

November 2, 2020

Executive Secretary Iowa Utilities Board 1375 East Court Avenue, Room 69 Des Moines, IA 50319-0069

RE: Interstate Power and Light Company

Docket No. EEP-2018-0003

Response to October 21 Staff Correspondence

Dear Executive Secretary:

On October 15, 2020, Interstate Power and Light Company (IPL) filed an Application for Limited Modification of IPL's Energy Efficiency Plan Budgets and Impact Goals (Application), proposing to modify its demand response budget for years 2020 through 2023 by adding a Smart/Wi-Fi Thermostat Pilot (Pilot) to its Demand Response Portfolio. This letter is in response to Board Staff's Correspondence regarding IPL's Application, issued on October 21, 2020.

1. Clarify whether customers who purchase a smart/Wi-Fi thermostat have the opportunity to receive a rebate through the Residential Prescriptive Rebate program as well as an incentive for participation in the Pilot.

Yes, customers will be eligible to receive a rebate through the Residential Prescriptive Rebate program as well as an incentive for participation in the pilot.

- 2. In the Application, IPL states that the Pilot will run parallel with the existing Residential Direct Load Control (DLC) program and that it will not actively recruit customers into the DLC program. Furthermore, IPL states that it will not purchase new switches to replace failing units for the DLC program but will offer customers with failed switches the opportunity to transition to the Pilot. (Application, p. 2.)
- a. Explain the options for customers with failed switches that do not wish to participate in the Pilot.

IPL still retains a supply of switches to replace failed units. IPL will continue to install replacement switches while the supply lasts at customer's requests.

b. What assumptions has IPL made regarding the transition of these customers to the Pilot? (i.e., what percentage of customers does IPL anticipate will join the Pilot?)

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IPL has not made any assumptions regarding how many current DLC customers may opt to participate in the pilot. However, IPL is planning to study this as a research question in ongoing EMV work.

c. Does IPL believe the budget and assumptions for the existing DLC program should be modified?

No, IPL intends to continue to operate the DLC program as originally planned, except that IPL will no longer purchase additional replacement switches. We intend to run the pilot as a side-by-side program with DLC throughout this EEP and make decisions regarding the transition and/or phase out of the DLC program, if warranted, in the next plan.

3. Provide a breakdown of the participation assumptions and the proposed incentive budget for the three tracks of Pilot enrollment for each year.

IPL does not consider the enrollment options to be different tracks for the program and as such has not broken down the participation assumptions and incentive budgets.

4. Provide a breakdown of the proposed administration and advertising and promotion budget categories by year.

See Attachment A, Table 1 for the detailed budget breakdown by sub-component.

5. Provide a comparison by year for the existing DLC program and the proposed Pilot, including the estimated number of participants, incentive per participant, total budget (by budget category), projected demand reductions, cost effectiveness, eligibility criteria, etc.

See Attachment A, Tables 2 and 3 for comparisons of the existing DLC program and the proposed Pilot.

6. Verify that the budget amounts in Table 8 Total Plan Budget (Proposed) and in Table 9 Total Plan Budget (Approved) for the Low-Income Weatherization Program, Energy Efficiency Plan, and Total Plan are consistent with IPL's budget tables filed on September 24, 2019, in Docket No. EEP-2018-0003.

The Total Plan Budget (Proposed and Approved) tables 8 and 9 in the Application represented the Plan as filed in this docket with the Iowa Utilities Board on March 26, 2019. The budget tables filed in this docket on September 24, 2019 did not include a revision to the cost effectiveness analysis. IPL is filing, concurrent with this letter, a revised Application that accounts for the Low-Income Weatherization Program, Energy Efficiency Plan, and Total Plan, consistent with IPL's budget tables filed on September 24, 2019. The

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revised Application includes the September 24, 2019 approved budget and the associated cost effectiveness results.

Very truly yours,

/s/Lissa Koop Lissa Koop Senior Attorney lissakoop@alliantenergy.com

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