

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: WELDON STUTZMAN

DATE: OCTOBER 6, 2006

SUBJECT: CASE NO. IPC-E-06-22
APPLICATION OF IDAHO POWER COMPANY TO REVISE ITS
IRRIGATION PEAK REWARDS PROGRAM

On September 18, 2006, Idaho Power Company filed an Application requesting approval of changes to its Irrigation Peak Rewards Program, Schedule 23. The Irrigation Peak Rewards Program is a voluntary load control program available to agricultural irrigation customers who use pumps having a cumulative horsepower rating of 100 or greater. The program is intended to decrease the Company's summer system peak by turning off specified irrigation equipment between the hours 4:00 p.m. and 8:00 p.m. on one, two or three days per week during the months of June, July and August. The Commission in Case No. IPC-E-05-28 encouraged Idaho Power to conduct a workshop with interested parties to determine whether revisions to the program would be appropriate. As a result of the workshop, Idaho Power filed its Application to revise the program.

Idaho Power proposes to make two revisions to the program. First, the demand credit for the two days per week and three days per week interruptions would be increased, as set forth in the following schedule:

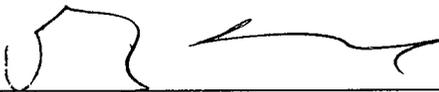
<u>Interruption Option</u>	<u>Current Demand Credit per kW</u>	<u>Proposed Demand Credit per kW</u>
Option 1 (1 day per week)	\$2.01	\$2.01
Option 2 (2 days per week)	\$2.51	\$3.36
Option 3 (3 days per week)	\$2.76	\$4.36

The second revision is to reduce the horsepower limit to make the program available to irrigators using pumps rated at 75 horsepower or higher. An installation fee of \$250 would be assessed for new program participants with irrigation pumps between 75 and 99 horsepower if it is necessary to install a timer on the pumps.

Staff recommends that the Application of Idaho Power to revise its Irrigation Peak Rewards Program, Schedule 23, be processed by Modified Procedure.

COMMISSION DECISION

Should the Application of Idaho Power Company to revise its Irrigation Peak Rewards Program be processed by Modified Procedure?



Weldon B. Stutzman

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