

PacifiCorp's Planned Changes to Home Energy Savings Program in Washington Proposed Effective Date of January 1, 2019

PacifiCorp (Company) is planning to make changes to the Washington Home Energy Savings program (Program), administered under the Company's *wattsmart* Homes program which offers incentives and services for residential energy efficiency equipment and projects. The changes update unit energy savings (UES) values and equipment eligibility to align with Regional Technical Forum (RTF) information, incorporate program delivery experience from the current biennial period and updates selected incentives based on market intelligence.

Consistent with the approved change process for the Program, after receiving and addressing feedback from the Company's Washington Demand-side Management Advisory Group the proposed changes will be posted on the Program website 45 days prior to becoming effective and implemented. The changes will be effective January 1, 2019.

Background

The Program, which is offered through Schedule 118, was approved by the Washington Utilities and Transportation Commission (Commission) and began operating in September 2006. The Program became effective on September 14, 2006 (UE-061297). The change process for the Program is described in advice letter 06-004, through which the program was introduced. Language describing the program change process is found on page 3 of Advice No. 06-004, which is copied below.

“...the Company would present information on proposed changes to its Advisory Group and seek comments prior to making changes. Changes in equipment specifications or incentive levels would be clearly posted on the Web site and emailed to the appropriate Commission staff person with at least 45 days advance notice.”

The Program change process is also described in provision of service no. 5 in the program tariff (Schedule 118). Provision of service no. 5 states:

“All changes will occur with a minimum of 45 days-notice, be prominently displayed as a change, include a minimum 45 day grace period for processing prior offers (except for manufacturer buy-down incentive delivery) and be communicated at least once to retailers who have participated within the last year.”

Program web site: <https://www.pacificpower.net/res/sem/washington.html>

Annual reports and Program evaluation reports are available online at:
www.pacificcorp.com/es/dsm/washington.html.

Description of Planned Home Energy Savings Changes

Planned changes are part of the adaptive management strategy for aligning the Home Energy Savings program during the 2018-2019 biennium with updated Regional Technical Forum (RTF) planning assumptions, market conditions and pilot expectations. Namely:

- Update unit energy savings, measure life and non-energy impacts for lighting equipment and heat pump water heaters.
- Creates a new tier (percent savings above code) for the Whole Home Performance Path offer for new homes
- Increases the customer incentive for heat pump dryers
- Removes the highest Tier 4 from the heat pump water heater to align with updated RTF analysis and efficiency levels. Aligned incentive with Tier 3 equipment.
- Changes the qualifications for Smart Thermostats to align with ENERGY Star. Updates measure costs.
- Increases the window for purchasers of new manufactured homes to submit their incentives applications from 90 days to 12 months based on move-in or occupancy date. Incentives will be paid based on the date of the sale.
- Includes an allowance for contractor promotional payments for appliance, HVAC and manufactured homes measures. These payments are small, ranging from \$25 to \$100/unit and will be paid to contractors for changes in business practices for increasing stocking levels or completing a certain number of installations within a targeted time, etc. Promotions and payments would be limited and subject to change by the program administrator. These promotions will be adaptively managed and are not be listed in the incentive tables.

These changes were previewed with the Washington DSM Advisory Group during the October 26, 2018 meeting and provided for review and comment on November 3, 2018.

Regional Technical Forum (RTF) review

Recent RTF updates to UES measures, approved as of October 1, 2018, were reviewed and included in this set of Program changes. Workbook references are provided where applicable. In some cases the RTF does not develop or maintain information on a measure that is included in the Program. In those cases, alternate data sources are used and noted. Information on this review is included in the measure-specific tables in this document.

Cost-Effectiveness

Including the program modifications described in this document, the Home Energy Savings program is expected to be cost-effective over the 2018-2019 period, with a Total Resource Cost benefit-cost ratio, including the 10% conservation adder and non-energy impacts (NEIs) of 1.14. Program-level cost-effectiveness results are provided in the table below (which is also found in Table 13 of Exhibit 2). Additional information on inputs and results is provided in Exhibit 2.

