



# Wyoming Demand-Side Management 2024-2026 Plan

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## **Executive Summary**

The purpose of this Plan is to create transparency, rate stability and certainty, for DSM acquisition levels, budgets, market shifts, and customer participation levels.

Wyoming's Demand-Side Management ("DSM") plan outlines kWh savings targets and budget estimates for years 2024 through 2026 (the "Plan"). The targets reflect Rocky Mountain Power's (the "Company") best estimates based on the available information at the time of the plan development. The Company will continually monitor program kWh savings and budgets and will add, remove and/or modify program offerings, initiatives or specific projects described in this plan in order to manage within kWh savings and budget targets. In the event circumstances arise that would lead to expenditures exceeding 10% of the total Plan budget, such as higher customer participation resulting in increased program costs, then the Company will engage with stakeholders to discuss impacts and the potential need to file Plan modifications with the Commission.

The DSM portfolio is made up of diverse delivery channels that have unique characteristics, such as complexity, lead times, flexibility, customer segments, and cost. A balance between the unique characteristics are taken into consideration while designing and implementing DSM offerings to achieve program portfolio objectives and manage budgets.

Newly added to the portfolio for the 2024-2026 plan are Demand Response program offerings for residential and commercial (Category 1 & 2) solar installations with batteries. These programs have the potential to bring value to all customers through voluntary load shedding incentives.

All delivery channels will be monitored to identify opportunities for continual improvements, including new offerings, retirement of measures, kWh savings, costs, and streamlining customer participation.

## 2024-2026 Forecast Savings and Budgets

The MWh estimates for the Plan period were guided by the 2021 Integrated Resource Plan (IRP) selections and stakeholder input. The table below provides the planning estimates for MWh savings and expenditures by category after taking into consideration historical and expected future customer participation.

### Wyoming 2024-2026 DSM Targets

Category	1 <sup>st</sup> Year MWh Savings at Gen				Energy Efficiency Budget			
	2024	2025	2026	Total	2024	2025	2026	Total
Cat 1	5,500	5,500	6,000	<b>17,000</b>	\$1,915,000	\$1,930,000	\$2,025,000	<b>\$5,870,000</b>
Cat 2	15,500	16,000	16,500	<b>48,000</b>	\$3,875,000	\$4,000,000	\$4,125,000	<b>\$12,000,000</b>
Cat 3	20,000	20,000	20,000	<b>60,000</b>	\$4,000,000	\$4,000,000	\$4,000,000	<b>\$12,000,000</b>
<b>Total</b>	<b>41,000</b>	<b>41,500</b>	<b>42,500</b>	<b>125,000</b>	<b>\$9,790,000</b>	<b>\$9,930,000</b>	<b>\$10,150,000</b>	<b>\$29,870,000</b>
Category	Cumulative MW Available				Demand Response Budget			
	2024	2025	2026	Total	2024	2025	2026	Total
Cat 1	-	0.23	1.21	<b>1.44</b>	-	\$96,750	\$387,000	<b>\$483,750</b>
Cat 2	-	0.02	0.04	<b>0.06</b>	-	\$10,750	\$43,000	<b>\$53,750</b>
<b>Total</b>	<b>-</b>	<b>0.25</b>	<b>1.25</b>	<b>1.5</b>	<b>-</b>	<b>\$107,500</b>	<b>\$430,000</b>	<b>\$537,500</b>
Total DSM Budget by Category								
Category	2024	2025	2026	Total				
Cat 1	\$1,915,000	\$2,026,750	\$2,412,000	<b>\$6,353,750</b>				
Cat 2	\$3,875,000	\$4,010,750	\$4,168,000	<b>\$12,053,750</b>				
Cat 3	\$4,000,000	\$4,000,000	\$4,000,000	<b>\$12,000,000</b>				
<b>Total</b>	<b>\$9,790,000</b>	<b>\$10,037,500</b>	<b>\$10,580,000</b>	<b>\$30,407,500</b>				

The IRP plays critical a role in shaping the current and potential future of DSM in Wyoming. The Company's biennial IRP and associated action plan provides the foundation for DSM acquisition targets in each state the Company serves, by identifying cost-effective DSM as compared to supply-side resource alternatives. This Plan utilized IRP targets and stakeholder input as the baseline for development of the forecast savings. Pursuant to Commission's Order in 2021, the Company had to modify savings targets to align with estimated DSM surcharge collections associated with the prescribed surcharge. The numbers in the table above reflect an effort from the Company to align the 24-26 DSM cycle with the intent of that order.

