

activity included in the plan. Benefits and costs must be expressed in the same units where possible. Short term and long term impacts must be addressed. Who benefits and who pays must be clearly identified. Objectives of a DSM plan shall be stated in terms of load profile adjustments by customer rate class and/or market segment. The benefit/cost analysis shall include the following steps:

(1) Identification of objectives, alternatives, and effects;

(2) Simulation of impacts on the system and its consumers, and the probable costs and benefits, including sensitivity/probability and scenario analysis; and

(3) Selection of DSM activities;

(e) An outline of monitoring and reporting procedures to evaluate the performance of the implemented DSM plan;

(f) A narrative discussing the following:

(1) Scope of the DSM plan;

(2) Resources used to develop the DSM plan;

(3) Internal and external data collection and analysis;

(4) Analysis method used to screen and evaluate the projected programs;

(5) Analysis of existing and projected plans; and

(6) Coordination activities with power supplier.

#### § 1710.359 DSM effects.

The IRP and the DSM plan shall consider and discuss the expected effects of the borrower's DSM activities. The expected effects to be considered and discussed includes, but are not limited to, the following:

(a) Effects on the utility (supply side effects):

(1) Operations;

(2) Maintenance;

(3) Environmental compliance;

(4) Capacity planning, including deferral of capacity and reliability of capacity;

(5) DSM equipment including purchase, operation and maintenance considerations;

(6) Transmission and distribution effects;

(7) Administrative costs, including administrative and general costs, pro-

gram costs, DSM planning costs, integration of supply and DSM planning, marketing costs, incentive costs, infrastructure support, monitoring and evaluation costs, bidding costs; and

(8) Revenues and rates;

(b) Effects on consumers (demand side effects):

(1) Equipment purchases;

(2) Operation costs;

(3) Maintenance costs;

(4) Supply voltage quality;

(5) Availability of service and reliability (outages);

(6) Change in benefits received from appliances and housing;

(7) Convenience (availability of equipment, appliances and services);

(8) Change in comfort and air quality levels of buildings; and

(9) Rates, billing level and elasticity;

(c) Effects on competitiveness;

(d) Effects on other member distribution systems of the power supply borrower; and

(e) Effects on power supply borrower.

#### § 1710.360 Submittal of alternate documentation.

(a) The borrower may have performed analysis and prepared comparable documentation for other purposes, such as for a state regulatory commission. This information may be acceptable to RUS as an IRP or a DSM plan if the borrower demonstrates that the alternative information meets the goals and objectives of this subpart.

(b) The borrower shall advise RUS of all material information provided to other lenders or other governmental authorities relating to their DSM plans. This information shall be provided to RUS as requested.

#### § 1710.361 Type and term of loans.

(a) The final maturity of loans for purposes under this subpart shall be determined by RUS based on the expected life of needed capital improvements, expected cost recovery periods, the expected life of program benefits, the certainty of these benefits, and matching costs and benefits.

(b) RUS will normally consider final maturities for DSM loans of up to 5 years. Longer loan terms, not to exceed 10 years, for loans for these purposes will be considered if the borrower can