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In accordance with NRS Chapter 719, this filing has been electronically signed and filed by: /s LoriPetersen

-**y**------

By electronically filing the document(s), the filer attests to the authenticity of the electronic signature(s) contained therein.

This filing has been electronically filed and deemed to be signed by an authorized agent or

representative of the signer(s) and NPC SPPC

FILED WITH THE PUBLIC UTILITIES COMMISSION OF NEVADA - 7/1/2020

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for Approval of their 2020 Combined Annual Demand Side Management Update Report as it relates to the Action Plan of their 2019-2038 Triennial Integrated Resource Plan.

Docket No. 20-07___

VOLUME 1 OF 7

NEVADA POWER COMPANY D/B/A NV ENERGY AND SIERRA PACIFIC POWER COMPANY D/B/A NV ENERGY

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TRANSMITTAL LETTER



July 1, 2020

Ms. Trisha Osborne Assistant Commission Secretary PUBLIC UTILITIES COMMISSION OF NEVADA 1150 East William Street Carson City, Nevada 89701-3109

RE: Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for approval of their 2020 Combined Annual Electric Demand Side Management Update Report as it relates to the Action Plan of their 2019-2038 Triennial Joint Integrated Resource Plan.

Dear Ms. Osborne:

Enclosed for filing please find the Application of Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy for approval of their 2020 Combined Annual Electric DSM Update Report for as it relates to the Action Plan of their 2019-2038 Joint Triennial Integrated Resource Plan.

The filing contains six volumes and is organized as follows:

- Volume 1 Transmittal Letter, Table of Contents and Certificate of Service, Application, Draft Notice, Testimony and 2020 Annual Electric DSM Update Report
- Volume 2 Technical Appendix (DSM-1 to DSM-8)
- Volume 3 Technical Appendix (DSM-9 to DSM-15)
- Volume 4 Technical Appendix (DSM-16 to DSM-19)
- Volume 5 Technical Appendix (DSM-20 to DSM-21)
- Volume 6 Technical Appendix (DSM-22 to DSM-24)
- Volume 7 Technical Appendix (DSM-25 to DSM-26)

Should you have any questions regarding this filing, please contact me at (702) 402-5697 or dbrooks@nvenergy.com.

Respectfully submitted,

/s/ Douglas Brooks
Douglas Brooks
Senior Attorney

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NEVADA POWER COMPANY D/B/A NV ENERGY AND SIERRA PACIFIC POWER COMPANY D/B/A NV ENERGY

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CERTIFICATE OF SERVICE

and Sierra Pacific Power Company Nevada Power Company d/b/a NV Energy

CERTIFICATE OF SERVICE

I hereby certify that I have served the foregoing NEVADA POWER COMPANY D/B/A NV ENERGY'S AND SIERRA PACIFIC POWER COMPANY D/B/A NV ENERGY'S 2020 ANNUAL ELECTRIC DEMAND SIDE MANAGEMENT UPDATE

REPORT in Docket No. 20-07 upon the persons listed below via electronic media:

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Staff Counsel Division Public Utilities Comm. of Nevada Las Vegas, NV 89148

9075 West Diablo Drive Suite 250 pucn.sc@puc.nv.gov

Michael Saunders Attorney General's Office **Bureau of Consumer Protection** 8945 W. Russell Road, Suite 204 Las Vegas, NV 89148 bcpserv@ag.nv.gov

DATED this 1st day of July, 2020.

Sam Crano Staff Counsel Division Public Utilities Comm. of Nevada 1150 E. William Street Carson City, NV 89701-3109 scrano@puc.nv.gov

Attorney General's Office Bureau of Consumer Protection 100 N. Carson St. Carson City, NV 89701 bcpserv@ag.nv.gov

/s/Lori Petersen

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Lori Petersen Senior Legal Administrative Assistant Nevada Power Company Sierra Pacific Power Company

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APPLICATION

Nevada Power Company and Sierra Pacific Power Company d/b/a NV Energy

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Application of Nevada Power Company d/b/a)	
NV Energy and Sierra Pacific Power Company)	
d/b/a NV Energy for Approval of their 2020)	
Combined Annual Demand Side Management)	Docket No. 20-07
Update Report as it relates to the Action Plan)	
Of their 2019-2038 Triennial Integrated)	
Resource Plan.		