## **Residential Energy Efficiency (Category 1)**

The Company’s residential delivery is made up of the *wattsmart* Homes, Low Income Weatherization, and Home Energy Reports programs, which include rebates and buy-downs for residential energy efficiency offerings. The residential portfolio maximizes the utilization of residential customers’ energy consumption through education and incentives for energy efficient offerings used in their homes. The residential programs provide a broad framework for more efficient products and services for low income residential customers, and residential customers with an existing single family home, multi-family unit, or manufactured home. Third party contractors administer the program offerings. Delivery channels are provided in four main ways: 1) upstream through manufacturer buy-downs; 2) post-purchase applications; 3) mid-market through retailers, dealers, distributors, or trade allies; and 4) direct to customer.

The program will look for opportunities to achieve targets by balancing the mix of offerings to align with cost-effectiveness and comprehensiveness of offerings for customers.

The program will focus on measures with high kWh savings, specifically heat pumps, water heating, and building shell. The program will also expand customer options for rebate payments, including electronic payments such as PayPal, direct to card, and automatic deposit. Customers will also have the ability to purchase products via an online marketplace in addition to the existing instant rebates and rebates at the point of sale.

The tables below provide residential energy efficiency offerings currently under consideration in support managing to targets. Specific guidelines for each incentive table are maintained on the Company website. These guidelines include, but are not limited to, specific participation, technology, and project eligibility, and term definitions.

**Table 1 – Residential Appliance Incentives**

<b>Equipment Type</b>	<b>Customer/Mid-Market Incentive “up to”</b>
Clothes Washer	\$50
Refrigerator	\$50
Dishwasher	\$20
Room Air Conditioner	\$20
Freezer	\$20
Advanced Power Strip	\$15
Heat Pump Clothes Dyer	\$230
Room Air Cleaner	\$50
Engine Block Heater	\$150
Smart Plug	\$10
Smart Light Switch	\$10
Lighting Occupancy Sensor	\$10
Smart Home Energy Management System	\$275
Rooftop Heat Tape Controller	\$100

**Table 2 – Residential Building Envelope Incentives**

Offering	Customer/Mid-Market Incentive “up to”
Windows	\$3.00/square foot
Air Sealing	\$0.30/square foot

**Table 3 – Residential HVAC Incentives**

Offering	Customer/Mid-Market Incentive “up to”
Evaporative Cooler	\$200
Central Air Conditioner	\$125
Heat Pump	\$2,500
Duct Sealing	\$800
Smart Thermostat	\$125
Bathroom Exhaust Fan	\$10
Line Voltage Thermostat	\$50

**Table 4 – Residential New Construction Incentives**

Measure Type	Customer/Mid-Market Incentive “up to”
Prescriptive Path	\$1,000
Heat Pump	\$2,300
Heat Pump Water Heater	\$800
Smart Thermostat	\$50

**Table 5 – Residential Insulation Incentives**

Offering	Equipment Type	Customer/Mid-Market Incentive “up to”
Insulation	Attic/Ceiling Insulation	\$0.50/square foot
	Wall Insulation	\$0.75/square foot
	Floor Insulation	\$0.50/square foot

**Table 6 – Residential Plumbing Incentives**

Equipment Type	Customer/Mid-Market Incentive “up to”
Heat Pump Water Heater	\$800
Low Flow Showerhead	\$3.50
Low Flow Aerator	\$1.00

**Table 7a – Low Income Weatherization Financial Assistance**

Funding Components	Requirements	Administrative Payment	
		Dwelling Units	Maximum Payment
Incentives and Administrative Payment	1. Company will reimburse Agency up to 50% of the installed cost of all major measures and supplemental measures installed. These reimbursements will be calculated after property owner contributions are deducted. Financial assistance will be provided one time only on any individual major or supplemental measure, and up to two times per dwelling.  2. Company will reimburse Agency for administrative costs based on 10% of the Company’s rebate on installed measures.	1 to 4	\$350
		5 to 10	\$800
		11 to 15	\$1200
		16 to 20	\$1400
		21 to 25	\$1600
		26 to 30	\$1800
		31+	\$2100

