentive lists
	Lighting – New Construction/ Major Renovation		None	No	
	Motors		None	No	
	HVAC		None	No	
	Building Envelope		None	No	
	Food Service		None	No	
	Appliances		None	No	
	Office		None	No	
	Farm and Dairy		70%	Yes	
	Compressed Air		70%	Yes	
	Wastewater and other Refrigeration		70%	Yes	
Small Business Enhanced (retrofit only)	Determined by Company with not-to-exceed amounts as shown in the Table below	Up to 90%	No	Available to all Schedule 6, 6A, 23, 23A, 35, and 35A customers meeting eligibility requirements. Qualifying equipment must be installed by an approved contractor/vendor.	
Market incentives	Determined by Company with not-to-exceed amounts as shown in incentive table for this offer	None	No	Incentives available to different market actors in the supply chain including manufacturers, distributors, contractors, and end-use customers.	
Custom Non-Lighting Incentives for qualifying measures not on the prescriptive list. <sup>6,7</sup>	\$0.15 per annual kWh savings	70%	Yes	N/A	
Energy Management	\$0.02 per kWh annual savings	N/A	No	N/A	
Energy Project Manager Co-Funding	\$0.025 per kWh annual savings	100% of salary and eligible overhead	No	Minimum savings goal posted on Company website <sup>8</sup>	

<sup>2</sup> The Customer or Owner may receive only one financial incentive from Company per measure. Financial incentives include energy efficiency incentive payments and energy management payments. Energy Project Manager Co-Funding is available in addition to the project incentives.

<sup>3</sup> Incentives for prescriptive measures are restricted to the amounts shown on the website.

<sup>4</sup> All EEM Costs are subject to Company review and approval prior to making an Energy Efficiency Incentive Offer. All final EEM Costs are subject to Company review and approval prior to paying an Energy Efficiency Incentive per the terms of the Energy Efficiency Incentive Offer Letter or approved Application. Company review and approval of EEM Costs may require additional documentation from the Customer or Owner.

<sup>5</sup> The 1 year simple payback cap means incentives will not be available to reduce the simple payback of a project below one year. If required, individual measure incentives will be adjusted downward pro-rata so the project has a simple payback after incentives of one year.

<sup>6</sup> Project Cost and 1-Year Simple Payback Caps do not apply to New Construction and Major Renovation projects that are subject to state energy code.

<sup>7</sup> Energy Efficiency Incentives may be adjusted such that Customer or Owner does not receive more than 100% of EEM Costs in total incentives including incentives available under this program and Environmental Quality Incentives Program (EQIP) incentives.

<sup>8</sup> Customers may aggregate accounts to achieve minimum requirements.

### Lighting System Retrofits Incentive Table

Measure	Category		Maximum Incentive “up to”
Lighting System Retrofit	Interior Lighting	Non-Prescriptive	\$0.20/kWh
		Prescriptive	See Market incentive table
	Exterior Lighting	Non-Prescriptive	\$0.15/kWh
		Prescriptive	See Market incentive table
	Custom		\$0.05/kWh

### Incentives for non-general illuminance (retrofit only)

Measure	Category	Incentive “up to”
Non-General Illuminance	Exit Sign	\$15/Sign
	LED Channel Letter Sign	\$5/Linear Foot
	LED Marquee/Cabinet Sign	\$5/Linear Foot
	LED Case Lighting – Refrigerated Case	\$10/linear foot
	LED Case Lighting –Freezer Case	\$10/linear foot
	Refrigerated Case Occupancy Sensor	\$1/linear foot
Lighting	Custom	\$0.15/kWh annual energy savings

### Incentives for new construction/major renovation lighting

Measure	Category	Incentive “up to”
Interior Lighting	Lighting and Lighting Control	\$0.08/kWh annual energy savings
Exterior Lighting	LED Outdoor Pole/Roadway, decorative	\$75/Fixture
	LED Outdoor Pole/Roadway	\$400/fixture
	LED Canopy/Soffit	\$125/fixture
	LED Flood Lights	\$150/fixture
	Exterior Dimming Control	\$0.34/Watt controlled
	Custom	\$0.08/kWh annual energy savings

