

South Dakota Public Utilities Commission  
Docket GE19-002  
MidAmerican Energy Company  
First Data Request

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### **1-11 South Dakota Data Request**

What are the primary drivers that led to the lower TRC score for the Residential Equipment Gas – Furnace program? Why was there a decline in total benefits when compared to last year's report?

#### **Response:**

The primary driver of the reduction in furnace savings is the transition from the MidAmerican Appendix A calculation of savings used in the 2013-2017 plan to the Iowa Technical Resource Manual for 2018-2022.

There are three primary differences between the two that drive lower benefits overall.

- The TRM algorithm results in lower assumed savings per increment of AFUE improvement.
- The TRM uses a baseline, or minimum efficiency to compare actual AFUE against, of 85 AFUE. The 85 AFUE is a blended baseline between the federal minimum of 80 AFUE and a proposed change to the federal minimum that has been stalled for many years and what VEIC deems prevalent in the market at 90 AFUE. Appendix A previously used the Federal minimum of 80 AFUE.
- The incremental cost the TRM uses are higher than what MidAmerican has used in appendix A. Considerable research and time have been devoted in recent years to the incremental costs used and results of that research will drive changes in current and future TRM versions.