**Table 7b – Low Income Weatherization Measures**

Measure Category	Measure Type	Sub-Category	Requirements
Major	Ceiling Insulation	Electrically Heated Homes	Up to R-48 for ceilings with less than R-30 in place. R-30 or better in attics will not be further insulated
	Floor Insulation		Floor insulation over unheated spaces up to R-30
	Wall Insulation		Up to R-26 for walls with no insulation installed
Supplemental	Windows		Low E vinyl replacement with U-value of 0.30 or lower
	Attic Ventilation		Excludes power ventilators, whole house mechanical ventilation, and spot ventilation for kitchen and baths
	Ground Cover		Must be installed with floor insulation; other vapor barrier materials as required when installed with floor or ceiling insulation
	Duct Insulation & Sealing		Forced air electric space heating in unheated spaces
	Weather Stripping and/or Caulking		Includes blower door assisted air sealing and duct sealing
	Thermal Doors		---
	Timed Thermostats		Centrally controlled multi-room heating/cooling systems except when used with heat pumps and smart thermostats with occupancy sensors. Heat anticipating type thermostats for zonal electric resistance heating systems. Zonal thermostats must be separate from the heating unit and must be calibrated per the manufacturer’s specifications.
Supplemental	Showerheads, Aerators, & Pipe Insulation	No Electric Heating System Requirement	Electric water heaters must be present
	LEDs & LED Fixtures		Must be installed in fixtures that are on 2 hours or more per day
	Refrigerators		Refrigerators with monitored results or listed in the Weatherization Assistance Program Technical Assistance Center database with a savings-to-investment ratio of 1.0 or greater may be replaced with an ENERGY STAR model. Replaced refrigerators must be removed and recycled in accordance with EPA guidelines.
	Window Air Conditioner		Replacement of inefficient window air conditioning units eligible when audit results determine this to be cost-effective. Existing units must have been operated during the past 12 months. Replacements must be ENERGY STAR rated.

## **Non-Residential Energy Efficiency (Categories 2 & 3)**

The Company's non-residential energy efficiency offerings are made up of the *wattsmart* Business program, which includes incentives and energy analysis services for commercial, industrial, and agricultural customers' retrofit, new construction, and major renovation projects. The program provides a broad framework of efficiency options for all business customers. The small and mid-market offerings are primarily delivered through the Trade Ally network and a small business enhanced incentive offering. The large commercial and industrial program offerings include investment-grade energy analysis, energy project manager co-funding, and incentives or bill credits.

The primary method of achieving cost-effective savings is a focused project management team for large customers combined with the outsourcing of small and mid-market customers' projects to specialized contractors. The program will look for opportunities by balancing the mix of offerings to align with cost-effectiveness, comprehensiveness of offerings, and simplifying customer participation. The Company will continually evaluate and adjust the delivery offerings and incentives to optimize customer participation, cost-effectiveness, and management to budget.

Wyoming customers have been turning to energy efficiency more than ever before to help their businesses be more competitive. Many oil and gas companies are investing in energy efficiency because they want to reduce their operating costs and keep their fields producing. These customers actively reach out to the Company for help in identifying their most energy intensive pumps and proactively work to reduce energy and maintenance costs. Energy efficiency incentives have successfully bridged the economic gap to help customers lower operational costs, keeping their businesses viable in the marketplace.

LED lighting technology is now a familiar technology and continues to provide great opportunity for commercial and industrial energy savings. Lighting incentives will be continually monitored and updated to ensure the appropriate levels for incentives during the Plan period. For 2024-2026, the *wattsmart* Business program will continue offering a new structure of lighting incentives allowing the program to evolve incentives with the LED market and move away from primarily incenting bulb and fixture replacements, placing more emphasis on lighting controls. The *wattsmart* Business program will also continue to transform the market by focusing on offering vendor incentives for contractors to increase their lighting offerings while continuing to emphasize lighting controls and incentives at the distributor level of the market channel.