APPLICATION

Nevada Power Company d/b/a NV Energy ("Nevada Power") and Sierra Pacific Power Company d/b/a NV Energy ("Sierra" and, collectively with Nevada Power, "NV Energy" or the "Companies") respectfully file this Application for approval of their 2020 Combined Annual Demand Side Management Update Report pursuant to Sections 704.934(8) and 703.535 of the Nevada Administrative Code ("NAC"). The Application contains the complete analysis that Nevada Power and Sierra used to determine which energy efficiency and conservation programs they propose to continue and which programs it proposes to cancel in 2021.

I. Summary of Application

- 1. Through this Application, Nevada Power and Sierra Pacific seek Commission acceptance of a demand side management ("DSM") portfolio for 2021. The 2020 Combined Annual DSM Update Report proposes an overall DSM budget for 2021 of \$50,000,000, with \$37,470,000 for Nevada Power and \$12,530,000 for Sierra.
- 2. NV Energy expects that the proposed portfolio of DSM programs will produce significant savings. The portfolio of energy efficiency programs is expected to produce approximately 323,661,000 kilowatt hours ("kWh") of energy savings annually and 268,010 kilowatts ("kW") of demand savings in 2021. It is also expected to produce benefits that exceed its costs; the Total Resource Cost ("TRC") cost-benefit ratio for the combined Companies in 2021 is calculated to be 2.49, with 2.65 for Nevada Power and 2.00 for Sierra.

and Sierra Pacific Power Company Nevada Power Company

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II. The Applicant

- 3. Nevada Power is a wholly-owned subsidiary of NV Energy, Inc., which is itself an indirect subsidiary of Berkshire Hathaway Energy. Nevada Power provides retail electric service to the public in Southern Nevada in portions of Clark and Nye Counties and is a "public utility" as that term is defined and used in NRS 704.741 to 704.751. Nevada Power's principal place of business, mailing address, and telephone number are: 6226 West Sahara Avenue, P.O. Box 98910, Las Vegas, Nevada 89151, 702-402-5000.
- 4. Sierra is a wholly-owned subsidiary of NV Energy, Inc., which is itself an indirect subsidiary of Berkshire Hathaway Energy. Sierra provides retail electric service to the public in northern Nevada and is a "public utility" as that term is defined and used in NRS 704.741 to 704.751. Sierra's principal place of business, mailing address, and telephone number are: 6100 Neil Road, P.O. Box 10100, Reno, Nevada 89520, 775-834-4011.
- 5. All correspondence related to this Application should be transmitted to Nevada Power's counsel and to Nevada Power's Manager, Regulatory Services, as set forth below:

Douglas Brooks Senior Attorney **Nevada Power Company Sierra Pacific Power Company** P.O. Box 98910 Las Vegas, NV 89151 Tel: 702-402-5697 Fax: 702-402-2069 dbrooks@nvenergy.com

Aaron Schaar Manager Regulatory Services **Nevada Power Company Sierra Pacific Power Company** 6100 Neil Road

Reno, NV 89511 Tel: 775-834-5823 Fax: 775-834-4484 regulatory@nvenergy.com

III. The Application

6. The Application consists of the 2020 Combined Annual DSM Update Report, a Technical Appendix and the prepared direct testimony of four witnesses. The Application, the 2020 Combined Annual DSM Update Report, the Technical Appendices and the prepared direct

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testimony contain all of the material facts that NV Energy is prepared to prove in its direct case, and provide sufficient evidence to support the relief requested by it.

