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# NEWS RELEASE

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### **Idaho Power Makes Four Energy Efficiency-Related Filings with the IPUC** *2008 Demand-Side Management Annual Report cites great progress in energy efficiency savings Rate actions complement expanded energy efficiency activities*

**BOISE, ID, Friday, March 13, 2009**—Today Idaho Power recognizes the energy efficiency achievements of the company and its customers through the filing of its Demand-Side Management Report. This report highlights accomplishments in 2008, and illustrates the value of participation in energy efficiency programs and their success. Idaho Power is committed to diligent execution of energy efficiency initiatives, and in partnership with customers is demonstrating its commitment to securing our energy future.

The 2008 Demand-Side Management Report shows significant achievements, including 107,484 megawatt-hours (MWh) of energy savings from Idaho Power's energy efficiency programs in 2008. This is a 72 percent increase over energy savings in 2007. When energy efficiency achieved through market channels is included, the total savings increases to 140,156 MWh or almost 16 average megawatts. This is equivalent to the average energy used by over 11,000 homes.

"Our 2008 achievements in energy efficiency are an impressive milestone," said Theresa Drake, manager of Customer Relations and Energy Efficiency. "We are very proud of what we have accomplished as a company in partnership with our customers. Even with these great successes, the opportunity exists to continue to partner and to save."

"Energy efficiency programs offer many possibilities, including lower bills for our customers when they reduce consumption," Drake added. "This also results in reducing the number of additional generation resources required and the need to purchase power on the open market, often at a premium. Customers are absolutely making a difference by participating in these programs. If you're not participating, now is the time to act. Although our request involves an increase to further support energy efficiency programs, customers continue to have the ability to lower their monthly bills."

Also today, Idaho Power filed applications requesting commission approval of three rate actions related to various energy efficiency initiatives. One action proposes to increase funding for energy efficiency programs. The second request seeks an adjustment to current rates under the pilot Fixed Cost Adjustment (FCA) or decoupling mechanism. A third action seeks rate recovery for the installation of advanced meters, which will provide the technical platform for additional energy

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efficiency and demand response programs in the future.

These filings demonstrate success in achieving energy savings and underscore Idaho Power's commitment to helping our customers increase their energy efficiency, providing more opportunity for them to control their electric bill. The energy efficiency successes happening in our service area demonstrate that by being energy efficient, we all have the power to control our costs and conserve precious resources.

**Energy Efficiency Program Funding (EE Funding)**

Our energy efficiency programs provide cash incentives, information and services to residential, commercial, industrial and irrigation customers. As a result of continued expansion of these programs Idaho Power is seeking approval to adjust the amount collected through the existing Energy Efficiency Services charge from 2.5 percent of monthly energy bills to 4.75 percent. All of the funds collected by this charge go directly to energy efficiency programs. None of the funding goes to the earnings of the company. The filing proposes to collect an additional \$15.6 million annually or an increase of 1.91 percent over the current annual Idaho revenue.

Energy efficiency programs help customers save energy and money. They also help Idaho Power reduce the amount of electricity it buys or generates. This ensures the company meets its commitment to responsible planning for the growing need of electricity. To learn more about Idaho Power's energy efficiency programs or to enroll, visit [www.idahopower.com/eeprograms](http://www.idahopower.com/eeprograms).

**Fixed Cost Adjustment (FCA)**

The FCA is a pilot rate adjustment that trues up fixed cost recovery as energy efficiency programs and other activities strive to reduce usage per customer. Its purpose is to encourage the company to invest in energy efficiency programs and activities. The FCA provides for an Idaho Public Utilities Commission (IPUC)-determined amount of fixed costs to be recovered from these customers. If, because of reduced electricity use during the year, the company under-collects the authorized fixed cost amount, it can collect the difference through a surcharge. If Idaho Power over-collects the authorized amount, the company refunds the difference through a credit.

During 2008, Idaho Power's energy use per customer decreased, in part due to increased energy efficiency, and the company under-collected fixed costs from both residential and small general service customers. The filing proposes to collect an additional \$5.2 million for one year. Therefore, these two customer groups are proposed to receive a 0.0529 cents/kilowatt-hour (kWh) charge beginning June 1.

**Advanced Metering Infrastructure (AMI)**

Responding to a changing technological environment and past directives from the IPUC, Idaho Power is installing advanced metering across its service area. Installation of AMI will reduce operating costs associated with meter reading, and improve meter reading accuracy, outage monitoring and management and electricity theft detection. It will eventually allow customers to monitor electric prices and become more energy efficient by adjusting their usage to take

advantage of lower price periods. AMI will also allow more customers to participate in more programs, such as our A/C Cool Credit air conditioner cycling program. If approved, this action will increase residential, small business and irrigation customers' rates uniformly by an average of 1.37 percent, and would produce an estimated \$11.2 million in additional revenue per year.

**Overall Impact of These Actions**

If approved, these requests collectively will have differing impacts on the rates paid by our customers. The table below shows the average change:

	Residential Service	General Service	Large Power Service	Irrigation Service	Overall Percentage Change
EE Funding	1.97%	1.89%	1.78%	1.92%	1.91%
FCA	1.35%	0.09%	0.00%	0.00%	0.64%
AMI	1.85%	1.36%	0.00%	1.47%	1.37%
Overall Percentage Change	5.17%	3.34%	1.78%	3.39%	3.92%

For a typical residential customer using 1,050 kWh of electricity each month, the monthly bill would increase by \$3.99 per month during June, July and August and by \$3.89 during non-summer months.

Idaho Power's applications are proposals open to public review and comment and subject to IPUC approval. They are available on the company's "Regulatory Information" Web page at [www.idahopower.com/aboutus](http://www.idahopower.com/aboutus). Copies also are available at Idaho Power offices or at the Idaho Public Utilities Commission office in Boise.

IDACORP, Inc. (NYSE:IDA), Boise, Idaho-based and formed in 1998, is a holding company comprised of Idaho Power Company, a regulated electric utility; IDACORP Financial, a holder of affordable housing projects and other real estate investments; and Ida-West Energy, an operator of small hydroelectric generation projects that satisfy the requirements of the Public Utility Regulatory Policies Act of 1978. IDACORP's origins lie with Idaho Power and operations beginning in 1916. Today, Idaho Power employs approximately 2,000 people to serve a 24,000 square-mile service area in southern Idaho and eastern Oregon. With 17 low-cost hydroelectric projects as the core of its generation portfolio, Idaho Power's 487,000 residential, business and agricultural customers pay some of the nation's lowest prices for electricity. To learn more about Idaho Power or IDACORP, visit [www.idahopower.com](http://www.idahopower.com) or [www.idacorpinc.com](http://www.idacorpinc.com).

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