



Control Number: 44778



Item Number: 14

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PUBLIC UTILITY COMMISSION
FILING CLERK

June 10, 2015

Texas-New Mexico Power Company
577 N. Garden Ridge Blvd.
Lewisville, Texas 75067
214/222.4172
214/222.4156 fax

Via Federal Express

Clerk, Central Records
Public Utility Commission of Texas
1701 N. Congress Avenue
Austin, Texas 78711

Re: ***P.U.C. Docket No. 44778 Application of Texas-New Mexico Power Company
for Approval of An Energy Efficiency Cost Recovery Factor***

Dear Clerk,

Enclosed you will find 10 copies of the Bonus and Cost-effectiveness Calculator prepared by Frontier Associates, which are the work papers used to develop the Bonus in the Energy Efficiency Plan Report and Exhibit SMC-2 (Table 12, page 32). This information was requested by Therese Harris, Senior Utility Analyst.

Sincerely,

Lisa Rickman
Paralegal

Enclosures

cc: Christopher L. Brewster, w/encls., Via Facsimile 512/472.0532

Bonus and Cost-effectiveness Calculator

Version v7.0
updated 2/20/2015

FRONTIER

Frontier Associates

Insert or Verify Data in Blue Cells		2014
Avoided Cost per kW	Fixed Inputs per PUC Rule	
	\$	80.00
Avoided Cost per kWh	\$	0.04619
Utility Specific Discount Rate (WACC)		9.9023%
Inflation Rate		2.0%
Maximum % Net Benefits for Bonus		10.0%

PLEASE VERIFY/UPDATE

\$ 80.00
\$ 0.04619

PUC Goals	kW	kWh
2014 Goals	5,800	10,161,600

PLEASE VERIFY/UPDATE

Cost-effectiveness Input	
Bonus Collected in 2014 = Bonus Earned in 2012	\$ 650,000

41496; PLEASE VERIFY/UPDATE

Please Note: The bonus included in the cost-effectiveness analysis is the bonus *collected* for the program year, not the bonus earned. For example, for PY2014 cost-effectiveness, the *bonus collected* (= 2012 bonus earned) should be included in cell B14 of this tab.

As a result, this bonus will not match the bonus calculated in the Step 4 Bonus Calculator Tab which is the *bonus earned* for PY2014.

Program Year 2014

Energy Efficiency Performance Bonus Calculator

	kW	kWh
Demand and Energy Goals	5,800	10,161,600
Actual Demand and Energy Savings	9,602	17,118,627
<i>Reported/Verified Hard-to-Reach</i>	762	
Program Costs (excluding bonus)	\$4,607,382	
Performance Bonus	\$679,142	

13%	Hard-to-Reach Goal Met?
	Bonus Calculation Details
166%	Percentage of Demand Reduction Goal Met (Reported kW/Goal kW)
168%	Percentage of Energy Reduction Goal Met (Reported kWh/Goal kWh)
TRUE	Met Requirements for Performance Bonus?
\$11,398,801	Total Avoided Costs
\$4,607,382	Total Program Costs (excluding bonus)
\$6,791,419	Net Benefits
\$2,225,910	Calculated Bonus (((Achieved Demand Reduction/Demand Goal - 100%) / 2) * Net Benefits)
\$679,142	Maximum Bonus Allowed (10% of Net Benefits)