- 7. NV Energy's 2020 Combined DSM Update Report is organized in seven sections. Section 1 presents the request for acceptance of this 2020 Combined Annual Demand Side Management Report and the compliance items and directives for which the Companies are requesting the Commission to find the Companies in compliance. Section 1 also includes a roadmap to the Commission's regulations that apply to this 2020 Combined DSM Update Report that indicates the parts of this filing that fulfill the requirements specified by each section of the applicable regulations. Section 2 provides a summary of DSM activities for year 2019 and a summary of DSM performance for past years. Section 3 provides the program year budgets and targets for 2020. Section 4 presents the plan for the 2021 program year. Sections 5 through 7 provide the program data sheets for the programs proposed to be continued, grouped by segment, Education and Development, Home Services, and Business Services. The program data sheets contain descriptions and analyses of past program performance, the results of the financial analysis of each program, and provide the scope and scale for each program for the 2021 program year.
- 8. The Technical Appendix consists of the detailed measurement and verification reports and other supporting data for each of the programs where applicable.

IV. Measurement and Verification Reports

9. NV Energy files and requests approval of measurement and verification reports with its demand side management plan and updates for several reasons. NV Energy, the Regulatory Operations Staff ("Staff"), other stakeholders, and the Commission use measured and verified kilowatt-hour and demand savings to assess, on a retrospective basis, the performance of DSM programs. On a prospective basis, NV Energy, Staff, other stakeholders and the Commission use measured and verified savings to make budgetary decisions; specifically, the information is used to decide whether the Companies should continue to field a

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given program and, if so, how much the Companies should spend to field the program. This approach, which provides for the vetting of the measurement and verification reports in a single forum, is administratively efficient and consistent with the Commission's regulations. Furthermore, energy savings approved by the Commission based upon the measurement and verification studies are used to determine the amount of Portfolio Energy Credits that are derived from energy savings derived from DSM programs during a certain year. Accordingly, the Companies request that the Commission approve the 2019 Measurement and Verification reports contained in the Technical Appendix, as Items DSM-5 through DSM-24.

V. Request to Consolidate

10. Pursuant to NAC 703.740 and the Commission orders in Docket Nos. 19-07004 and 19-07005, Sierra requests that this Application be consolidated with the Application of Sierra Pacific Power Company d/b/a NV Energy for approval of its 2020 Natural Gas Conservation and Energy Efficiency Plan Report.

VI. Requests for Relief

Nevada Power and Sierra respectfully request that the Commission grant the request for consolidation with the Application of Sierra Pacific Power Company d/b/a NV Energy for approval of their 2020 Natural Gas Conservation and Energy Efficiency Plan Report and, within 180 days after the Application is accepted for filing, the Commission issue an order that:

- A. Accepts the 2020 Combined Annual DSM Update Report pursuant to NAC 704.934(8), approves the proposed portfolio of DSM programs for implementation in 2021 and grants the Application;
- Finds that Nevada Power and Sierra have satisfied each of the directives listed in В. Table – DSM-3 on page 10 of the 2020 Annual DSM Update Report;

¹ See, NRS 704.7821(2)(b); NAC 704.8875(1)(e).

Nevada Power Company and Sierra Pacific Power Company d/b/a NV Energy

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	C.	Finds, pursuant to NAC 704.9522, that Nevada Power and Sierra have complied				
with,	and ensu	ared that all energy efficiency and conservation contracts entered into by Nevada				
Powe	r and Si	erra comply with the measurement and verification protocol approved by the				
Commission;						
	D	Approves the 2010 Massurament and Varification reports contained in the				

- D. Approves the 2019 Measurement and Verification reports contained in the Technical Appendix;
 - E. Grants all other relief the Commission deems appropriate and necessary.
 Submitted this 1st day of July, 2020.

NEVADA POWER COMPANY AND SIERRA PACIFIC POWER COMPANY D/B/A NV ENERGY

By: /s: Douglas Brooks

Douglas Brooks Senior Attorney P.O. Box 98910 6226 West Sahara Avenue Las Vegas, Nevada 89151 702-402-5697 tel. dbrooks@nvenergy.com

Roman Borisov Senior Attorney 6100 Neil Rd. Reno, NV 89511 775-834-3470 rborisov@nvenergy.com

DRAFT NOTICE

PUBLIC UTILITIES COMMISSION OF NEVADA DRAFT NOTICE

(Applications, Tariff Filings, Complaints, and Petitions)

The Commission requires a draft notice be included will all applications, petitions and complaints. See Nevada Administrative Code 703.162. Please include one copy of this form with all the above filings.

