

**IDAHO PUBLIC UTILITIES COMMISSION**

**Case No. IPC-E-04-27, Order No. 29663**

**December 21, 2004**

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**Website: [www.puc.state.id.us](http://www.puc.state.id.us)**

**Idaho Power wants to expand air conditioner cycling program**

Boise – The Idaho Public Utilities Commission is seeking comment on an Idaho Power proposal to expand a volunteer air conditioner cycling program to include residential customers in Ada and Canyon counties and in the Emmett area.

Customers who volunteer to participate have their air conditioners turned on and off (cycled) by direct load control switches installed by the company. A cycling event can be up to four hours per day – on weekdays only – during the three-month season.

The program is designed to reduce summer peaking loads during the months of June, July and August. Reducing peak demand, when power is most expensive, could result in savings to all Idaho Power customers. Those who volunteer to participate in the program would be given a \$7 credit for each month they participate. Customers can temporarily opt out of the program for one day each month. There is no penalty for terminating participation in the program at any time.

The pilot program started last summer with residential customers in Boise and Meridian. For days when the temperatures reached at least 95 degrees, the company determined that the average load reduction was 1.11 kilowatts per customer. The company plans to invest \$2.2 million in the program for the next five years and \$1.5 million for every year afterward. Idaho Power proposes to defray costs of the program by using monies collected from its Energy Efficiency Rider that appears on customer bills. An average residential customer pays about 30 cents a month for the Energy Efficiency Rider. The company estimates a cost-benefit of seven cents return on every dollar invested by the tenth year and 42 cents on every dollar invested over a 30-year period.

The higher costs of the program in the early years are attributed to the direct load control switches the company must buy as well as installing those switches and memory meters. Emmett is included in the pilot program because of the automated meter readers the company recently installed there. Eventually, the company proposes to expand the program to include its entire territory.

Customers wishing to comment on Idaho Power's proposal must do so by no later than Friday, Jan. 21. Comments are accepted via e-mail by accessing the commission's homepage at [www.puc.state.id.us](http://www.puc.state.id.us) and clicking on "Comments & Questions." Fill in the case number (IPC-E-04-27) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.