Home Energy Savings Cost-Effectiveness Results, Including NEIs Cost-Effectiveness Results – 2018-2019

Cost-Effectiveness Test	Levelized \$/kWh	Costs	Benefits	Net Benefits	Benefit/Cost Ratio
Total Resource Cost Test (PTRC) + Conservation Adder	\$0.0804	\$7,224,186	\$8,233,902	\$1,009,716	1.14
Total Resource Cost Test (TRC) No Adder	\$0.0804	\$7,224,186	\$7,834,935	\$610,749	1.08
Utility Cost Test (UCT)	\$0.0496	\$4,449,943	\$3,989,669	(\$460,274)	0.90
Participant Cost Test (PCT)		\$5,251,878	\$14,797,130	\$9,545,252	2.82
Rate Impact Test (RIM)		\$12,924,172	\$3,989,669	(\$8,934,503)	0.31
Lifecycle Revenue Impacts (\$/kWh)					\$0.0002220
Discounted Participant Payback (years)					3.12

These benefit cost ratios are lower than those provided at the beginning of the biennial period and illustrate program challenges as we pursue an all cost effective portfolio while moving to a floating UES protocol, pursuing pilots and hard to reach markets. While the program remains cost effective at a portfolio, the contribution of non-energy impacts is material and if not included, the program would not be cost effective as illustrated in Table 5 of Exhibit 2. The revised program forecast also does not pass the utility cost test, which, while not the primary Washington cost effectiveness test is nonetheless a very important metric to monitor and optimize. Delivery costs are a large component of the utility costs and may move in opposite direction from unit energy savings especially when unit energy savings continue to decline. Reductions to delivery costs and/or incentives were not included as part of these changes since they may further reduce customer engagement and savings. As part of our adaptive management strategy, we're monitoring program performance closely and may take further action in 2019 to reduce costs for the purposes of improving program cost effectiveness.

Proposed Program changes are summarized in the modification tables below.

Exhibits Provided

Exhibit 1 - Washington HES Incentive Tables – Red-lined

Exhibit 2 - Cost Effectiveness

Table 1 – Appliance Incentive Table Modifications

Program Modifications – Appliance Incentive			
Measure Name	Description of Changes	Current Offering	Revised Offerings
Hybrid/Heat Pump Clothes Dryer	Increased the available incentive. Discussions with local retail market partners revealed that the current incentive was insufficient to make hybrid/heat pump clothes dryers price competitive. Proposed change designed to address this issue. Aligned with the most recent RTF workbook (RTF-ResClothesDryers_v3.1_7_23_18.xlsm)	<u>Qualification:</u> <ul style="list-style-type: none"> • UCEF \geq3.20 <u>Customer/Market Partner Incentive:</u> <ul style="list-style-type: none"> • \$275 <u>Available Delivery Methods:</u> <ul style="list-style-type: none"> • Downstream • Mid/upstream 	<u>Qualification (Unchanged):</u> <ul style="list-style-type: none"> • UCEF \geq3.20 <u>Customer/Market Partner Incentive:</u> <ul style="list-style-type: none"> • \$600 <u>Available Delivery Methods (Unchanged):</u> <ul style="list-style-type: none"> • Downstream • Mid/upstream

Table 2 – Lighting Incentive Table Modifications

Program Modifications – Appliance Incentive			
Measure Name	Description of Changes	Current Offering	Revised Offerings
LED Bulbs (General Purpose)	Aligned with the most recent RTF workbook (RTF-ResLighting_v6.1_4_4_18.xlsm)	<u>Qualification:</u> <ul style="list-style-type: none"> • ENERGY STAR qualified <u>Market Partner Incentive:</u> <ul style="list-style-type: none"> • Up to \$3.00 <u>Available Delivery Methods:</u> <ul style="list-style-type: none"> • Direct Install • Mail-By-Request • Mid/upstream 	<u>Qualification (Unchanged):</u> <ul style="list-style-type: none"> • ENERGY STAR qualified <u>Market Partner Incentive (Unchanged):</u> <ul style="list-style-type: none"> • Up to \$3.00 <u>Available Delivery Methods (Unchanged):</u> <ul style="list-style-type: none"> • Direct Install • Mail-By-Request • Mid/upstream
LED Bulbs (Specialty)	Aligned with the most recent RTF workbook (RTF-ResLighting_v6.1_4_4_18.xlsm)	<u>Qualification:</u> <ul style="list-style-type: none"> • ENERGY STAR qualified <u>Market Partner Incentive:</u> <ul style="list-style-type: none"> • Up to \$3.00 <u>Available Delivery Methods:</u> <ul style="list-style-type: none"> • Direct Install • Mail-By-Request • Mid/upstream 	<u>Qualification (Unchanged):</u> <ul style="list-style-type: none"> • ENERGY STAR qualified <u>Market Partner Incentive (Unchanged):</u> <ul style="list-style-type: none"> • Up to \$3.00 <u>Available Delivery Methods (Unchanged):</u> <ul style="list-style-type: none"> • Direct Install • Mail-By-Request • Mid/upstream
LED Fixtures	Aligned with the most recent RTF workbook (RTF-ResLighting_v6.1_4_4_18.xlsm)	<u>Qualification:</u> <ul style="list-style-type: none"> • ENERGY STAR qualified 	<u>Qualification (Unchanged):</u> <ul style="list-style-type: none"> • ENERGY STAR qualified