I. A title that generally describes the relief requested (NAC 703.160(5)(a)):

APPLICATION of NEVADA POWER COMPANY d/b/a NV ENERGY and SIERRA PACIFIC POWER COMPANY d/b/a NV ENERGY for approval of their 2020 Annual Electric Demand Side Management Update Report as it relates to the Action Plan of their 2019-2038 Triennial Integrated Resource Plan.

II. The name of the applicant, complainant, petitioner or the name of the agent for the applicant, complainant or petitioner (NAC 703.160(5)(b)):

NEVADA POWER COMPANY d/b/a NV ENERGY ("NEVADA POWER") AND SIERRA PACIFIC POWER COMPANY d/b/a NV ENERGY ("SIERRA").

III. A brief description of the purpose of the filing or proceeding, including, without limitation, a clear and concise introductory statement that summarizes the relief requested or the type of proceeding scheduled (NAC 703.160(5)(c)):

This is NEVADA POWER'S and SIERRA'S application for approval of their 2020 Combined Annual DSM Update Report as it relates to the Action Plan. The Action Plan was first approved by the Commission as part of NEVADA POWER'S and SIERRA'S 2019-2038 Integrated Resource Plan in Docket No. 18-06003.

The Action Plan specifies the details that NEVADA POWER and SIERRA intend to undertake to meet their energy supply requirements during the three years immediately following the year in which the resource plan is filed, including demand side management measures. The Combined Annual DSM Update Report provides the complete analysis NEVADA POWER and SIERRA used in determining for the upcoming year which conservation and DSM programs are to be continued and which programs are to be cancelled.

As supported by the Annual DSM Update Report, NEVADA POWER is proposing to implement thirteen DSM programs for 2021 and SIERRA is proposing to implement eleven DSM programs for 2021.

IV. A statement indicating whether a consumer session is required to be held pursuant to Nevada Revised Statutes ("NRS") 704.069 (NAC 703.162(2)):

A consumer session is not required pursuant to NRS 704.069.

V. If the draft notice pertains to a tariff filing, please include the tariff number **AND** the section number(s) or schedule number(s) being revised.

This draft notice does not pertain to a tariff filing.

ADAM GRANT

BEFORE THE PUBLIC UTILITIES COMMISSION OF NEVADA

Nevada Power Company d/b/a NV Energy and Sierra Pacific Power Company d/b/a NV Energy 2020 Combined Demand Side Management Annual Update Report Docket No. 20-07___

PREPARED DIRECT TESTIMONY OF

Adam Grant

I. INTRODUCTION AND PURPOSE OF TESTIMONY

- 1. Q. PLEASE STATE YOUR NAME, OCCUPATION, BUSINESS ADDRESS AND PARTY FOR WHOM YOU ARE FILING TESTIMONY.
 - A. My name is Adam Grant. I am the Manager, Demand Side Management, Program Delivery, for Nevada Power Company d/b/a NV Energy ("Nevada Power" or the "Company") and Sierra Pacific Power Company d/b/a NV Energy ("Sierra" and, together with Nevada Power, the "Companies"). My business address is 6226 West Sahara Avenue in Las Vegas, Nevada. I am filing testimony on behalf of the Companies.

2. Q. PLEASE DESCRIBE YOUR BACKGROUND AND EXPERIENCE IN THE UTILITY INDUSTRY.

A. My professional experience includes 12 years in the utility industry. I have held a variety of positions with the Companies since I joined Nevada Power as a Communications Specialist in 2007. The details of my background and experience are provided in **Exhibit Grant-Direct-1**.

