

Idaho Public Utilities Commission
Office of the Secretary
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Boise, Idaho



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May 13, 2008

RE: Idaho Conservation League Comments on Idaho Power Energy Efficiency Rider (Case No. IPC-E-08-03)

Dear Commissioners:

Thank you for the opportunity to comment on the proposed expansion of Idaho Power's energy efficiency programs through an efficiency rider increase. For thirty-four years, the Idaho Conservation League has been Idaho's voice for clean water, clean air, and wilderness—values that are the foundation to Idaho's extraordinary quality of life. The Idaho Conservation League works to protect these values through citizen action, public education, and professional advocacy. As Idaho's largest state-based conservation organization we represent over 9,500 members, many of whom have a deep personal interest in protecting our clean air, clean water, and quality of life.

The Idaho Conservation League (ICL) urges the Idaho Public Utility Commissioners (PUC) to approve the 1 percent increase proposed for Idaho Power's Energy Efficiency Rider (Rider). In addition, ICL requests that the PUC direct Idaho Power to provide further details, such as a scope and budget, associated with the use of these funds to support small-scale renewable energy programs.

Since 2001, Idaho Power has been involved in developing Demand Side Management (DSM) programs to reduce electric consumption and assist ratepayers in reducing their bills. In 2002, the first Rider was approved as a source of funding for the DSM programs. This Rider was set to target each customer class at 0.5 percent of overall class revenue. Since that time, Idaho Power has steadily increased the funding for the DSM programs to include additional efficiency and conservation programs such as the A/C Cool Credit Program and the Rebate Advantage program. On June 1, 2008, Idaho Power proposes to again increase the support for the DSM programs by increasing the rider from the existing 1.5 percent to 2.5 percent, a 1 percent increase. Idaho Power's application indicates that this 1 percent increase would support the DSM program beyond 2010 and that further increases in funding will be necessary after that time. To date, these programs have been shown to be cost-effective in comparison to the next best resource alternative as they result in energy savings and reduced demand.

In addition to supporting DSM programs, Idaho Power would like to expand the scope of the Rider to include support of small-scale renewable energy programs. The Idaho Conservation League commends Idaho Power for its desire to assist ratepayers in funding small-scale renewable. However, based on the application, it is unclear whether the 1 percent increase will provide adequate financial support to fund both programs. Funding for small scale renewable should not be done in a way that may result in reduced funding for DSM projects. Prior to approving the use of Rider funds to support small-scale renewable projects, more details need to be provided to the PUC regarding the financial incentives to be implemented and the projected scope of the programs. A Small-Scale Renewable Energy Programs Plan should be developed by Idaho Power to detail, and make publically available, the allocation of Rider funds for renewable projects. We encourage the Commissioners approve all other conditions associated with this an increase in the Rider. However, we encourage the Commissioners to direct Idaho Power to provide added detail with regard to the small-scale renewable prior to approving that portion.

Thank you for the opportunity to comment on this Rider case. Please feel free to contact me with any questions or comments.

Sara Cohn



Community Conservation Associate
Idaho Conservation League