BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

OF IDAHO POWER COMPANY FOR) CASE NO. IPC-E-07-0)5
AUTHORITY TO IMPLEMENT TIME-)	
VARIANT ENERGY PRICING PROGRAMS) NOTICE OF APPLICA	ATION
)	
) NOTICE OF	
) MODIFIED PROCED	URE
)	
) ORDER NO. 30275	

On February 28, 2007, Idaho Power Company filed an Application seeking authority to implement two time-variant energy pricing programs for customers in the Emmett and Letha, Idaho vicinities (Emmett Valley). The Company requested that its Application be processed by Modified Procedure. With this Order the Commission authorizes the use of Modified Procedure and establishes a deadline for the submission of comments.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the two time-variant pricing programs, Energy Watch and Time-of-Day, were previously approved as pilot programs in March 2005, and authorized to continue through April 1, 2007. See Order No. 30037, Case No. IPC-E-06-05. The two pilot programs were available to customers in the Emmett Valley who had AMR metering installed. Under both pilot programs, the pricing for energy consumption during the months of June, July, and August included a time-variant component. For all other months, the pricing was identical to that for standard residential service under Schedule 1. The Company wishes to continue offering these programs to customers in the Emmett Valley, allowing continued evaluation and refinement of the programs and internal systems required to run them.

YOU ARE FURTHER NOTIFIED that the Company states it filed reports with the Commission detailing the results of the pilot programs' operation. A report for the first year of operation was filed on March 29, 2006, and a report for the second year of operation was filed on February 28, 2007. The Company requests that the Commission take administrative notice of those filings in this proceeding. The Company states that the analyses from those reports shows that: Overall, the participants in the pilots were satisfied with the programs; on average, customers benefited (saved money) by participating in the programs; on average, the participants

reduced household energy demand; and customer retention in the programs was relatively high. The Company states that based upon the results of the pilot programs, including the high level of customer satisfaction, that it is proposing to maintain the same program design and pricing going forward as that implemented for the pilots during the summer of 2006.

YOU ARE FURTHER NOTIFIED that under the Energy Watch Program, Schedule 4, customers would pay a substantially increased flat rate for energy consumption during a designated Energy Watch Period. Energy Watch Periods will be determined by the Company. Program participants will be notified of the declared Energy Watch Period by 4:00 p.m. the day ahead by telephone and, where available, by e-mail. Energy Watch Periods can occur on any weekday from June 15 through August 15, and will be for the hours of 5:00 p.m. to 9:00 p.m. The Company proposes that the Energy Watch Periods will occur on no more than 10 days from June 15 to August 15, for a total of 40 hours. The base energy rate for the Energy Watch Program would be equal to the first block energy charge under Schedule 1, currently 5.4251¢ per kWh. During Energy Watch Periods the proposed base energy rate is 20¢ per kWh. The over-300 kWh pricing block will be eliminated. Customers participating in the Energy Watch Pilot Program would continue to pay the monthly service charge of \$4.00.

YOU ARE FURTHER NOTIFIED that under the Time-Of-Day Program, Schedule 5, customers would be given the opportunity to reduce their electric bills by shifting their summer usage, based upon three different price categories, from "on-peak" periods, when the cost to provide energy is highest, to the "off-peak" periods, when the cost to provide energy is the lowest. During the non-summer season, the pricing would be the same as that under Schedule 1, currently 5.4251¢ per kWh. The three time-of-day periods for the summer season are defined and priced as follows:

Time-of-Day Period	Definition	Energy Rate
On-Peak	1:00 p.m. to 9:00 p.m., Monday through Friday	8.3279¢ per kWh
Mid-Peak	7:00 a.m. to 1:00 p.m., Monday through Friday	6.1060¢ per kWh
Off-Peak	9:00 p.m. to 7:00 a.m. on all days and all hours, Saturday, Sunday, and the Fourth of July	4.5145¢ per kWh

The summer and non-summer seasons are defined the same as under Schedule 1, with the summer season beginning June 1 and ending August 31. Customers participating in the Time-of-Day Pilot Program will continue to pay the monthly service charge of \$4.00.

YOU ARE FURTHER NOTIFIED that the Application, supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Petition and testimonies and exhibits are also available on the Commission's Website at www.puc.idaho.gov under "File Room."

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filing of record in Case No. IPC-E-07-05. The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that if no protests or written comments are received within the deadline, the Commission will consider the matter and enter its Order without a hearing. If protests or comments are filed within the deadline, the Commission will consider them and may, in its discretion, set the matter for hearing or decide the matter and issue its Order on the basis of the written positions before it. IDAPA 01.01.204.

NOTICE OF COMMENT/PROTEST DEADLINE

YOU ARE FURTHER NOTIFIED that the deadline for filing written comments or protests with respect to the Application and the Commission's use of Modified Procedure in Case No. IPC-E-07-05 is 21 days from service date of this Order. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that written comments concerning this case should be mailed to the Commission and to the Company at the addresses reflected below.

NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 30275 Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074

Street Address For Express Mail: 472 W. Washington Street Boise, ID 83702-5983

Barton L. Kline, Senior Attorney Ric Gale, VP, Regulatory Affairs Idaho Power Company PO Box 70 Boise, ID 83707-0070

E-mail: <u>bkline@idahopower.com</u> <u>rgale@idahopower.com</u>

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's homepage located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Idaho Power at the e-mail addresses listed above.

FINDINGS/CONCLUSIONS

The Idaho Public Utilities Commission has jurisdiction over Idaho Power Company, its Application seeking authority to implement two time-variant energy pricing programs for customers in the Emmett Valley, and the issues involved in this case by virtue of Title 61, Idaho Code, including *Idaho Code* §§ 61-129, 61-301, 302, 303, 61-502, and 61-503, and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq*.

The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case, and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

ORDER

IT IS HEREBY ORDERED that this case be processed by Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure should do so no later than 21 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15th day of March 2007.

PAUL KJELLANDER, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

MACK A. REDFORD, COMMISSIONER

ATTEST:

Commission Secretary

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