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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for the Idaho Conservation League

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)
COMMISSION'S INQUIRY INTO THE)
COST-EFFECTIVENESS AND)
FUNDING OF LOW)
INCOMEMWEATHERIZATION)
PROGRAMS AND ENERGY)
CONSERVATION PROGRAMS FOR)
ELECTRIC UTILITIES)

CASE NO. GNR-E-12-01
COMMENTS OF THE IDAHO
CONSERVATION LEAGUE

The Idaho Conservation League (ICL) appreciates this opportunity to improve Idaho's Low Income Weatherization programs. The Staff Report is thorough and provides many excellent recommendations. ICL endorses recommendations: 1, 2, 3, 4, 5, 6, 8, 9, 10, 11, 12, 14, 17, and 18. ICL has comments on the following:

Recommendation 7: "Staff recommends that payment-related non-energy benefits, such as reductions in utilities' arrearages and bad debt, as well as collection, disconnection, and reconnection expenses that may accrue when low income customers' bills are reduced through weatherization, be quantified and included in cost-effectiveness analyses when possible." *At 21.*

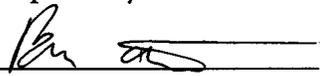
The utilities deserve a clear standard to meet when incorporating non-energy benefits. At one point Staff states the standard is "reasonable certainty" to include the value of non-energy benefits. *At 19.* But then Staff points out that calculating the value of non-energy benefits can be "very difficult if not impossible." *At 20.* Finally, Staff concludes they cannot support non-energy benefits "that cannot be valued and calculated with adequate transparency and rigor." *At 21.* Unless Staff or the Commission sets forth a clear and attainable standard for including non-energy benefits, then this recommendation rings hollow.

Recommendation 13: ICL joins Staff in endorsing that utilities shall carry over unspent low-income weatherization funds into the following year. However, because demand for low-income programs will almost certainly carry over also, these funds should be reserved for low-income programs, not for other DSM programs.

Recommendation 15: ICL supports Staff's recommendation that Avista limit their contribution to a weatherization project to 85% of the total cost and up to 100% of any measure. While this may reduce the funding to each project, this practice could allow weatherization dollars to stretch further. ICL particularly encourages Avista to implement this recommendation along with Recommendation 14 to adopt the scalable funding mechanism used by Idaho Power.

Recommendation 16: Crafting a metric to set appropriate funding levels for low-income weatherization programs is a core issue in this proceeding. While no metric is perfect, ICL endorses Staff's proposed five factors with two caveats. First, funding levels should not hinge on meeting all five factors; rather each factor should be considered an independent reason to adjust funding levels. Second, the fifth factor, limiting increases if a CAP agency is unable spend prior year funds, is too strict. What if the unspent funds are minimal, or are allocated to projects that will be completed in the following year? Or, what if the agency, in the face of growing need, adds capacity to increase the number of completed projects? The CAP agency's ability to complete projects during the upcoming year should be considered in spending level review, but prior year performance should not limit future years funding.

Respectfully submitted this 19th day of November 2012,



Benjamin J. Otto
Idaho Conservation League