

**Planned Changes to wattsmart Business in California
March 1, 2019**

PacifiCorp (Pacific Power) is planning modifications to the wattsmart Business energy efficiency incentive program, which is offered through Schedule A-140. The changes make upgrades to compact fluorescent lighting ineligible for incentives. Consistent with the change process for the wattsmart Business program documented in Advice Letter 518-E approved April 30, 2015, notice of the changes will be posted on the program website¹ 45 days prior to implementation. The effective date for the incentive table changes is April 15, 2019. Changes to the incentive tables are included in Exhibit A.

Background

The wattsmart Business program is available to the Company’s commercial, industrial, and agricultural customers in California² and offers incentives and technical assistance for prescriptive/typical, custom, and energy management measures. Incentives are available for both retrofit projects and new construction/major renovation projects. There is also an enhanced incentive offer for existing small business customers.

The California Public Utilities Commission (Commission) issued Decision 18-11-033 on December 6, 2018 ordering Pacific Power to discontinue incentives for compact fluorescent lights no later than December 31, 2018. There is one CFL Wall Pack new construction/major renovation exterior lighting measure listed in the program incentive tables that is being removed.

Explanation of wattsmart Business Incentive Table Changes

New Construction/Major Renovation Lighting Incentive Table, Exhibit A, page 6		
Measure	Description of Change	Reason for Change
Exterior Lighting	Remove the CFL Wall Pack measure and make it ineligible for incentives	The program is being updated to make compact fluorescent lighting (CFLs) ineligible for incentives as ordered by the Commission in Decision 18-11-033.

Note: The program lighting catalog lists lighting technologies that are ineligible for incentives. The catalog was updated effective as of March 1, 2019.

- For retrofits, the catalog was updated to list hardwire CFLs as ineligible for incentives in retrofit projects. (Screw-in CFLs were already on the list of ineligible technologies for lighting retrofit projects.)
- For new construction/major renovation projects, the catalog was updated to make CFLs ineligible for incentives in interior lighting projects and to make CFLs ineligible for custom

¹ <https://www.pacificpower.net/bus/se/california.html>

² The wattsmart Business program is available in California, Washington, Idaho, Utah and Wyoming with some variation by state.

incentives in exterior lighting projects. The catalog was also updated to note CFL Wall Pack incentives will not be available after April 14, 2019.

Database of Energy Efficient Resources (DEER) Alignment Review

Commission Decision D.14-04-008 includes an order related to use of unmodified DEER values for measures where DEER values are available. Given the scope of this program change, a DEER alignment review is not applicable.

Transition Plan for Projects in Progress

No incentives have been paid for compact fluorescent lighting in the past three years and there are no known active projects with CFLs. However, for completeness, here is the transition plan for projects in progress for the program and lighting catalog changes.

- For new construction/major renovation exterior lighting projects including the CFL Wall Pack measure, the version of the program for the CFL Wall Packs is based on the equipment purchase order/invoice date for the first CFL Wall Packs purchased for the project.
- For other lighting projects including compact fluorescent lighting where eligibility is determined in the lighting catalog, the version of the lighting catalog that applies is based on the equipment purchase order/invoice date for the first CFLs purchased for that measure.

Cost-Effectiveness

This change is not expected to impact program cost-effectiveness.

Evaluation Plan

The Company offers *wattsmart* Business in its other service territories. Evaluations are conducted at the program level with reports prepared for each state. Consistent evaluation plans throughout PacifiCorp's system-wide territory reduce administrative costs for the program. The most recent evaluation³ was for the 2016-2017 program. The next evaluation of PacifiCorp's business programs will be for program years 2018-2019, and this evaluation is scheduled for 2020.

Exhibits Provided

Exhibit A – *wattsmart* Business incentive tables and information – with changes from the current program (effective 5/1/2017) marked in redline form.

³http://www.pacificorp.com/content/dam/pacificorp/doc/Energy_Sources/Demand_Side_Management/2018/California_2016-2017_WSB_Evaluation.pdf