Program Modifications – Appliance Incentive			
Measure Name	Description of Changes	Current Offering	Revised Offerings
		<ul style="list-style-type: none"> Torchiere and portable products are not qualified <p><u>Market Partner Incentive:</u></p> <ul style="list-style-type: none"> Up to \$23.00 <p><u>Available Delivery Methods:</u></p> <ul style="list-style-type: none"> Direct Install Mail-By-Request Mid/upstream 	<ul style="list-style-type: none"> Torchiere and portable products are not qualified <p><u>Market Partner Incentive (Unchanged):</u></p> <ul style="list-style-type: none"> Up to \$23.00 <p><u>Available Delivery Methods (Unchanged):</u></p> <ul style="list-style-type: none"> Direct Install Mail-By-Request Mid/upstream

Table 3 – Single Family HVAC Incentive Table Modifications

Program Modifications – Single Family HVAC Incentives			
Measure Name	Description of Changes	Current Offering	Revised Offerings
Smart Thermostat	<p>Updated the qualification to align with Energy Star. By adopting the Energy Star Qualified Products List, the pool of qualified products increases and allows for HVAC branded equipment to qualify. Adoption also removed requirement for learning technology</p> <p>Aligned with the most recent RTF workbook (RTF-ResConnectedTstat_v1_3_4_10_18)</p>	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> Wi-Fi enabled, programmable, online dashboard and/or mobile device app, occupancy sensor <p><u>Customer/Market Partner Incentive:</u></p> <ul style="list-style-type: none"> \$50.00 <p><u>Applicable Delivery Methods:</u></p> <ul style="list-style-type: none"> Downstream Mid/Upstream 	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> Unit must be on Energy Star Qualified Products List <p><u>Customer/Market Partner Incentive (Unchanged):</u></p> <ul style="list-style-type: none"> \$50.00 <p><u>Applicable Delivery Methods (Unchanged):</u></p> <ul style="list-style-type: none"> Downstream Mid/Upstream

Table 5 – Single Family New Homes Incentive Table Modifications

Program Modifications – Single Family New Homes Incentives			
Measure Name	Description of Changes	Current Offering	Revised Offerings
Performance Path	Added an additional incentive tier to prepare the market for the upcoming 2018 Washington State Energy Code (WSEC) which is expected to go into effect on July 1, 2020.	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> Incentives available for new electric heated or gas heated homes that exceed the prevailing code by a minimum of 10% as modeled using program required tools and software. The home’s performance must be modeled and verified by an independent third-party Rater. <p><u>Customer/Builder/Market Partner Incentive:</u></p> <ul style="list-style-type: none"> Electrically heated: \$1,500 Electrically cooled: \$500 <p><u>Available Delivery Methods:</u></p> <ul style="list-style-type: none"> Downstream Mid/Upstream 	<p><u>Qualification (Unchanged):</u></p> <ul style="list-style-type: none"> Incentives available for new electric heated or gas heated homes that exceed the prevailing code by a minimum of 10% as modeled using program required tools and software. The home’s performance must be modeled and verified by an independent third-party Rater. <p><u>Customer/Builder/Market Partner Incentive:</u></p> <ul style="list-style-type: none"> Electrically heated: \$1,500 Electrically heated exceeding code by 20% or more: \$2,500 Gas heated: \$500 <p><u>Available Delivery Methods (Unchanged):</u></p> <ul style="list-style-type: none"> Downstream Mid/Upstream