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1	3.	Q.	PLEASE DESCRIBE YOUR RESPONSIBILITIES AS MANAGER,
2			DEMAND SIDE MANAGEMENT, AND PROGRAM DELIVERY.
3		A.	As Manager, Demand Side Management, Program Delivery, my
4			responsibilities include managing the overall delivery of the Companies'
5			residential and commercial demand side management ("DSM") programs
6			as well as the energy education and energy assessment programs and DSM
7			customer engagement.
8			
9	4.	Q.	HAVE YOU PREVIOUSLY TESTIFIED BEFORE THE PUBLIC
10			UTILITIES COMMISSION OF NEVADA ("COMMISSION")?
11		A.	Yes, I have testified in proceedings before the Commission in Docket Nos.
12			16-07005, 17-03001, 17-03002, 19-03001, 19-03002, 20-02026 and
13			20-02027.
14			
15	5.	Q.	WHAT IS THE PURPOSE OF YOUR TESTIMONY?
16		A.	My testimony supports Nevada Power's and Sierra's recommendation that
17			the Commission accept their Combined 2020 Annual DSM Update Report
18			
19			("DSM Update Report"). The DSM Update Report provides the results of
			("DSM Update Report"). The DSM Update Report provides the results of the 2019 program year, a status update on the 2020 program year and
20			
20 21			the 2019 program year, a status update on the 2020 program year and
			the 2019 program year, a status update on the 2020 program year and documents the analysis used by the Companies to determine for the 2021
21			the 2019 program year, a status update on the 2020 program year and documents the analysis used by the Companies to determine for the 2021 program year which energy efficiency and conservation projects they
21 22	6.	Q.	the 2019 program year, a status update on the 2020 program year and documents the analysis used by the Companies to determine for the 2021 program year which energy efficiency and conservation projects they
21 22 23	6.	Q. A.	the 2019 program year, a status update on the 2020 program year and documents the analysis used by the Companies to determine for the 2021 program year which energy efficiency and conservation projects they propose to continue or cancel.
21 22 23 24	6.		the 2019 program year, a status update on the 2020 program year and documents the analysis used by the Companies to determine for the 2021 program year which energy efficiency and conservation projects they propose to continue or cancel. ARE YOU SPONSORING ANY EXHIBITS?

7. Q. PLEASE PROVIDE AN OVERVIEW OF YOUR TESTIMONY.

A. In Section II of my testimony, I summarize the 2019 DSM program year results. In Section III, I summarize Nevada Power's and Sierra's proposal to continue DSM programs in the 2021 program year with a portfolio level budget below what was approved by the Commission in the Companies' Annual Report filing in Docket No. 19-07004, and discuss enhancements the Companies have made in this filing to the portfolio of programs.

II: SUMMARY OF PROGRAM YEAR 2019 RESULTS

8. Q. PLEASE SUMMARIZE THE PERFORMANCE OF NEVADA POWER'S NV ENERGY'S DSM PORTFOLIO FOR 2019?

A. The portfolio of DSM programs delivered in 2019 achieved a Total Resource Cost ("TRC") ratio of 2.36 and will provide more than \$135 million dollars of net benefits to customers over the lives of the measures installed. Overall, the portfolio achieved 327,215,222 kilowatt hours ("kWh") or 95 percent of the targeted energy savings and 225,488 kilowatt ("kW") or 98 percent of the targeted demand savings. Program expenditures totaling \$44,557,941 were less than budgeted at 69 percent of the approved budget \$64,600,000.

At Nevada Power, the portfolio achieved 232,653,028 kWh or 87 percent of the targeted energy savings and 195,396 kW or 101 percent of the targeted demand savings. Program expenditures totaling \$33,197,211 were less than budgeted at 67 percent of the approved budget \$49,800,000.

At Sierra, the total verified energy savings for the 2019 programs were 94,562,194 kWh or 120 percent of the targeted energy savings. The demand savings totaled 30,092 kW or 81 percent of the targeted kW savings. Program expenditures totaling \$11,360,730 were less than budgeted at 77 percent of the approved budget of \$14,800,000.

Tables DSM-5A, DSM-5B and DSM-5C (2019 Financial Results) and Tables DSM-6A, DSM-6B and DSM-6C (2019 Demand and Energy Savings Results) found in Section 2 of the DSM Narrative in this filing provide the performance for the portfolio in aggregate and for each program. A more detailed description and analysis of the performance of each program in 2019 is included in the program data sheet for each program provided in Sections 5 through 7 and in the M&V Reports for each program provided in Technical Appendices DSM-5 through DSM-24.

