

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPROPRIATE)	
DISPOSITION OF PROCEEDS FOR THE)	CASE NO. IPC-E-07-18
SALE OF IDAHO POWER COMPANY'S SO₂)	
EMISSION ALLOWANCES IN CY 2007)	ORDER NO. 30557
)	

On April 14, 2008, the Commission issued Order No. 30529 concerning the appropriate disposition of the proceeds from the sale of Idaho Power Company's sulfur dioxide (SO₂) emission allowances in calendar year 2007. In its Order, the Commission found that the majority of the SO₂ proceeds (in excess of \$16.1 million plus additional interest) should be used to offset the increase in Idaho Power's Power Cost Adjustment (PCA) rates this year. Order No. 30529 at 3, 9 and n.2. The Commission reserved judgment on the appropriateness of using \$500,000 of the SO₂ proceeds for an energy education proposal offered by the Idaho Energy Education Project (IEEP or the "Project"). However, the Commission found that IEEP had not provided sufficient detail for the Commission to fully evaluate the merits of IEEP's educational proposal. Consequently, the Commission ordered IEEP to provide additional information regarding its proposal within 14 days. *Id.*

On April 28, 2008, IEEP timely filed its supplemental information. The "Project" requested additional time to meet with participating entities to more fully develop its proposal. After having carefully reviewed IEEP's supplemental information, the Commission issues this Order.

BACKGROUND

The procedural history of this case is generally set forth in our prior Order No. 30529. Briefly, IEEP recommended that a portion of the SO₂ proceeds be utilized for energy education and associated project grants. In particular, IEEP proposed that \$250,000 be used for energy education in the classroom (addressing energy conservation and efficiency) and \$250,000 be used for grants to participating schools to construct renewable and energy efficiency projects. The grants for facilities would be issued to accompany the education component and limited to schools served by Idaho Power.

In Order No. 30529 the Commission reserved judgment on using the \$500,000 of SO2 proceeds for the education proposal and directed IEEP to provide additional information regarding its education proposal. In particular, IEEP was directed to provide the Commission with a course/classroom syllabus and additional detail regarding any arrangements with school districts or state agencies. Order No. 30529 at 9. IEEP was to file this additional information with the Commission no later than April 28, 2008.

IEEP ADDITIONAL INFORMATION

In its response, IEEP described the structural framework for its proposed educational project. IEEP proposed to develop an energy education curriculum using existing school curriculum rather than create a “stand-alone” product. It asserted that some excellent curriculum on energy education “is already available” and “could be readily adopted after training the teachers in that curriculum.” IEEP Response at 2. Under the proposed framework, IEEP envisions that it will “partner” with other entities to acquire, review, develop, and implement the proposed educational project. Potential partners include the Idaho Department of Education (DOE), the Office of Energy Resources (OER), the National Energy Foundation, Idaho Power, and school districts/individual schools and/or individual teachers.

IEEP contacted and invited DOE, OER, and Idaho Power to assist in the development and implementation of the project. IEEP envisions that the DOE will evaluate energy curriculum in terms of educational standards to determine how such curriculum can be integrated with appropriate disciplines such as math, English, economics, the sciences, etc. IEEP recommended that DOE become the primary manager of the educational component. The OER is envisioned to have a responsibility to provide additional expertise on renewables, energy conservation, and efficiency opportunities and assist with curriculum development and grant evaluations. *Id.* at 3. IEEP states that it will ask the National Energy Foundation to provide educational curriculum and materials. IEEP suggested that Idaho Power provide information about its integrated electric system and the effects and impacts of conservation and efficiency. Finally, school districts, individual schools and/or individual teachers will be provided curriculum and training.

IEEP observed that given the short time for its reply, “there is still work to be done” in developing the structure of its project. It was also noted that the proposed partners “have not all agreed as to how this concept should be developed.” Although the Commission made no final decision in Order No. 30529, IEEP asked the Commission to continue “its tentative

approval of this project contingent on the proposed partners coming to some agreement. . . . This will give the partners time to better define [their] roles and give the project time to pull together the curriculum . . . so that the energy education [project] could begin in the Fall of 2008.” *Id.* at 5.

DISCUSSION AND FINDINGS

After reviewing the response, it is clear that additional work needs to be accomplished before any energy-related educational proposal or specific projects can be endorsed by the Commission. While the parties necessary to the accomplishment of an energy educational effort outlined in Commission Order No. 30529 are present in the IEEP proposal, the means of and agreements to integrating the efforts, responsibilities and potential contributions of the individual participating parties are missing.

The Commission intends to convene a status conference in mid-July 2008 for IEEP and other interested parties. At that time, IEEP and other interested parties shall advise the Commission of progress in relevant communications and stipulate whether there is, or can be, a consensus organizational structure that will support moving forward. There is no designated lead party for the status conference. The Commission continues to reserve judgment on the appropriate disposition of the \$500,000. Idaho Power is directed to maintain this revenue in a proper account until the Commission makes its final determination regarding the funding of the educational proposal. The Commission will close this docket and initiate a new docket regarding an energy education proposal. The new case shall be designated as Case No. IPC-E-08-11.

ORDER

IT IS HEREBY ORDERED that the Commission will convene a status conference in approximately six weeks to allow IEEP and other interested parties to advise the Commission on their respective positions.

IT IS FURTHER ORDERED that the Commission continues to reserve judgment on the appropriateness of using \$500,000 of the SO₂ proceeds for energy education purposes in schools served by Idaho Power Company. Pending the Commission’s final judgment on this matter, Idaho Power is directed to continue to hold the \$500,000 in an appropriate account that accrues interest.

IT IS FURTHER ORDERED that this docket be closed and a new docket, Case No. IPC-E-08-11, be opened to address communication and coordination issues identified in this Order.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. IPC-E-07-18 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

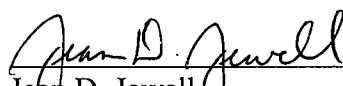
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30th day of May 2008.


MACK A. REDFORD, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


JIM D. KEMPTON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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