Table 6 – Single Family Water Heating Incentive Table Modifications

Program Modifications – Single Family Water Heating Incentives			
Measure Name	Description of Changes	Current Offering	Revised Offerings
Heat Pump Water Heater	<p>Aligned with the most recent RTF workbook (RTF-ResHPWH_v4_1_4_19_18.xlsm)</p> <p>Removed tier 4 incentive as the RTF is no longer has a separate tier 4 savings represented.</p>	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> Northern Climate Specification Tier 3 and above replacing an existing electric tank type water heater <p><u>Customer/Market Partner Incentive:</u></p> <ul style="list-style-type: none"> Tier 3: \$600 Tier 4 and above: \$800 <p><u>Available Delivery Methods:</u></p> <ul style="list-style-type: none"> Direct Install 	<p><u>Qualification (Unchanged):</u></p> <ul style="list-style-type: none"> Northern Climate Specification Tier 3 and above replacing an existing electric tank type water heater <p><u>Customer/Market Partner Incentive:</u></p> <ul style="list-style-type: none"> Tier 3: \$600 <p><u>Available Delivery Methods (Unchanged):</u></p> <ul style="list-style-type: none"> Direct Install

Program Modifications – Single Family Water Heating Incentives			
Measure Name	Description of Changes	Current Offering	Revised Offerings
		<ul style="list-style-type: none"> • Downstream • Mid/Upstream 	<ul style="list-style-type: none"> • Downstream • Mid/Upstream

Table 7 – Manufactured Homes Incentive Table Modifications

Program Modifications – Manufactured Homes Incentive			
Measure Name	Description of Changes	Current Offering	Revised Offerings
Smart Thermostat	<p>Updated the qualification to align with Energy Star. By adopting the Energy Star Qualified Products List, the pool of qualified products increases and allows for HVAC branded equipment to qualify. Adoption also removed requirement for learning technology</p> <p>Aligned with the most recent RTF workbook (RTF-ResConnectedTstat_v1_3_4_10_18)</p>	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> • Wi-Fi enabled, programmable, online dashboard and/or mobile device app, occupancy sensor <p><u>Customer/Market Partner Incentive:</u></p> <ul style="list-style-type: none"> • \$50.00 <p><u>Applicable Delivery Methods:</u></p> <ul style="list-style-type: none"> • Downstream • Mid/Upstream 	<p><u>Qualification:</u></p> <ul style="list-style-type: none"> • Unit must be on Energy Star Qualified Products List <p><u>Customer/Market Partner Incentive (Unchanged):</u></p> <ul style="list-style-type: none"> • \$50.00 <p><u>Applicable Delivery Methods (Unchanged):</u></p> <ul style="list-style-type: none"> • Downstream • Mid/Upstream

Exhibit 1 - Washington HES Incentive Tables – Red-lined

Washington Home Energy Savings

Definitions

British Thermal Unit (Btu): It is approximately the amount of energy needed to heat 1 pound of water from 39° to 40° Fahrenheit.

Contractor: Any party that is licensed to install or service HVAC, plumbing, or weatherization equipment or products.

Cubic Feet per Minute (CFM): A measurement of the velocity at which air flows into or out of a space.

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.

Direct Install: Installation of an Energy Efficiency Measure directly by the Program, or a Program-approved contractor or other 3rd party.

Downstream: Payment of incentive made by the Company to a customer, owner, contractor or other approved third party for the purchase or installation of an Energy Efficiency Measure pursuant to an approved energy efficiency incentive application.

Energy Efficiency Incentive: Payments of money made by Company to Owner or Customer or other approved party for installation of an Energy Efficiency Measure pursuant to an approved Energy Efficiency Incentive Application.

Gallons Per Minute (GPM): Volumetric flow rate used in rating equipment which saves water

Heating Seasonal Performance Factor (HSPF): Is the efficiency of heat pumps measured by the ratio of Btu heat output over the heating season to watt-hours of electricity used. The higher the number, the greater the efficiency.

Heating, Ventilation and Air Conditioning (HVAC): Refers to technology of indoor environmental comfort.

Integrated Modified Energy Factor (IMEF): Measures energy consumption of the total laundry cycle (washing and drying). It indicates how many cubic feet of laundry can be washed and dried with one kWh of electricity; the higher the number, the greater the efficiency.

Light Emitting Diode (LED): A semiconductor light source.

Manufactured Homes (mobile homes): A type of prefabricated housing that is largely assembled in factories and transported to the site of use. Units are at least 320 square feet and installed with a permanent chassis to assure the initial and continued transportability of the home.

