



PUBLIC WORKS DEPARTMENT

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February 25, 2021

Ms. Jan Noriyuki, Commission Secretary
Idaho Public Utilities Commission
11331 W. Chinden Boulevard
Building 8, Suite 201-A
Boise, ID 83714

SUBJECT: Idaho Public Utilities Commission Case #INT-G-20-06; Written Comments

(Submitted Electronically)

Dear Ms. Noriyuki,

The City of Boise ("City") submits the following comments on Intermountain Gas's application for prudence determination for 2019 energy efficiency expenses. For a new residential efficiency program, Intermountain Gas's year two implementation and subsequent evaluation provides a net benefit to all Intermountain Gas customers and a foundation for increased customer participation in efficiency programs going forward. The City recommends the Commission find Intermountain Gas's 2019 efficiency spending prudent.

While actual therms saved were lower than estimated by Intermountain Gas, the 389,313 therms savings achieved exceeded the company's planning and is an increase from the first year of the program. As the program matures, the City supports incorporating actual energy efficiency program performance into the Integrated Resources Plan to take advantage of avoided costs and resource needs more fully.

The supplemental application presented by Intermountain Gas includes the complete EM&V study by the 3rd party evaluator. The proposed changes to the residential energy efficiency program generally follow the program evaluation recommendations and analysis of savings realization by measure. The City asks the Commission to authorize the following proposed updates to the Residential Energy Efficiency program without modification: the retirement of the 70% fireplace insert rebate due to low utilization and limited savings potential, the addition of a Smart Thermostat rebate, the addition of a second-tier tankless water heater rebate, an increased rebate for the Tier I Tankless Water Heater, increased rebates for Storage Water Heaters, the addition of a Boiler incentive, and clarification of the Combination Radiant System requirements.

Based on Intermountain Gas's EM&V study (Exhibit 8 page 3 of 76), the Whole Home rebate program can support higher incentives and maintain cost-effectiveness. The City encourages the Commission to direct Intermountain Gas to adopt the higher

incentive levels for both tiers of the Whole Home rebate program (\$1,000 for Tier I and \$800 for Tier II) to encourage maximum possible participation in addition to the reduced barriers proposed in the company's filing.

The City requests that the Commission approve Intermountain Gas' Residential Energy Efficiency Rebate program tariff and efficiency program design with the inclusion of the higher Whole Home rebate incentives.

The EM&V study also identifies the conditions in the Whole Home program leading to the most significant savings outcomes (Exhibit 8 page 3 of 76): Air Sealing at or below 3 ACH at 50 Pa, Ceiling insulation at or above R49, Ducts, and air handler located inside conditioned space and Furnace Efficiency at or above 97% AFUE. The existing building stock in Intermountain Gas's service area is likely less efficient than the 2018 IECC reference home used as the baseline in the EM&V. With the demonstrated strong interest in existing Intermountain Gas efficiency programs and the number of residential remodeling projects, there is an opportunity to expand the savings gained in new home construction to residential retrofits. The City proposes Intermountain Gas's EESC evaluate the feasibility of implementing a residential retrofit program beyond the current appliance incentives offerings based on the Whole Home in future program years.

If you have any questions or need additional information, please contact the Climate Action Division of the Department of Public Works at (208) 608-7150.

cc: Lori Blattner, Intermountain Gas
Preston Carter, Givens Pursley
Kendra Hoffman, Givens Pursley