III: THE ANALYSIS AND RECOMMENDATION FOR THE 2021 PROGRAM YEAR

9. Q. PLEASE SUMMARIZE AND DESCRIBE THE DSM PLAN FOR THE 2021 PROGRAM YEAR?

A. The Companies propose to continue its current portfolio of DSM programs with some modifications. The Companies recommend the Commission accept its recommended budget of \$50,000,000 for 2021 to continue its DSM programs (\$37,470,000 at Nevada Power and \$12,530,000 at Sierra). The estimated annual energy savings in kWh for the 2021 program year are 323,661,000 kWh (238,140,000 kWh at Nevada Power and 85,521,000 kWh at Sierra), which equates to 1.10 percent of weather normalized

1			projected retail sales. The estimated annual demand savings in kW in 2021
2			are 264,102 kW statewide (228,489 kW at Nevada Power and 35,613 kW
3			at Sierra). The portfolio TRC is projected to be 2.49.
4			
5	10.	Q.	DID NEVADA POWER AND SIERRA MAKE ANY
6			FUNDAMENTAL CHANGES TO THEIR IMPLEMENTATION
7			STRATEGIES TO DELIVER THE PORTFOLIO OF PROGRAMS
8			PROPOSED IN THE FILING?
9		A.	No, they did not. The Companies are continuing their implementation
10			strategies, which integrate energy efficiency and demand response
11			programs by customer segment. The programs have been bundled into the
12			following offerings: 1) Education and Development; 2) Home Services; and
13			3) Business Services. Budgets, savings, and cost-effectiveness have been
14			presented at the program level to provide the same level of transparency as
15			prior year filings.
16			
17	11.	Q.	ARE NEVADA POWER OR SIERRA DISCONTINUING OR
18			SIGNIFICANTLY REDESIGNING ANY PROGRAMS THAT ARE
19			PROPOSED TO CONTINUE IN THE 2021 PROGRAM YEAR?
20		A.	The Companies are not discontinuing any programs that were approved by
21			the Commission in Docket No. 19-07004. The Companies are, however,
22			discontinuing the business component of the Energy Reports Program due
23			to lack of savings confirmed via measurement and verification.
24			
25	12.	Q.	WHAT PROGRAMS ARE INCLUDED IN THE 2021 PROGRAM
26			YEAR PORTFOLIO?
27			

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1	A.	The following programs are included for the 2021 DSM Program Year:
2		1. Education and Development
3		a. Energy Education
4		b. Energy Reports
5		c. Energy Assessments
6		d. Program Development
7		2. Home Services
8		a. Residential Lighting
9		b. Pool Pumps (Nevada Power only)
10		c. Residential Air Conditioning (Nevada Power only)
11		d. Direct Install
12		e. Residential Demand Response (Manage and Build)
13		f. Low Income
14		3. Business Services
15		a. Schools
16		b. Commercial (including non-profit agency grants)
17		c. Commercial Demand Response (Manage and Build)
18		
19	13. Q.	PLEASE DESCRIBE THE PROGRAMS WITHIN EDUCATION
20		AND DEVELOPMENT.
21	A.	Education and Development focuses on achieving increased awareness, and
22		participation through energy education, of the Companies' DSM products
23		and services. The Education and Development category is composed of four
24		programs: Energy Education, Energy Reports, Energy Assessments, and
25		Program Development.
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and Sierra Pacific Power Company

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The Energy Education program delivers energy use education. As noted by the Commission, energy use education is a vital part of promoting awareness of energy efficiency opportunities. Energy Education is an important part of the DSM portfolio because it provides a gateway for awareness that will lead customers to participate in DSM programs or undertake energy efficiency measures independent of the available DSM programs.