Market Partner: An approved third party (contractor, retailer, dealer, wholesaler or manufacturer) who installs Energy Efficiency Measures at the real property or sells Energy Efficiency Measures to a Customer or Contractor. Applies to parties in the downstream, midstream, upstream, or direct install delivery channels.

Northwest Energy Efficient Manufactured Home (NEEM): Organization based in the Northwest that certifies new manufactured homes are built to various energy efficient standards such as ENERGY STAR or eco-rated.

New Home: A newly constructed single family residence.

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.

Prescriptive incentives: Per unit incentives are listed in the program incentive tables for specific EEMs. Incentives are subject to change.

RTF: Regional Technical Forum

R-Value: Indicates insulation's resistance to heat flow. The higher the R-value, the greater the insulating effectiveness.

Seasonal Energy Efficiency Ratio (SEER): Is the efficiency of air conditioners measured by the cooling output in Btu during a typical cooling-season divided by the total electric energy input in watt-hours during the same period. The higher the unit's SEER rating the more energy efficient it is.

Utility Combined Energy Factor (UCEF): ENERGY STAR uses Combined Energy Factor to compare the energy efficiency of gas and electric clothes dryers in pounds per kilowatt hour. The higher the value, the more efficient the dryer is.

U-Factor: Measures the rate of heat transfer and indicates how well the window insulates. U-factor values generally range from 0.25 to 1.25 and are measured in Btu/h·ft²·°F. The lower the U-factor, the better the window insulates.

Upstream: Payment of incentive made by the Company directly to a manufacturer, retailer, or other pre-approved vendor to apply a pre-purchase discount for customers.

Incentives

Table 1: Appliance Incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Clothes Washers	IMEF \geq 2.76	\$50	
Hybrid/Heat Pump Clothes Dryer	UCEF \geq 3.20	\$275 \$600	

Notes for appliance incentives table:

- Incentives for clothes washer apply to mid/upstream and/or downstream. Only one incentive will be provided per qualifying clothes washer.
- Incentives for clothes washers may be paid to the customer, retailer, and/or manufacturer and may be split between customer, retailer, and/or manufacturer. The sum of incentive payments per unit will not exceed the amounts listed in the table. The end use customer portion of the incentive will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- Homes must have either an electric water heating or an electric dryer heat for clothes washers to be eligible for incentives.
- Incentives for hybrid/heat pump clothes dryer apply to mid/upstream and/or downstream. Only one incentive will be provided per qualifying clothes dryer.
- Incentives for hybrid/heat pump clothes dryers may be paid to the customer, retailer, and/or manufacturer and may be split between customer, retailer, and/or manufacturer. The sum of incentive payments per unit will not exceed the amounts listed in the table. The end use customer portion of the incentive will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- See additional requirements on program website.
- Acronyms:
IMEF: Integrated Modified Energy Factor
UCEF: Utility Combined Energy Factor

Table 2 - Lighting Incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
LED Bulbs (General Purpose)	ENERGY STAR qualified	\$0	Up to \$3.00
LED Bulbs (Specialty)	ENERGY STAR qualified	\$0	Up to \$3.00
LED Fixtures	ENERGY STAR qualified Torchiere and portable products are not qualified	\$0	Up to \$23.00

Notes for lighting incentive table:

- Incentives for and LED bulbs and fixtures apply to mid/upstream, mail-by-request, and/or direct install.

- Mail-by-request and direct install are offered on an initiative basis and may not be available for the entire year. See program website for availability information
- LED bulb and fixture must be listed on the program’s qualified product list on the program website in order to qualify for an incentive. Qualifying product may be purchased a participating retailers only
- Reduced price LED or fixture offer may end early if entire allocation is sold.
- Acronyms:
LED: Light Emitting Diode

Table 3 – Single Family HVAC Incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Evaporative Coolers -2,000-3,499 CFM	2,000-3,499 CFM		\$50
Evaporative Coolers – 3,500+ CFM	Minimum 3,500 CFM (must be the primary cooling source)		\$250
Central Air Conditioner with Best Practice Installation and Sizing	≥15 SEER Central air conditioner must be installed and sized per program’s requirements		\$125
Duct Sealing and Insulation	Rinitial ≤ 2 and replace all existing insulation with at least R-8 Home’s primary heat source must be either a heat pump or electric forced air furnace Existing ducts must be unsealed.		\$800
Duct Sealing	Home’s primary heat source must be either a ducted heat pump or electric forced air furnace. Insulation removed for purposes of sealing must be reinstalled or replaced after sealing is completed. Existing ducts must be unsealed. Duct sealing must be done per program’s requirements		\$300
Ductless Heat Pump	≥ 9.0 HSPF, single-head or multi-head unit Home's previous primary heating source must either have been an electric forced air furnace or a zonal electric system.		\$1,300