The tables below provide non-residential energy efficiency offerings currently under consideration in support of managing to targets and budgets. The tables below provide residential energy efficiency offerings currently under consideration in support of the Plan. Specific guidelines for each incentive table are maintained on the Company website. These guidelines include, but are not limited to, specific participation, technology, and project eligibility, and term definitions.



**Table 8 – Non-Residential Incentive Categories**

Category	Maximum Incentive “up to”
Custom incentives for qualifying measures not on the prescriptive incentive lists.	\$0.15 per annual kWh savings + \$50 per average monthly kW reduction
Energy Management	\$0.02 per kWh annual savings
Energy Project Manager Co-Funding	\$0.025 per kWh annual savings
Bill Credit	80% of eligible project costs
Prescriptive	See incentive tables below

**Table 9 – Non-Residential Lighting System Retrofits**

Measure	Category	Maximum Incentive “up to”	
Lighting System Retrofits	Interior Lighting	Non-Prescriptive	\$0.22/kWh
		Prescriptive	See Non-Residential Mid-Market Incentives Table
	Exterior Lighting	Non-Prescriptive	\$0.15/kWh
		Prescriptive	See Non-Residential Mid-Market Incentives Table
	Custom Lighting	Non-Prescriptive	\$0.05/kWh
		Prescriptive	See Non-Residential Mid-Market Incentives Table

**Table 10 – Non-Residential Non-General Illuminance Incentives (Retrofit Only)**

Measure	Category	Maximum 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	\$1/linear foot
Custom	Custom	\$0.15/kWh annual energy savings

**Table 11 – Non-Residential New Construction/Major Renovation Lighting Incentives**

Measure	Category	Maximum Incentive “up to”
Interior Lighting	Lighting and Lighting Control	\$0.14/kWh annual energy saved
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
	Custom LED	\$0.08/kWh annual energy savings
	Exterior Dimming Control	\$0.34/Watt controlled

**Table 12 – Non-Residential Motor Incentives**

Equipment Type	Sub-Category	Maximum Incentive “up to”
Electronically Commutated Motor	Refrigeration application	\$1.00/watt
	HVAC application	\$100/horsepower
Variable-Frequency Drives (HVAC fans and pumps)	HVAC fans and pumps	\$200/horsepower
Green Motor Rewinds	--	\$2/horsepower

**Table 13 – Non-Residential HVAC Equipment and Controls Incentives**

Equipment Type	Maximum Incentive “up to”
Unitary Commercial Air Conditioners	\$75/ton
Packaged Terminal Air Conditioners (PTAC)	\$25/ton
Packaged Terminal Heat Pumps (PTHP) (Heating & Cooling Mode)	\$50/ton
VRF Heat Pumps	\$150/ton
Unitary Commercial Heat Pumps	\$75/ton
Heat Pump Loop	\$125/ton
Evaporative Cooling	\$0.06/CFM
Indirect-Direct Evaporative Cooling (IDEC)	\$0.15/kWh + \$50/kW
Chillers	\$0.15/kWh + \$50/kW
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	\$6,500
Smart Thermostat	See Table 4

**Table 14 – Non-Residential Building Envelope (Retrofit) Incentives**

Equipment Type	Maximum 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

**Table 15 – Non-Residential Building Envelope Incentives  
(New Construction/Major Renovations)**

Equipment Type	Maximum Incentive “up to”
Cool Roof	\$0.02/square foot
Roof/Attic Insulation	\$0.09/square foot
Wall Insulation	\$0.07/square foot
Windows	\$0.35/square foot

**Table 16 – Non-Residential Office Equipment Incentives**

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

**Table 17 – Non-Residential Appliance Incentives**

Equipment Type	Equipment Category	Maximum Incentive “up to”
High-Efficiency Clothes Washer	Residential (used in a business)	See Table 2
	Commercial (must have electric water heating)	\$100
Heat Pump Water Heater	Residential (used in a business)	See Table 7

**Table 18 – Non-Residential Food Service Equipment Incentives**

Equipment Type	Maximum Incentive “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)	\$400
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)

