

Idaho Public Utilities Commission

Case No. GNR-E-12-01, Order No. 32673

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PUC taking comments on low-income weatherization report

The Idaho Public Utilities Commission is taking comments through Nov. 23 on a commission staff report that recommends changes to make implementing and evaluating low-income weatherization programs uniform among Idaho's regulated electric utilities and more cost-effective.

Each of Idaho's three large regulated electric utilities provides a specified amount of funding for low-income weatherization programs within their service territories. Idaho Power Company, which has the largest customer base in Idaho, provides \$1.2 million, Avista Utilities \$700,000, and PacifiCorp (Rocky Mountain Power) \$300,000. Low-income weatherization can include a number of steps to increase energy efficiency and reduce consumption including light fixture replacement, insulation, appliance repair or replacement, air sealing and window and door improvements.

In recent rate cases, the Community Action Partnership Association of Idaho (CAPAI) requested that Idaho Power and Rocky Mountain Power provide more funding for weatherization programs to soften the impact of utility rate increases on low-income customers. CAPAI's member organizations throughout the state contract with utilities to provide low-income weatherization.

In a related filing, Rocky Mountain Power, which serves about 70,000 customers in eastern Idaho, asked that it not be required to provide evaluations of its low-income weatherization program because it believes the program, while beneficial to individual customers, is not cost-effective throughout its Idaho territory unless non-energy benefits are included. (Non-energy benefits include items such as economic impacts from job creation and reductions in customer arrearages, bad-debt write-offs and customer disconnects.)

Commission staff opposed the requests due to concerns that the programs, even at existing funding levels, may not be cost-effective. (A general definition of cost-effective is that the cost of the measures taken to make homes more energy efficient is less than the amount saved through reduced energy consumption.) Despite those concerns, staff was reluctant to recommend cutting established programs that help low-income customers reduce their energy bills.

In response, the commission directed the utilities, CAPAI, commission staff and other interested parties to participate in a workshop to discuss cost-effectiveness and funding-methodology issues.

The result of the workshop is a commission staff report with recommendations to improve the efficiency of the programs and more accurately measure their cost-effectiveness. Here is a link to the report:

<http://www.puc.idaho.gov/internet/cases/elec/GNR/GNRE1201/staff/20121023REPORT.PDF>

The report recommends that weatherization funding should not be increased if programs are not cost-effective. Conditions under which funding could be increased include:

- If a list of homes not previously weatherized and waiting for weatherization has increased significantly;
- If one utility's weatherization program provides significantly less funding on a per capita basis than the cost-effective program of another utility in the state with comparable poverty levels;
- If a utility is awarded a significant base rate increase. Rate increases impact low-income customers more adversely than other customers;
- And if a utility does not have sufficient funds to meet its low-income energy savings potential.

Comments are accepted via e-mail by accessing the commission's homepage at www.puc.idaho.gov and clicking on "Comments & Questions About a Case." Fill in the case number (GNR-E-12-01) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

A copy of the staff report along with other documents related to this case is available on the commission's Web site. Click on "File Room" and then on "Electric Cases" and scroll down to the above case number.

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