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Electronic Line Voltage Thermostat	Must meet Bonneville Power Administration (BPA) specifications. Home's primary heating source must be an electric zonal heating system.	\$60	
Heat Pump Commissioning Controls Sizing	Heat Pump must be new and commissioning, controls, and sizing be completed per program requirements	\$250	
Federal Standard Heat Pump Conversion with Best Practice Installation and Sizing	For replacement of existing electric furnace with new federal standard efficiency heat pump. Heat Pump must include Best Practices Installation & Proper Sizing.	\$1,300	
9.0+ HSPF Heat Pump Conversion with Best Practice Installation and Sizing	For replacement of existing electric furnace with new high efficiency heat pump. ≥ 9.0 HSPF must include Best Practices Installation & Proper Sizing.	\$2,000	
Heat Pump Upgrade with Best Practice Installation and Sizing	For upgrade of existing heat pump to new high efficiency heat pump. ≥ 9.0 HSPF must include Best Practices Installation & Proper Sizing.	\$300	
Smart Thermostat	Wi-Fi enabled, programmable, online dashboard and/or mobile device app, occupancy sensor Unit must be on Energy Star Qualified Products List	\$50	

Notes for HVAC incentive table:

- Incentives for all HVAC measures apply to downstream and/or mid/upstream. Only one incentive will be provided per unit.
- Incentives may be paid to the customer, dealer, manufacturer, and/or trade ally and may be split between customer, dealer, manufacturer, and/or trade ally. The sum of the incentive payments per unit will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- Maximum of 10 line voltage thermostats per house hold.
- Maximum one smart thermostat per house hold.
- Occupancy sensing feature must be enabled for smart thermostats incentives.
- Homes must have a ducted electric heating system to be eligible of smart thermostat incentives.
- Customers may self-install smart thermostats. Contractor not required.
- Work must be completed per program requirements listed on the program website.
- See additional installation requirements on program website.
- Acronyms:
SEER: Seasonal Energy Efficiency Ratio

HSPF: Heating Seasonal Performance Factor
CFM: Cubic Feet per Minute

Table 4 – Single Family Weatherization Incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Insulation – Attic (R)	$R_{\text{initial}} \leq 19$ $R_{\text{final}} \geq 49$	\$0.05/sf. for electrically cooled home \$0.30/sf. for electrically heated home	\$0/sf.
Insulation – Floor (to R-19)	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 19$ Home’s primary heat source must be electric	\$0.20/sf.	\$0/sf
Insulation – Floor (to R-30)	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 30$ Home’s primary heat source must be electric	\$0.30/sf.	\$0/sf.
Insulation - Wall	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 11$ or fill cavity Home’s primary heat source must be electric	\$0.40/sf.	\$0/sf.
Windows	U-factor of 0.25 or lower. Home’s primary heat source must be electric	\$0.65/sf	\$0/sf.
Deep Retrofit	Improvements to any or all of the following systems; HVAC, building shell, water heating must result in a minimum 40% decrease in energy usage. Home’s primary heat source must be electric	Up to \$5,000	

Notes for weatherization incentive table:

- See additional installation requirements on program website.
- Home’s primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump heating system to qualify for the electrically heated incentive.
- Home’s primary heat source must be a gas heating system to qualify for the electrically cooled incentive.
- Incentives for deep retrofits apply to downstream and mid/upstream. Only one incentive will be provided per household.
- Incentives for deep retrofits may be paid to the customer, trade ally, or rater and may be split between customer, trade ally, and/or rater. The sum of the incentive payments per unit will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- Acronyms:

R-Value: Thermal resistance of a material

U-Factor: Inverse of R-value used to measure the amount of heat transmitting through a square foot of material