**Table 19 – Agricultural Irrigation Incentives**

Irrigation Measure	Maximum Incentive “up to”
Cut and press or weld repair of leaking wheel line, hand line, or portable mainline	\$10/repair
New rotating sprinkler replacing worn or leaking impact or rotating sprinkler	\$2.50
New gasket replacing leaking gasket, including mainline valve or section gasket, seal, or riser cap (dome disc)	\$2 each
New drain replacing leaking drain	\$3 each
New nozzle replacing worn nozzle of same design flow or less on existing sprinkler	\$0.50 each
New or rebuilt impact sprinkler replacing worn or leaking impact sprinkler	\$2.25 each
New or rebuilt wheel line leveler replacing leaking or malfunctioning leveler	\$3 each
Pressure regulator	\$3 each
Low pressure sprinkler (e.g. rotating, wobbling, multi-trajectory spray) replacing impact sprinkler	\$3 each
Low pressure sprinkler (e.g. rotating, wobbling, multi-trajectory spray) replacing worn low pressure sprinkler	\$1.50 each
Irrigation pump VFD	\$0.15/kWh annual energy savings

**Table 20 – Non-Residential Farm and Dairy Equipment Incentives**

Equipment Type	Maximum 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 + \$50/kW
Programmable Ventilation Controller	\$20/fan controlled
Variable Frequency Drives for Dairy Vacuum Pump (Retrofit Only)	\$165/hp

**Table 21 – Non-Residential Compressed Air Incentives (System Size ≤ 75 Horsepower)**

Equipment Category	Maximum Incentive “up to”
Low-Pressure Drop Filter	\$2/scfm
Receiver Capacity Addition	\$3/gallon above 2 gal/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
Compressed air end use reduction	\$0.15/kWh annual energy savings

**Table 22 – Non-Residential Incentives for Wastewater, Oil and Gas, Fleet Vehicles and Other Refrigeration Energy Efficiency Measures**

Equipment Type	Customer Incentive “up to”
Adaptive refrigeration control	\$0.15/kWh annual energy savings
Fast acting door	\$0.15/kWh annual energy savings
Engine block heater control	\$150 per controller
Oil and gas pump off controller	\$1,500 per controller
Oil and gas electric submersible pump	\$0.15/kWh annual energy savings
Wastewater – low power mixer	\$0.15/kWh annual energy savings

**Table 23 – Non-Residential Incentives for Small Business Enhanced (Retrofit only)**

Eligible Customer Rate Schedules	Customer Incentive “up to”	Customer Co-pay “up to”
Schedule 25	\$7,500 per facility	50%
Schedule 28	\$7,500 per facility	50%

**Table 24 – Non-Residential Market Incentives**

Measure	Category	Maximum Incentive “up to”
LED	Reflector Lamps	\$15/Lamp
	Pin-Based Lamps	\$12/Lamp
	Linear Replacement Lamps	\$20/Lamp
	HID Replacement Lamp	\$110/Lamp
	Outdoor Retrofit Kits	\$150/Kit
	Outdoor Fixture Replacements	\$250/Fixture

## **Residential and Non-Residential Demand Response (Categories 1 & 2)**

The Wattsmart Battery Program will promote and incentivize the installation of individual customer batteries for system-wide smart grid management. The Company's 2021 Integrated Resource Plan Update includes 10 MW of battery storage capacity by 2026. Establishing Wattsmart Battery will ensure that battery equipment installed by customers behind the meter is integrated safely into the Company's systems and will provide benefits for both the customer and the grid. Leveraging the batteries from the Wattsmart Battery Program will create opportunity in the following areas:

- **Utility Grid Management** – The Wattsmart Battery Program will enable the Company to utilize qualified batteries for utility grid management 24 hours per day 365 days per year, providing year-round value to effectively manage the electric grid. The batteries may be utilized for traditional demand response, frequency reserve, contingency reserve, regulation reserves, regional grid management, backup power and other ancillary benefits in addition to reducing peak load on the electric system. Initial parameters used to dispatch the batteries for grid management are identified in the Dispatch Period section below. Dispatch parameters may change for continual improvement.
- **Load Shaping** – The Company will help customers optimize batteries in coordination with daily peak and off-peak periods. For example, a customer with solar will charge the battery with any excess generation during the day, and in turn will utilize the battery to offset grid energy use during peak periods. Partnering with customers with batteries to manage excess solar during the day and peak periods in the evenings will provide the greatest benefits for customers and the utility grid.
- **Utility Integration of Behind-the-Meter Batteries** – The battery storage industry is still in its infancy, and there is a lack of standards for utility grid integration from both a safety and operational perspective. This program will help provide battery manufacturers guidance on how to qualify to participate in a utility grid optimized battery solution.