### Incentives for Motors

Equipment Type	Incentive “up to”
Electronically Commutated Motor	\$1/watt or \$100 horsepower based on application
Variable-Frequency Drives (HVAC fans and pumps)	\$200/horsepower
Green Motor Rewinds	\$1/horsepower

### Incentives for HVAC equipment

Equipment Type	Incentive “up to”
Unitary Commercial Air Conditioners	\$75/ton
Packaged Terminal Air Conditioners	\$25/ton
Packaged Terminal Heat Pumps	\$50/ton
Unitary Commercial Heat Pumps	\$75/ton
VRF Heat Pumps	\$150/ton
Heat Pump Loop	\$125/ton



### Incentives for other HVAC equipment

Equipment Type	Incentive ("up to")
Evaporative Cooling	\$0.06/ CFM
Indirect-Direct Evaporative Cooling	\$0.15/kWh annual energy savings
Chillers	\$0.15/kWh annual energy savings
365/366 Day Programmable or Occupancy-based Thermostat	\$150/thermostat
Occupancy Based PTHP/PTAC control	\$50/controller
Evaporative Pre-cooler (Retrofit Only)	\$75/ton of attached cooling capacity
Advanced Rooftop Unit Control (Retrofit)	\$6,500
Advanced Rooftop Unit Control (New RTU)	\$4,000
Advanced Rooftop Unit Control (DCV Only)	\$800
Smart Thermostat	See offering in Wattsmart Homes Program.

### Incentives for building envelope (Retrofit)

Equipment Type	Incentive ("up to")
Cool Roof	\$0.04/square foot
Roof/Attic Insulation	\$0.20/square foot
Wall Insulation	\$0.15/square foot
Windows	\$0.50/square foot
Window Film	\$0.15/kWh annual energy savings

### Incentives for building envelope (New Construction/Major Renovation)

Equipment Type	Incentive ("up to")
Cool Roof	\$0.02/square foot
Roof/Attic Insulation	\$0.07/square foot
Wall Insulation	\$0.07/square foot
Windows	\$0.35/square foot

### Incentives for food service equipment

Equipment Type	Incentive/Unit ("up to")
Commercial Dishwasher (High Temperature models w/electric boosters Only)	\$1,000
Electric Insulated Holding Cabinet	\$700
Electric Steam Cooker	\$300
Electric Convection Oven	\$350
Electric Griddle	\$150
Electric Combination Oven	\$1,000
Electric Commercial Fryer	\$300
Ice Machines (Air-Cooled Only)	\$150
Residential Refrigerator	See offering in Wattsmart Homes Program
Residential Freezer	See offering in Wattsmart Homes Program.
Demand Controlled Kitchen Ventilation Exhaust Hood (Retrofit Only)	\$0.15/kWh annual energy savings
Anti-Sweat Heater Controls (Retrofit Only)	\$20/linear foot (case length)

### Incentives for office equipment

Equipment Type	Incentive (“up to”)
Smart Plug Strip	\$5/qualifying unit

### Incentives for appliances

Equipment Type	Incentive (“up to”)
High-Efficiency Clothes Washer	\$100
Heat Pump Water Heater	See offering in Wattsmart Homes Program

### Irrigation Incentives for Wheel Line, Hand Line, or Other Portable Systems (Retrofit Only)

Irrigation Measure	Customer Incentive (“up to”)
Sprinkler Replacement	\$0.50 each
Gasket Replacement	\$2 each
Drain Replacement	\$2 each
Pipe Repair	\$8/repair
Leveler Replacement	\$1 each
Nozzle Replacement	\$1.50 each

### Irrigation Incentives for Pivot and Linear Systems (Retrofit Only)

Irrigation Measure	Customer Incentive (“up to”)
Sprinkler Replacement Package	\$7 each
Pivot/Linear Upgrade	\$7 each

### Irrigation Incentives for Any Type of System (Retrofit or New Construction, Including Non-agricultural Irrigation Applications)

Irrigation Measure	Customer Incentive (“up to”)
Irrigation pump VFD	\$0.15/kWh annual savings