Residential & Commercial EULs					
Sector	TRM Measure	DO NOT DELETE; FOR SEARCH	Energy Efficiency Measure	EUL (years)	TRM Version
Custom	NA	1	Custom	NA	1.0
Residential	2.1.1	2	Res Compact Fluorescent Lamps	5.3	1.0
Residential	2.2.1	3	Res Duct Efficiency Improvement	18.0	1.0
Residential	2.2.2	4	Res Central Air Conditioner	15.0	1.0
Residential	2.2.3	5	Res Ground Source heat Pump	15.0	1.0
Residential	2.2.4	6	Res Central Heat Pump	15.0	1.0
Residential	2.2.5	7	Res Split System and Single-Package Heat Pumps (65,000-240,000)	15.0	1.0
Residential	2.2.6	8	Res Split System and Single-Package Air Conditioners (65,000-240,000)	15.0	1.0
Residential	2.2.7	9	Res Window Air Conditioner	13.0	1.0
Residential	2.3.1	10	Res Air Infiltration	11.0	1.0
Residential	2.3.2	11	Res Ceiling Insulation	25.0	1.0
Residential	2.3.3	12	Res Wall Insulation	25.0	1.0
Residential	2.3.4	13	Res Floor Insulation	25.0	1.0
Residential	2.3.5	14	Res Energy Star Windows	25.0	1.0
Residential	2.3.6	15	Res Solar Screens	10.0	1.0
Residential	2.4.1	16	Res Faucet Aerators	10.0	1.0
Residential	2.4.2	17	Res Low-Flow Showerheads	10.0	1.0
Residential	2.4.3	18	Res Water Heater Pipe Insulation	13.0	1.0
Residential	2.4.4	19	Res Water Heater Tank Insulation	7.0	1.0
Residential	2.4.5	20	Res Water Heater Replacement- High Efficiency and Fuel Substitution	13.0	1.0
Residential	2.4.6	21	Res Heat Pump Water Heater	13.0	1.0
Residential	2.4.7	22	Res Water Heater Replacement- Solar Water Heating	15.0	1.0
Residential	2.5.1	23	Res Energy Star Ceiling Fans	10.0	1.0
Residential	2.5.2	24	Res Energy Star Clothes Washers	11.0	1.0
Residential	2.5.3	25	Res Energy Star Dishwashers	11.0	1.0
Residential	2.5.4	26	Res Energy Star Refrigerator	14.0	1.0
Residential	2.6.1	27	Res New Homes	23.0	1.0
Residential	2.7.1	28	Res Solar Photovoltaic (PV)	30.0	1.0
Residential	2.8.1	29	Res Direct Load Control Switches Installed on Outdoor Compressor Units	1.0	1.0
Residential	2.8.2	30	Res Direct Load Control Switches Installed on Swimming Pool Pump Motors	1.0	1.0
Commercial	2.1.1	31	Comm Lamps and Fixtures Integrated-ballast CFL Lamps	2.5	1.0
Commercial	2.1.1	32	Comm Lamps and Fixtures Integrated-ballast LED Lamps	9.0	1.0
Commercial	2.1.1	33	Comm Lamps and Fixtures Light Emitting Diode	15.0	1.0
Commercial	2.1.1	34	Comm Lamps and Fixtures Modular CFL and CCFL Fixtures	16.0	1.0
Commercial	2.1.1	35	Comm Lamps and Fixtures T8 and T5 Linear Florescents	15.5	1.0
Commercial	2.1.1	36	Comm Lamps and Fixtures LEDs or T8 and T5 Linear Florescents replacing T12s with magnetic ballasts	8.5	1.0/2.1
Commercial	2.1.1	37	Comm Lamps and Fixtures Halogen Lamps	1.5	2.1
Commercial	2.1.1	38	Comm Lamps and Fixtures High Intensity Discharge Lamps	15.5	2.1
Commercial	2.1.1	39	Comm Lamps and Fixtures Integrated-ballast CCFL Lamps	4.5	2.1
Commercial	2.1.2	40	Comm Lighting Controls Occupancy Sensor	10.0	1.0
Commercial	2.1.2	41	Comm Lighting Controls Photocell (Daylight Control)	10.0	1.0
Commercial	2.2.1	42	Comm Split System/Single Packaged Heat Pumps and Air Conditioners	15.0	1.0
Commercial	2.2.2	43	Comm HVAC Chillers Screw/Scroll/Reciprocating Chillers	20.0	1.0
Commercial	2.2.2	44	Comm HVAC Chillers Centrifugal Chillers	25.0	1.0
Commercial	2.2.3	45	Comm Packaged terminal Air Conditioners, Heat Pumps, and Room Air Conditioners	13.0	1.0
Commercial	2.2.4	46	Comm HVAC VFD on AHU Supply Fans	15.0	1.0
Commercial	2.3.1	47	Comm Energy Star Roofs	15.0	1.0
Commercial	2.3.2	48	Comm Window Film	10.0	1.0
Commercial	2.4.1	49	Comm High Efficiency Combination Ovens	12.0	1.0
Commercial	2.4.2	50	Comm High Efficiency Electric Convection Ovens	12.0	1.0
Commercial	2.4.3	51	Comm Energy Star Commercial Dishwashers	11.0	1.0
Commercial	2.4.4	52	Comm Hot Food Holding Cabinets	12.0	1.0
Commercial	2.4.5	53	Comm Energy Star Electric Fryers	12.0	1.0
Commercial	2.4.6	54	Comm Pre-Rinse Spray Valves	5.0	1.0
Commercial	2.4.7	55	Comm Energy Star Electric Steam Cookers	10.0	1.0
Commercial	2.5.1	56	Comm Door Heater Controls	12.0	1.0
Commercial	2.5.2	57	Comm ECM Evaporator Fan Motor	15.0	1.0
Commercial	2.5.3	58	Comm Electric Defrost Controls	10.0	1.0
Commercial	2.5.4	59	Comm Evaporator Fan Controls	16.0	1.0
Commercial	2.5.5	60	Comm Night Covers for Open Refrigerated Display Cases	5.0	1.0
Commercial	2.5.6	61	Comm Solid Glass Door Reach-Ins	12.0	1.0
Commercial	2.5.7	62	Comm Strip Curtains for Walk-In Refrigerated Storage	4.0	1.0
Commercial	2.5.8	63	Comm Zero Energy Doors for Refrigerated Cases	12.0	1.0
Commercial	2.6.1	64	Comm Vending Machine Controls	5.0	1.0
Commercial	2.7.1	65	Comm Solar Photovoltaic (PV)	30.0	1.0
Commercial	2.8.1	66	Comm Load Curtailment Measure	1.0	1.0

