## BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF	)
IDAHO POWER COMPANY FOR	) CASE NO. IPC-E-09-04
AUTHORITY TO IMPLEMENT	
MODIFICATIONS TO THE PERFORMANCE-	) NOTICE OF APPLICATION
BASED DEMAND-SIDE MANAGEMENT	)
INCENTIVE PILOT PROGRAM	) NOTICE OF
	) MODIFIED PROCEDURE
	)
	ORDER NO. 30777
	• *

YOU ARE HEREBY NOTIFIED that in December 2006, Idaho Power filed an application requesting authority to implement a DSM incentive mechanism that would allow the Company to retain a portion of the financial benefits associated with DSM programs operated by the Company. In March 2007, the Commission issued Order No. 30268 approving a pilot program to be operational over a three-year period ending December 2009. Under the pilot program, the Company would receive an incentive payment if the market share of homes constructed under the ENERGY STAR® program exceeded certain levels. Conversely, the Company could be subject to a penalty if the percentage of new homes that were built to ENERGY STAR® standards failed to reach certain levels.

YOU ARE FURTHER NOTIFIED that on March 11, 2009, Idaho Power Company filed an Application requesting the Commission issue an Order to (1) authorize the Company to implement a number of modifications to the metrics used under the Performance-Based Demand-Side Management Incentive Pilot program to determine incentive eligibility, (2) approve the Company's determination of its market share achievement for the pilot years of 2007 and 2008, and (3) authorize the Company to discontinue the pilot program effective January 1, 2009. The Company's Application identifies significant problems in developing the standards to determine whether the Company was entitled to incentive payment or subject to a penalty. Accordingly, Staff and the Company agreed to revise market share determination methodologies. Under the revisions the Company neither earned an incentive payment nor incurred a penalty in 2007 and 2008. The Company's Application requests that the Commission approve the technical revisions that Staff and the Company agreed to determine the market share for ENERGY STAR® homes.

NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 30777 YOU ARE FURTHER NOTIFIED that given the difficulties inherent in the pilot program, the Company also requests that the Commission authorize termination of the pilot program effective January 1, 2009. In addition, the Application requests that the Commission "open a separate docket to investigate and potentially develop a performance-based incentive mechanism to be applied to Idaho Power's entire portfolio of DSM programs."

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201-204. 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 any person desiring to state a position on this Application may file a written comment in support or in opposition with the Commission within twenty-one (21) days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application may be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary

Idaho Public Utilities Commission

PO Box 83720

Boise, Idaho 83720-0074

Street Address for Express Mail:

472 W. Washington Street Boise, ID 83702-5918

Lisa D. Nordstrom Barton L. Kline

Idaho Power Company

PO Box 70

Boise, ID 83707-0070

E-Mail: <u>lnordstrom@idahopower.com</u>

bkline@idahopower.com

Timothy Tatum John R. Gale

Idaho Power Company

PO Box 70

Boise, ID 83707-0070

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

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 home page located at <a href="https://www.puc.idaho.gov">www.puc.idaho.gov</a>. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this

NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 30777 document. These comments must also be sent to Idaho Power at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices or on the Commission's website at www.puc.idaho.gov under the "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that the Commission may enter any final order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 et seq.

## ORDER

IT IS HEREBY ORDERED that the Application of Idaho Power Company for authority to implement modifications to the performance-based demand-side management incentive pilot program be processed by Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so within twenty-one (21) days from the service date of this Notice.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10<sup>th</sup> day of April 2009.

IM D. KEMPTON, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

MACK A. REDFORD, COMMISSIONER

ATTEST:

Commission Secretary

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