

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	CASE NO. IPC-E-09-12
COMPANY'S APPLICATION SEEKING)	
AUTHORITY TO IMPLEMENT A)	NOTICE OF APPLICATION
COMMERCIAL AIR CONDITIONER)	
CYCLING PILOT PROGRAM)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 30804

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on April 16, 2009, Idaho Power Company ("Idaho Power" or "Company") filed an Application with the Commission, pursuant to *Idaho Code* §§ 61-502, 61-507, 61-508 and Commission Rules of Procedure 52, seeking authority to implement a Commercial Air Conditioner (AC) Cycling Pilot Program ("Program").

YOU ARE FURTHER NOTIFIED that Idaho Power's Application describes the Program as directed toward small commercial customers; similar to its Schedule 81 residential air conditioner cycling program; and developed in response to numerous inquiries and requests from its small commercial customers.

YOU ARE FURTHER NOTIFIED that participation in the Program will be extended to Schedule 7 and Schedule 9 secondary customers in Ada and Canyon Counties with a base load capacity under 200 kW.

YOU ARE FURTHER NOTIFIED that, under the terms and conditions of the Program, Idaho Power retains discretion as to whether to select or reject Program participants. Participating commercial customers can elect to either: (1) install a direct load control device ("Device") similar to the one used in the residential program; or (2) install a Programmable Controllable Thermostat ("PCT") which allows the Company to initiate AC cycling.

YOU ARE FURTHER NOTIFIED that the Program will run for two air conditioning seasons (June, July, and August) in order to allow the Company to obtain sufficient data and operational information to evaluate and make a determination as to whether to offer a full-scale commercial program in the future. The Company envisions that the Program could potentially address its "summer peaking requirements" by reducing commercial AC use during the summer

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peaking period. Additionally, the PCT may help reduce overall energy use which could result in potential savings to all of the Company's customers.

YOU ARE FURTHER NOTIFIED that Idaho Power will have the capability to initiate a cycling event by sending a radio/paging signal to the PCT or Device. A power line carrier ("PLC") signal will be used for customers with installed Advanced Metering Infrastructure ("AMI"). The radio/paging signal system will eventually be replaced by a PLC system as AMI installation is completed or the paging type switches require service. Cycling events may last up to four hours, continuous or in various segments, per day during the June-August AC season. Cycling events are limited to a total of 40 hours each month and 120 hours per AC season. Compensation for Program participation will consist of a \$7.00 monthly payment for Device participants and the receipt of a PCT for PCT participants.

YOU ARE FURTHER NOTIFIED that Idaho Power requests that the costs of the Program be paid by the Energy Efficiency Rider funds collected under Schedule 91. The Company estimates that the costs for the Program will be approximately \$325,500 for 2009 and \$340,800 for 2010. In the Application, Idaho Power estimates that due to increased installation costs, as compared to the Residential AC Cycling Program, the commercial Program is not cost-effective at this point in time. However, the Company also believes that the Program could become cost-effective if the average load reduction of at least 2 kW is achieved at a 50% cycling rate.

YOU ARE FURTHER NOTIFIED that Idaho Power will acquire data regarding the Program's potential to reduce peak load by installing data loggers on a sample of pilot participants. The Company will also solicit and evaluate data regarding customer preference, level of comfort and overall satisfaction with the Program.

YOU ARE FURTHER NOTIFIED that Idaho Power's Application includes, as Attachment No. 1, a copy of a proposed new tariff Schedule 82 which includes: (1) a detailed description of the Program, (2) terms and conditions for Program participation, and (3) procedures for withdrawal from Program participation.

NOTICE OF MODIFIED PROCEDURE

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

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of Procedure, IDAPA 31.01.01.201 through .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 opposition with the Commission within 28 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 shall be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Barton L. Kline
Donovan E. Walker
Idaho Power Company
PO Box 70
Boise, Idaho 83707-0070

E-mail: bkline@idahopower.com
dwalker@idahopower.com

Darlene Nemnich
Greg Said
Idaho Power Company
PO Box 70
Boise, Idaho 83707-0070
E-mail: dnemnich@idahopower.com
gsaid@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 www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this 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 has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's Web site at www.puc.idaho.gov by clicking on "File Room" and then "Electric Cases."

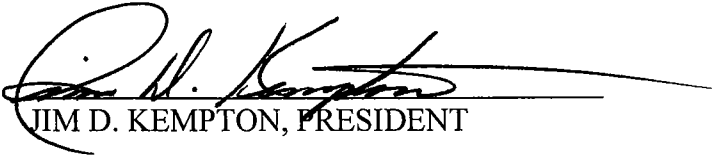
YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-524. The Commission may enter any final Order consistent with its authority under Title 61.


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 this Application will be processed under Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure should do so no later than 28 days from the service date of this Order.

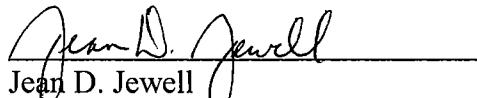
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 12th
day of May 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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