### **Customer Participation and Eligibility**

The Wattsmart Battery Program will be available to all Category 1 and 2 customers taking service under the Company's electric services schedules listed on Schedule 191 – Customer Efficiency Service Charge. Both residential and commercial customers may participate, however the Company anticipates that initially, participation will come primarily from residential customers with solar.

Customers may participate by installing eligible battery equipment and allowing the Company to utilize the battery for grid management. Customers will be compensated for enrolling through an enrollment incentive and an annual bill credit. Customers will be required to commit to the Program for a minimum number of years to receive an enrollment incentive. After the commitment term, customers will have the opportunity to receive an annual incentive for their continued participation beyond the initial commitment term. The commitment term may change depending on Program needs.

Batteries must meet program participation requirements to qualify for an incentive, including the integration into the Company's Distributed Battery Grid Management Solution ("DBGMS"). Battery manufacturers who have a product capable of meeting the requirements for utility-controlled demand response and who are willing to work with the Company and its partners to integrate into the DBGMS can qualify their batteries for participation in the Wattsmart Battery Program.

## Incentive Structure

Wattsmart Battery incentives will be available to customers with installed batteries capable of communicating with the Company’s DBGMS. An up-front enrollment payment incentive will be offered to customers who commit to the minimum term with a newly purchased battery. The minimum term will initially be set at four years but may change as the Program evolves. Program participants will also receive an annual bill credit incentive for their continued participation. Annual bill credits will start after the customer has been enrolled in the program for 12 months.

Customers with pre-existing eligible batteries may also participate in the Program but will not be required to commit to a minimum term. Instead, due to free ridership concerns, customers with existing eligible batteries may start off at the increased annual bill credit incentive for as long as they remain enrolled.

Customers will receive their enrollment incentive as a direct payment once eligibility and installation have been verified. Annual participation incentives will be given as monthly bill credits. Table 25 provides the maximum incentive levels for Program enrollment and annual participation incentives.

Initially, residential incentives will be distinguished between customers with and without existing solar. The incentive for customers with solar installed prior to the implementation of the Battery Program will be \$150/kW multiplied by the commitment term. The offered incentive for customers with solar installed after the implementation of the Battery Program will be set at \$100/kW multiplied by the commitment term.

**Table 25 – Wattsmart Battery Incentives**

Load Management Program	Participating Equipment	Maximum Incentive “up to”		
		Enrollment Incentive <sup>1</sup>	Annual Participation Incentive During Commitment Term <sup>2</sup>	Annual Participation Incentive <sup>3</sup>
Wattsmart Battery	Residential Batteries	\$150/kW x Annual Commitment Term	\$15/kW	\$50/kW
	Commercial Batteries	\$150/kW x Annual Commitment Term	\$15/kW	\$50/kW
	Custom	Custom		

At the Company’s discretion custom incentives and commitment terms may be considered for customers with custom battery projects or large capacity batteries. The Company will evaluate incentive levels annually and may adjust them based upon various factors, such as battery market changes, federal and state incentive levels, participation numbers and cost-effectiveness.

<sup>1</sup> Enrollment Incentives will be capped at 70% of battery equipment costs and available for new battery purchases only.

<sup>2</sup> Participation Incentives are eligible to be applied towards monthly energy charges. Customers will still be responsible for fixed customer charges.

<sup>3</sup> Applicable to new batteries after the commitment term or existing batteries where the enrollment incentive and commitment term is not applicable. Participation Incentives are eligible to be applied towards monthly energy charges. Customers will still be responsible for fixed customer charges.

### **Dispatch Period**

The Company shall have the right to dispatch the Wattsmart Battery system based on the following criteria:

- Daily load cycling for peak management
- Utilized for traditional demand response, frequency reserve, contingency reserve, regulation reserves, regional grid management, backup power and other ancillary needs.
- Dispatch Days: Monday through Sunday, including holidays, year-round.
- Dispatch Duration: Dispatches may be held multiple times per day up to two full duty cycles of the battery.