

## **DECISION MEMORANDUM**

**TO:           COMMISSIONER REDFORD  
              COMMISSIONER SMITH  
              COMMISSIONER KEMPTON  
              COMMISSION SECRETARY  
              COMMISSION STAFF  
              LEGAL**

**FROM:       WELDON STUTZMAN  
              DEPUTY ATTORNEY GENERAL**

**DATE:       JUNE 17, 2008**

**SUBJECT:    CASE NO. IPC-E-08-12  
              IDAHO POWER'S APPLICATION FOR APPROVAL OF AN AIR  
              CONDITIONER CYCLING PROGRAM AGREEMENT FOR MOUNTAIN  
              HOME AIR FORCE BASE**

On May 23, 2008, Idaho Power Company filed an Application requesting Commission approval of an Air Conditioner Cycling Program Agreement for Mountain Air Force Base. Idaho Power currently operates a residential air conditioning cycling program under tariff Schedule 81. The program is an optional service that allows the Company to cycle participating customers' central air conditioners by use of a direct load control device. During 2007, approximately 13,600 customers participated in the program, and the Company estimates it reduced demand in July 2007 by an estimated 10.8 MW.

Idaho Power and Mountain Home Air Force Base executed an Agreement to provide for the Air Conditioner Cycling Program on base housing. It would apply only to residential customers who take service pursuant to Schedule 1, although the Air Force Base is a large power service customer taking service from one service point. Approximately 1,100 individual residences are on base property and are served through Mountain Home Air Force Base's Schedule 19 service.

The Agreement provides for Air Force Base residences to participate in the program much the same way as is currently offered under Schedule 81. The customer would receive a \$7 per month credit for June, July, and August. Because the Air Force Base is a single customer with multiple residences, however, the Agreement provides for a cumulative credit on the Air Force Base's September bill at the end of the air conditioning season.

Idaho Power asks that its Application for approval of the Agreement with Mountain Home Air Force Base to provide an Air Conditioner Cycling Program be processed by Modified Procedure. Staff recommends that Idaho Power's Application be processed by Modified Procedure with a 21-day comment period.

**COMMISSION DECISION**

Should the Application of Idaho Power for approval of an Agreement to offer an Air Conditioner Cycling Program on Mountain Home Air Force Base be processed by Modified Procedure?



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Weldon B. Stutzman  
Deputy Attorney General

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