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Idaho Community Action Network

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The Idaho Community Action Network (ICAN) supports Idaho Power and CAPAI's application to continue Idaho Power's Weatherization Assistance Program, Case No. IPC-E-07-09.

In Case No. IPC-E-04-15, the Idaho Public Utilities Commission (IPUC) approved a decoupling pilot program that allows Idaho Power to implement a Fixed Cost Adjustment (FCA). In that decision, the IPUC said that in exchange for the FCA, Idaho Power "is expected to demonstrate an enhanced commitment to energy efficiency and DSM." The Commissioners also invited ICAN to participate in future opportunities to comment on the implementation of the program.

ICAN members consider Idaho Power's Weatherization Assistance Program an ideal platform for Idaho Power's increased commitment to energy efficiency. The FCA will have the greatest impact on low-income customers, so tailoring this program to mitigate the impact of the FCA on these customers is an excellent idea.

Idaho's low-income households rely on Weatherization Assistance Programs, which are critically underfunded. Idaho received \$2 million in federal funding for weatherization programs through the Low-Income Home Energy Assistance Program (LIHEAP) in 2005.ⁱ During that year, 1,460 Idaho households received weatherization benefits.ⁱⁱ Applicants wait an average of two years, but wait times vary by region. Some CAP agencies, which distribute the benefit, keep ongoing waiting lists, but others begin new lists each year.

Idaho Power proposes spending an additional \$1 million each year on weatherization, the same amount that the PUC authorized in 2004. ICAN suggests that Idaho Power should demonstrate its enhanced commitment to energy efficiency by increasing its contribution to \$2 million, half above the line and half below the line. Idaho Power's proposal would have the rate payers shoulder the entire cost of the program. The shareholders who will benefit from the FCA should join the ratepayers in funding this program.

In context, \$2 million is not a great deal of money for Idaho Power to contribute to the program. Last year, J. LaMont Keen, IDACORP's CEO and President, earned \$1,420,655.ⁱⁱⁱ In 2005, then-President and CEO Jan Packwood earned \$2,305,592.^{iv} And IDACORP enjoyed net income of \$107 million in 2006.^v

Increasing the funding available would allow Idaho Power to clear the backlog of applicants waiting for assistance, and to open the program to more people who need it. Weatherization

assistance is only available to families at or below 150 percent of FPL. This leaves many low-income families out in the cold. And the LIHEAP program in Idaho is closed to many immigrant families. Idaho Power should implement eligibility standards that include more Idahoans who need weatherization assistance.

Idaho Power's Decoupling Pilot Program will have an impact on low-income consumers. There is a critical lack of funding for low-income weatherization. The Idaho Public Utilities Commission has charged Idaho Power with demonstrating an increased commitment to energy efficiency in exchange for the FCA. An ideal way for Idaho Power to demonstrate this commitment would be to increase the funding for the Weatherization Assistance Program, with half of this funding from above the line and half below the line, and to open the program to more of the Idaho Power customers who will be most heavily impacted by the FCA.



LecAnn Hall
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ⁱ "Federal Weatherization Allocations - FY 2006," LIHEAP Clearinghouse, U.S. Department of Health and Human Services, available at <http://www.liheap.ncat.org/tables/FY2006/WAP06.htm>.

ⁱⁱ Community Action Partnership Association of Idaho.

ⁱⁱⁱ Officer Profile, Reuters.com.

^{iv} The Seattle Times, NW 100, CEO Pay.

^v IDACORP Annual Report 2006, page 1.