Table 5 – Single Family New Homes Incentives

Measure	Qualifications	Customer/ Builder Incentive	Market Partner Incentive
Performance Path	Incentives available for new electric heated or gas heated) homes that exceed the prevailing code by a minimum of 10% as modeled using program required tools and software. The home’s performance must be modeled and verified by an independent third-party Rater.	Electrically heated: \$1,500 Electrically heated exceeding code by more than 20%: \$2,500 Compressor based electric cooling Gas or other heating fuel. Non-electrically cooled : \$500	

Notes for New Homes incentive table:

- See additional installation requirements on program website.
- Incentives for performance path apply to downstream and mid/upstream. Only one incentive will be provided per home. Electrically heated and non-electrically heated incentives may not be combined.
- Incentives may be paid to the customer, builder, or rater and may be split between customer, builder, and/or rater. The sum of the incentive payments per unit will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.

Table 6 – Single family water heating incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Heat Pump Water Heater	Northern Climate Specification Tier 3 and above replacing an existing electric tank type water heater	Tier 3 or higher- : \$600 Tier 4 or higher- : \$800	
Low-Flow Showerheads	Flow rate \leq 2.00 GPM		Up to \$15
Low-Flow Aerators	Kitchen Aerator: Flow rate \leq 1.50 GPM Bath Aerator: Flow rate \leq 0.50 GPM		Up to \$5

Notes for water heating table:

- Incentives for heat pump water heater measures apply to downstream, mid/upstream, and direct install. Direct install will be offered on an initiative basis and may not be available for the entire year. See program website for availability information.
- Incentives for heat pump water heaters may be paid to the customer, retailer/dealer, or manufacturer and may be split between customer retailer/dealer, and/or manufacturer. The sum of incentive payments per unit will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- Incentives for low-flow showerheads and low-flow aerators, apply to upstream, mail-by-request, and direct install. Mail-by-request and direct install will be offered on an initiative basis and may not be available for the entire year. See program website for availability information.
- See additional installation requirements on program website.
- Acronyms:
GPM: Gallons per minute

Table 7 - Manufactured Homes Incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Central Air Conditioner with Best Practice Installation and Sizing	≥15 SEER Central air conditioner must be installed and sized per program's requirements	\$300	
Duct Sealing (Not Direct Install)	Home's primary heat source must be either a ducted heat pump or electric forced air furnace. Existing ducts must be unsealed. Duct sealing must be done per program's requirements	\$300	
Duct Sealing (direct install)	Home's primary heat source must be either a ducted heat pump or electric forced air furnace. Existing ducts must be unsealed. Duct sealing must be done per program's requirements	\$0	Up to \$500
Electronic Line Voltage Thermostat	Must meet Bonneville Power Administration (BPA) specifications. Home's primary heating source must be an electric zonal heating system.	\$60	
Evaporative Coolers - 2,000-3,499 CFM	2,000-3,499 CFM	\$100	
Evaporative Coolers – 3,500+ CFM	Minimum 3,500 CFM (must be the primary cooling source)	\$300	
Federal Standard Heat Pump Conversion with Best Practice Installation and Sizing	For replacement of existing electric furnace with new federal standard efficiency heat pump. Heat Pump must include Best Practices Installation & Proper Sizing.	\$1,300	

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Central Air Conditioner with Best Practice Installation and Sizing	≥15 SEER Central air conditioner must be installed and sized per program's requirements		\$300
9.0+ HSPF Heat Pump Conversion with Best Practice Installation and Sizing	For replacement of existing electric furnace with new high efficiency heat pump. ≥ 9.0 HSPF must include Best Practices Installation & Proper Sizing.		\$2,000
Ductless Heat Pumps	≥ 9.0 HSPF		\$1,300
Heat Pump Commissioning Controls Sizing	Heat Pump must be new and commissioning, controls, and sizing be completed per program requirements		\$250
Heat Pump Upgrade with Best Practice Installation and Sizing.	≥ 9.0 HSPF/14 SEER		\$300
Insulation – Attic (R-0 to R-22)	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 22$ Homes' primary heating must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.50/sf	\$0/sf.
Insulation – Attic (R-11 to R-30)	$R_{\text{initial}} \leq 11$ $R_{\text{final}} \geq 30$ Homes' primary heating must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.60/sf	\$0/sf.
Insulation – Floor	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 22$ Home's primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.30/sf	\$0/sf

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Central Air Conditioner with Best Practice Installation and Sizing	≥15 SEER Central air conditioner must be installed and sized per program's requirements		\$300
New ENERGY STAR	Home must be new and have received ENERGY STAR certification.		\$2,000
New Homes, Eco-rated Homes	Home must be new and have received Eco-rated certification through NEEM.		\$2,200
Smart Thermostat	Unit must be on Energy Star Qualified Products List. Unit must be on Energy Star Qualified Products List		\$50
Windows	U-factor of 0.25 or lower. Home's primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify	\$0.65/sf.	