The Energy Reports program as proposed delivers reports to residential customers in each of NV Energy's territories to inform and motivate them to take actions to save energy by using electricity more efficiently and to drive participation in other DSM programs. Based upon two primary objectives, the Program focuses on achieving two results. First, it seeks to motivate customers to change or modify their behavior in context with similar households. Second, it seeks to provide customers with personalized information, energy-saving products and services, and practical ways to save energy and money.

The Energy Assessments program provides energy assessment services to a large number customers, enabling them to save energy and reduce energy bills. This Program supplements and supports the Energy Education program, and also works as a gateway to participation in other DSM programs. The program is comprised of two components: an online assessment and an in-home assessment conducted by a certified energy

¹ Dockets Nos. 15-06065, 15-07004, and 15-08011 (Nevada Power's 2015 Integrated Resource Plan and Sierra's Annual DSM Update Report), February 12, 2016, Modified Final Order at 21.

prudent energy use choices and assist them in taking action to reduce energy consumption and lower energy bills.

The Program Development program explores DSM strategies by

The **Program Development program** explores DSM strategies by conducting small-scale tests of emerging products or services that may enhance its current portfolio of programs or identify an opportunity for a new cost-effective DSM program.

consultant. The overall goal of this program is to educate customers about

Details of each program are provided in the program data sheets.

14. Q. PLEASE DESCRIBE THE PROGRAMS WITHIN HOME SERVICES.

A. A variety of residential services are available to approximately 1.2 million residential electric customers. Residential customers traditionally reside in single-family or multi-family homes. To address this varied set of customers, the Companies will offer a bundled set of products and services targeted to reach the vast majority of the residential market and provide customers with multiple opportunities to participate. These products and services will be implemented in an integrated fashion, which will allow a large numbers of customers to participate and benefit from the one or more of the products and services offered.

The portfolio of home services focuses on providing customers with simple ways to participate and encourages them to make long-term commitments to reduce their energy usage. The proposed portfolio of home services is

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comprised of Residential Lighting, Pool Pumps, Direct Install, Residential High-Efficiency Air Conditioning, Residential Demand Response, and Low-Income programs.

The Residential Lighting program provides incentives to encourage customers to purchase and install energy-efficient lighting products through an upstream model that partners with manufacturers and retailers. The Program provides discounted pricing on high-quality light-emitting diodes lamps ("LEDs") at participating retail locations. Program measures consist of ENERGY STAR®-qualified general service, reflectors, and specialty LEDs. LED lamps are available in various wattage equivalents and will be sold by participating retailers within the Companies' service territories. The Companies provide incentives to participating manufactures of LEDs, which are discounted at point of purchase allowing customers see immediate price reductions.

The **Pool Pump program** provides incentives for upgrading inefficient single-speed pumps to more energy efficient variable-speed pumps. Swimming pool filtration pumps are typically the second largest user of energy in homes with residential swimming pools in the hot and dry southwest desert climate. The majority of existing pool pumps are conventional, single-speed units.

Replacing an inefficient single-speed pump with a variable-speed pump can decrease energy use up to 80 percent. This can be achieved by operating pool pumps at optimal speeds with additional savings achieved by properly

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sizing the pool pump for the application. Variable-speed pool pumps are designed to reduce heat and friction losses within the motor for additional energy savings and longer equipment life.

The Program targets residential customers in Nevada Power's service territory only, via retail, builder, and pool sales channels. The Program provides incentives to these industry partners for offering instant, point-ofpurchase discounts (incentives) on variable-speed pumps.

The Residential High-Efficiency Air Conditioning program uses a midstream approach that is expected to encourage homeowners to purchase premium efficiency air conditioners and heat pumps. Options are available to customers both as an early replacement to more efficient equipment option or to a high-efficiency upgrade option upon equipment failure. A reduction in the required air conditioning tonnage may also off-set the incremental cost associated with the higher-efficiency unit.

The program promotes and drives high-efficiency air conditioning into the Nevada market, assisting in transforming the retrofit and replacement market through education and promotion of high-efficiency air conditioning.

The program promotes high-efficiency air conditioning installed by builders at the time of construction in both single- and multi-family housing along with a low-income component that provides air conditioning tune-ups,

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