### Incentives for Farm and Dairy Equipment

Equipment Type	Incentive (“up to”)
High Efficiency Circulating Fan	\$75/fan
Heat Recovery	\$0.15/kWh annual energy savings
High-efficiency livestock waterer	\$165 each
High Efficiency Ventilation Fan	\$150/fan
Milk Pre-cooler (Retrofit Only)	\$0.15/kWh annual energy savings
Programmable Ventilation Controller	\$20/fan controlled
Variable Frequency Drive for Dairy Vacuum Pump (Retrofit only)	\$165/hp
Potato or onion storage fan VFD	\$175/hp

### Incentives for Compressed Air Equipment

Equipment Category	Incentive ("up to")
Receiver Capacity Addition	\$3/gallon above 2 gallons per scfm
Cycling Refrigerated Dryer	\$2/scfm
VFD Controlled Compressor	\$0.15/kWh annual energy savings
Zero Loss Condensate Drain	\$100 each
Outside Air Intake	\$6/hp

### Incentives for Wastewater and Other Refrigeration Energy Efficiency Measures

Equipment Type	Incentive ("up to")
Adaptive refrigeration control	\$0.15/kWh annual energy savings
Fast acting door	\$0.15/kWh annual energy savings
Wastewater – low power mixer	\$0.15/kWh annual energy savings

### Incentives for Small Business Enhanced (Retrofit Only)

Eligible Customer Rate Schedules	Incentive "up to"	Customer Co-pay "up to"	
		Minimum	Maximum
6, 6A	\$7,500 / facility	10%	50%
23, 23A	\$7,500 / facility	10%	50%
35, 35A	\$7,500 / facility	10%	50%

### Market Incentives

Measure	Category	Incentive "up to"
LED	A-Lamps	\$10/Lamp
	Reflector Lamps	\$15/Lamp
	Pin-based Lamps	\$12/Lamp
	Decorative Lamps	\$10/Lamp
	Downlight Kits	\$15/Kit
	Linear Replacement Lamps	\$20/Lamp
	HID Replacement Lamp	\$110/Lamp
	Outdoor Retrofit Kits	\$150/Kit

## Exhibit B

## MEMORANDUM



To: Lin Alder, Rocky Mountain Power  
From: Andy Hudson, Dimitry Burdjalov, Eli Morris, AEG  
Date: August 13, 2021  
Re: Idaho Wattsmart Business Program Cost-Effectiveness Analysis

---

AEG estimated the cost-effectiveness of Rocky Mountain Power's Wattsmart Business Program in the state of Idaho based on Program Year (PY) 2021 and PY2022 costs and savings estimates provided by Rocky Mountain Power. This memo provides cost-effectiveness results at the program level. The program passes the Utility Cost Test (UCT), PacifiCorp Total Resource Cost (PTRC), and Participant Cost Test (PCT) tests.

This memo provides analysis inputs and results in the following tables:

- Table 1. Cost Effectiveness Analysis Inputs
- Table 2: Annual Program Costs by Program Year, Nominal - PY2021-2022
- Table 3: Annual Savings in kWh by Program Year - PY2021-2022
- Table 4: Benefit/Cost Ratios by Measure Category - PY2021-2022
- Table 5: Wattsmart Business Program Cost-Effectiveness Results, PY2021 and PY2022 Combined
- Table 6: Wattsmart Business Program Cost-Effectiveness Results, PY2021
- Table 7: Wattsmart Business Program Cost-Effectiveness Results, PY2022
- Table 8: Wattsmart Business Measure Category Level Cost-Effectiveness Results, PY2021
- Table 9: Wattsmart Business Measure Category Level Cost-Effectiveness Results, PY2022

The following assumptions were utilized in the analysis:

- Avoided Costs: Hourly values provided by Rocky Mountain Power based on the 2019 Integrated Resource Plan (IRP) Preferred Portfolio, converted into annual values using Idaho load shapes from the same IRP.
- Modeling Inputs: measure savings, costs, measure lives, incentive levels, program delivery, and portfolio costs were based on estimates provided by Rocky Mountain Power.
- Other Economic Assumptions: Discount rate, line loss, retail rate, and inflation rate values were provided by Rocky Mountain Power and are presented in Table 1 below.