		Removed from TRM 1.0, but still allowed in LSF for PY 2014; added back into TRM 2.1		
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		Removed from TRM 1.0, but still allowed in LSF for PY 2014; added back into TRM 2.1		

Program (list custom measure here if necessary)	kWh	Automatic Or Manual
		Estimated Useful Life
Open for Small Business MTP		
Integrated-ballast CFL Lamps	3,050	2.5
Integrated-ballast LED Lamps	525,625	9.0
LED Fixtures replacing T12	661,224	8.5
Light Emitting Diode (LED)	61,755	15.0
Lighting Controls	9,739	10.0
Linear Fluorescent	49,139	15.5
Non-LED Fixtures replacing T12	250,670	8.5
SCORE/CitySmart MTP		
	105,022	7.9
	24,739	13.9
	39,872	14.9
	2,245	18.1
	43,739	20.0
Chiller Water Cooled - Centrifugal	38,840	25.0
	37,063	15.0
	63	1.5
	17,644	15.5
HVAC-DX/Heat Pump	7,898	1.8
	6,204	7.5
	2,294	8.2
	126,893	15.0
	6,511	2.5
	204,176	9.0
	36,568	8.5
	297,665	15.0
	195,980	10.0
	459,213	15.5
	2,036	16.0
	271,925	8.5
	87,757	5.0
	108,322	5.0
	7,480	15.0
	181,795	15.0
	254	10.0
Commercial Solutions MTP		
Halogen	7,570	1.5
HVAC-DX/Heat Pump	83,340	15.0
Integrated-ballast CFL Lamps	367	2.5
Integrated-ballast LED Lamps	74,306	9.0
Light Emitting Diode (LED)	432,151	15.0
Lighting Controls	124,884	10.0
Linear Fluorescent	1,625,996	15.5
Non-LED Fixtures replacing T12	117,481	8.5
Tune Up - Packaged AC	337,199	5.0
Load Management MTP		
	7,945	1.0
High Performance Homes MTP		
	907,081	23.0
Residential SOP		
	195,145	15.0
	2,810,508	25.0
	3,792,830	18.0
	8,688	15.0
	537,240	11.0
	143,910	10.0
Hard-to-Reach SOP		
	444,826	25.0
	951,251	18.0
	140,894	11.0
	47,520	10.0
Low Income Weatherization		
	18,441	11.0
	38,679	25.0
	2,252	15.0
	318,489	15.0
	23,472	5.3
	22,447	18.0
	120	13.0
	11,572	14.0
	248	13.0
site visit	-	1.0
	890	10.0
	17,485	25.0
Portfolio Total	17,118,627	NA