Notes for manufactured homes table:

- Manufactured homes are eligible for only one duct sealing incentive. The direct install offer may not be combined with the non-direct install offer.
- Duct sealing direct install will be offered on an initiative basis and may not be available for the entire year. See program website for availability information.
- Incentives for central air conditioner, not-direct install duct sealing, electronic line voltage, evaporative cooler, ductless heat pump, heat pump, and smart thermostat measures apply to downstream and mid/upstream. Only one incentive will be provided per unit.
- Incentives for central air conditioner, not-direct install duct sealing, electronic line voltage, evaporative cooler, ductless heat pump, heat pump, and smart thermostat may be paid to the customer, dealer, manufacturer, or trade ally and may be split between customer, dealer, manufacturer, and/or trade ally. The sum of the incentive payments per unit will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- Incentives for new manufactured homes may be paid to customer, dealer/retailer, or manufacturer and the available incentive per home and may be split between customer, dealer/retailer, and/or manufacturer. The sum of incentive payments per home will not exceed the amounts listed in the table. The end use customer portion of the incentive will be clearly displayed on the web site with applicable dates. The end use customer portion of the incentive may be changed. [Incentive applications may be submitted up to 12 months after the home is sited and occupied. Incentive will be based on the purchase date.](#)
- See additional installation requirements on program website.
- Contractors providing the direct install duct sealing services will be reimbursed for actual job costs which may include surcharge for mileage, duct testing, and other job expenses, the total of which may not exceed the incentive. No additional costs will be billed to the customer.
- Acronyms:
NEEM: Northwest Energy Efficient Manufactured Homes
IECC: International Energy Conservation Code

HSPF: Heating Seasonal Performance Factor

R-Value: Thermal resistance of a material

U-Factor: Inverse of R-value used to measure the amount of heat transmitting through a square foot of material

Table 8 – Multifamily Homes Incentives

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Evaporative Coolers -2,000-3,499 CFM	2,000-3,499 CFM	\$50	
Evaporative Coolers – 3,500+ CFM	Minimum 3,500 CFM (must be the primary cooling source)	\$250	
Ductless Heat Pump	≥ 9.0 HSPF, single-head or multi-head unit Home's previous primary heating source must either have been an electric forced air furnace or a zonal system.	\$1,300	
Electronic Line Voltage Thermostat	Must meet Bonneville Power Administration (BPA) specifications	\$60	
Insulation - Attic	$R_{\text{initial}} \leq 19$ $R_{\text{final}} \geq 49$ Homes' primary heating must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.30/sf	\$0/sf.
Insulation – Floor (to R-19)	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 19$ Home's primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.20/sf.	\$0/sf
Insulation – Floor (to R-30)	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 30$ Home's primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.30/sf.	\$0/sf.

Measure	Qualifications	Customer Incentive	Market Partner Incentive
Insulation - Wall	$R_{\text{initial}} = 0$ $R_{\text{final}} \geq 11$ or fill cavity Home's primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify for the electrically heated incentive.	\$0.40/sf.	\$0/sf.
Windows	U-factor of 0.25 or lower. Home's primary heat source must be either a heat pump, electric forced air, zonal, or ductless heat pump system to qualify	\$0.65/sf	\$0/sf.

Notes for multifamily homes table:

- Incentives for electronic line voltage and ductless heat pump, heat pump measures apply to downstream and mid/upstream. Only one incentive will be provided per unit.
- Incentives for electronic line voltage and ductless heat pump may be paid to the customer, dealer, manufacturer, or trade ally and may be split between customer, dealer, manufacturer, and/or trade ally. The sum of the incentive payments per unit will clearly be displayed on the website with applicable dates. The end use portion of the incentive may be changed.
- See additional installation requirements on program website.
- Acronyms:
HSPF: Heating Seasonal Performance Factor
R-Value: Thermal resistance of a material
U-Factor: Inverse of R-value used to measure the amount of heat transmitting through a square foot of material