The following tables summarize cost-effectiveness assumptions and results for the Idaho Wattsmart Business Program. The cost-effectiveness analysis inputs are shown in Table 2 and Table 3 below. Table 4 presents the cost-effectiveness results of the Wattsmart Business program for 2021 and 2022 individually, and for 2021 and 2022 combined. All results are presented in 2021 dollars.<sup>1</sup>

---

<sup>1</sup> To align with annual budget expectations, cost-effectiveness inputs are presented in nominal dollars.

Table 1. Cost Effectiveness Analysis Inputs<sup>2</sup>

Parameter	PY2021	PY2022
Discount Rate	6.92%	6.92%
Commercial Line Loss	8.59%	8.59%
Industrial Line Loss	3.83%	3.83%
Irrigation Line Loss	9.05%	9.05%
Commercial Energy Rate (\$/kWh)	\$0.0872	\$0.0872
Industrial Energy Rate (\$/kWh)	\$0.0636	\$0.0636
Irrigation Energy Rate (\$/kWh)	\$0.0907	\$0.0907
Inflation Rate <sup>1</sup>	2.28%	2.28%

Table 2: Annual Program Costs by Program Year, Nominal - PY2021-2022

Program Year	Program Delivery	Utility Admin	Incentives	Total Utility Costs	Gross Customer Costs
2021	\$1,544,867	\$59,716	\$1,202,014	\$2,806,597	\$3,614,358
2022	\$1,517,018	\$90,284	\$2,027,547	\$3,634,849	\$4,452,720
2021-2022	\$3,061,885	\$150,000	\$3,229,561	\$6,441,446	\$8,067,078

Table 3: Annual Savings in kWh by Program Year - PY2021-2022

Program Year	Gross kWh Savings at Site	Realization Rate	Adjusted Gross kWh Savings at Site	Net to Gross Ratio	Net kWh Savings at Site	Measure Life
2021	8,732,705	95%	8,303,033	85%	7,074,004	13
2022	13,202,773	95%	12,505,853	84%	10,489,181	13
2021-2022	21,935,478	95%	20,808,886	84%	17,563,185	13

Table 4: Program Level Benefit/Cost Ratios by Year - PY2021-2022

Program Year	UCT	TRC	PTRC	PCT	RIM
2021	1.25	0.81	0.88	2.46	0.34
2022	1.51	1.02	1.12	2.82	0.37
2021-2022	1.39	0.92	1.01	2.66	0.36

Table 5, Table 6, and Table 7 present the cost-effectiveness results of the Wattsmart Business program for 2021 and 2022 combined, followed by 2021 and 2022 individually<sup>3</sup>.

<sup>2</sup> Future rates determined using a 2.28% annual escalator.

<sup>3</sup> All Cost effectiveness outputs are in 2021 dollars.

Table 5: Wattsmart Business Program Cost-Effectiveness Results, PY2021 and PY2022 Combined

Cost-Effectiveness Test	Levelized \$/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Utility Cost Test (UCT)	\$0.0372	\$6,206,194	\$8,631,325	\$2,425,131	1.39
Total Resource Cost Test (TRC) No Adder	\$0.0591	\$9,869,066	\$9,103,966	(\$765,099)	0.92
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0591	\$9,869,066	\$9,967,099	\$98,033	1.01
Participant Cost Test (PCT)		\$8,067,078	\$21,443,420	\$13,376,343	2.66
Rate Impact Test (RIM)		\$23,912,574	\$8,631,325	(\$15,281,249)	0.36
Lifecycle Revenue Impacts (\$/kWh)					\$0.0009802

Table 6: Wattsmart Business Program Cost-Effectiveness Results, PY2021

Cost-Effectiveness Test	Levelized \$/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Utility Cost Test (UCT)	\$0.0400	\$2,806,597	\$3,499,818	\$693,221	1.25
Total Resource Cost Test (TRC) No Adder	\$0.0661	\$4,628,943	\$3,744,100	(\$884,842)	0.81
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0661	\$4,628,943	\$4,094,082	(\$534,861)	0.88
Participant Cost Test (PCT)		\$3,614,358	\$8,887,045	\$5,272,687	2.46
Rate Impact Test (RIM)		\$10,161,518	\$3,499,818	(\$6,661,699)	0.34
Lifecycle Revenue Impacts (\$/kWh)					\$0.0004334

Table 7: Wattsmart Business Program Cost-Effectiveness Results, PY2022

Cost-Effectiveness Test	Levelized \$/kWh	NPV Costs	NPV Benefits	Net Benefits	Benefit/Cost Ratio
Utility Cost Test (UCT)	\$0.0351	\$3,399,597	\$5,131,507	\$1,731,910	1.51
Total Resource Cost Test (TRC) No Adder	\$0.0541	\$5,240,123	\$5,359,866	\$119,743	1.02
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0541	\$5,240,123	\$5,873,017	\$632,894	1.12
Participant Cost Test (PCT)		\$4,452,720	\$12,556,375	\$8,103,656	2.82
Rate Impact Test (RIM)		\$13,751,056	\$5,131,507	(\$8,619,549)	0.37
Lifecycle Revenue Impacts (\$/kWh)					\$0.0006211

Table 8 and Table 9 provide cost-effectiveness results at the measure category level for each individual program year.

Table 8: Wattsmart Business Measure Category Level Cost-Effectiveness Results, PY2021

Program Channel	Measure Category	Utility Benefits (\$)	Utility Costs (\$)	Utility Cost Test	TRC Benefits (\$)	TRC Costs (\$)	TRC Test	P-TRC Benefits (\$)	P-TRC Costs (\$)	P-TRC Test	Participant PV Benefits (\$)	Participant PV Costs (\$)	PCT Test	Ratepayer PV Benefits (\$)	Ratepayer PV Costs (\$)	RIM Test
Commercial	Building Shell	\$37,444	\$27,065	<b>1.38</b>	\$37,444	\$48,003	<b>0.78</b>	\$41,188	\$48,003	<b>0.86</b>	\$81,965	\$38,427	<b>2.13</b>	\$37,444	\$95,768	<b>0.39</b>
Commercial	HVAC	\$122,911	\$234,802	<b>0.52</b>	\$122,911	\$291,524	<b>0.42</b>	\$135,202	\$291,524	<b>0.46</b>	\$501,095	\$345,494	<b>1.45</b>	\$122,911	\$568,049	<b>0.22</b>
Commercial	Lighting	\$1,945,490	\$1,461,260	<b>1.33</b>	\$1,945,490	\$2,613,542	<b>0.74</b>	\$2,140,040	\$2,613,542	<b>0.82</b>	\$4,719,141	\$1,941,497	<b>2.43</b>	\$1,945,490	\$5,604,751	<b>0.35</b>
Commercial	Midstream Lighting	\$412,555	\$193,963	<b>2.13</b>	\$412,555	\$286,978	<b>1.44</b>	\$453,811	\$286,978	<b>1.58</b>	\$884,444	\$211,077	<b>4.19</b>	\$412,555	\$960,345	<b>0.43</b>
Commercial	Motors	\$19,174	\$10,017	<b>1.91</b>	\$19,174	\$12,621	<b>1.52</b>	\$21,091	\$12,621	<b>1.67</b>	\$45,085	\$4,940	<b>9.13</b>	\$19,174	\$53,902	<b>0.36</b>
Industrial	Agriculture	\$71,859	\$89,782	<b>0.80</b>	\$71,859	\$104,186	<b>0.69</b>	\$79,045	\$104,186	<b>0.76</b>	\$173,879	\$69,600	<b>2.50</b>	\$71,859	\$226,561	<b>0.32</b>
Industrial	Compressed Air	\$46,894	\$41,543	<b>1.13</b>	\$46,894	\$59,831	<b>0.78</b>	\$51,584	\$59,831	<b>0.86</b>	\$95,080	\$43,200	<b>2.20</b>	\$46,894	\$118,623	<b>0.40</b>
Industrial	Refrigeration	\$35,023	\$26,095	<b>1.34</b>	\$35,023	\$43,695	<b>0.80</b>	\$38,525	\$43,695	<b>0.88</b>	\$58,799	\$28,000	<b>2.10</b>	\$35,023	\$74,494	<b>0.47</b>
Industrial & Irrigation	Custom - PF	\$622,525	\$500,416	<b>1.24</b>	\$622,525	\$753,199	<b>0.83</b>	\$684,777	\$753,199	<b>0.91</b>	\$1,497,392	\$584,747	<b>2.56</b>	\$622,525	\$1,800,665	<b>0.35</b>
Irrigation	Irrigation	\$185,943	\$221,654	<b>0.84</b>	\$430,225	\$415,362	<b>1.04</b>	\$448,819	\$415,362	<b>1.08</b>	\$830,166	\$347,376	<b>2.39</b>	\$185,943	\$658,360	<b>0.28</b>

Table 9: Wattsmart Business Measure Category Level Cost-Effectiveness Results, PY2022

Program Channel	Measure Category	Utility Benefits (\$)	Utility Costs (\$)	Utility Cost Test	TRC Benefits (\$)	TRC Costs (\$)	TRC Test	P-TRC Benefits (\$)	P-TRC Costs (\$)	P-TRC Test	Participant PV Benefits (\$)	Participant PV Costs (\$)	PCT Test	Ratepayer PV Benefits (\$)	Ratepayer PV Costs (\$)	RIM Test
Commercial	Building Shell	\$26,162	\$49,114	<b>0.53</b>	\$26,162	\$87,979	<b>0.30</b>	\$28,778	\$87,979	<b>0.33</b>	\$89,803	\$92,091	<b>0.98</b>	\$26,162	\$95,821	<b>0.27</b>
Commercial	Direct Install-Lighting	\$342,364	\$343,966	<b>1.00</b>	\$342,364	\$389,027	<b>0.88</b>	\$376,600	\$389,027	<b>0.97</b>	\$937,741	\$298,523	<b>3.14</b>	\$342,364	\$1,058,098	<b>0.32</b>
Commercial	HVAC	\$427,314	\$387,011	<b>1.10</b>	\$427,314	\$384,615	<b>1.11</b>	\$470,046	\$384,615	<b>1.22</b>	\$1,363,549	\$369,517	<b>3.69</b>	\$427,314	\$1,507,977	<b>0.28</b>
Commercial	Lighting	\$1,881,086	\$1,146,855	<b>1.64</b>	\$1,881,086	\$2,056,609	<b>0.91</b>	\$2,069,194	\$2,056,609	<b>1.01</b>	\$4,480,881	\$1,715,773	<b>2.61</b>	\$1,881,086	\$5,010,452	<b>0.38</b>
Commercial	Midstream Lighting	\$487,384	\$198,849	<b>2.45</b>	\$487,384	\$261,419	<b>1.86</b>	\$536,122	\$261,419	<b>2.05</b>	\$1,040,166	\$202,508	<b>5.14</b>	\$487,384	\$1,099,078	<b>0.44</b>
Industrial	Agriculture	\$191,358	\$178,010	<b>1.07</b>	\$191,358	\$214,039	<b>0.89</b>	\$210,494	\$214,039	<b>0.98</b>	\$440,766	\$172,769	<b>2.55</b>	\$191,358	\$526,955	<b>0.36</b>
Industrial	Compressed Air	\$163,459	\$109,472	<b>1.49</b>	\$163,459	\$169,338	<b>0.97</b>	\$179,805	\$169,338	<b>1.06</b>	\$316,994	\$141,414	<b>2.24</b>	\$163,459	\$367,544	<b>0.44</b>
Industrial	Refrigeration	\$218,096	\$120,972	<b>1.80</b>	\$218,096	\$223,852	<b>0.97</b>	\$239,906	\$223,852	<b>1.07</b>	\$350,158	\$163,674	<b>2.14</b>	\$218,096	\$410,337	<b>0.53</b>
Industrial & Irrigation	Custom - PF	\$1,316,388	\$815,759	<b>1.61</b>	\$1,316,388	\$1,385,511	<b>0.95</b>	\$1,448,027	\$1,385,511	<b>1.05</b>	\$3,043,205	\$1,260,143	<b>2.41</b>	\$1,316,388	\$3,449,410	<b>0.38</b>
Irrigation	Irrigation	\$77,895	\$49,588	<b>1.57</b>	\$306,255	\$67,735	<b>4.52</b>	\$314,044	\$67,735	<b>4.64</b>	\$493,112	\$36,308	<b>13.58</b>	\$77,895	\$225,384	<b>0.35</b>