BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR A DETERMINATION OF 2013 DEMAND-SIDE MANAGEMENT ("DSM") EXPENSES AS PRUDENTLY INCURRED.	)	CASE NO. IPC-E-14-04

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

DARLENE NEMNICH

Q. Please state your name and business address.

A. My name is Darlene Nemnich. My business address is 1221 West Idaho Street, Boise, Idaho 83702.

Q. By whom are you employed and in what capacity?

A. I am employed by Idaho Power Company ("Idaho Power" or "Company") as a Senior Regulatory Analyst.

Q. Please describe your educational background.

A. In May of 1979, I received a Bachelor of Arts degree in Business Administration with emphases in Finance and Economics from the College of Idaho in Caldwell, Idaho. In addition, I have attended the electric utility ratemaking course offered through New Mexico State University's Center for Public Utilities, the Edison Electric Institute's Electric Rate Advanced Course, as well as various other ratemaking courses.

Q. Please describe your work experience with Idaho Power.

A. In 1982, I was hired as an analyst in the Resource Planning Department. My primary duties were the calculation of avoided costs for cogeneration and small power production contracts and the calculation of costs of future generation resource options. In 1989, I moved to the Energy Services Department where I performed economic, financial, and statistical analyses to determine the cost-effectiveness of demand-side management ("DSM") programs.

In 2000, I was promoted to Energy Efficiency Coordinator. In that capacity, I coordinated the Company's efforts to grow customer programs and promote education in energy efficiency. I was responsible for complying with regulatory and financial requirements in the area of energy efficiency. In 2003, I was promoted to Energy Efficiency Leader where I managed the Company's DSM efforts, including strategic planning, design and development of programs, regulatory compliance, and overall management of the department. In 2006, I left the Company to pursue personal opportunities. In 2008, I returned to the Company to my current position as a Senior Regulatory Analyst in the Regulatory Affairs Department. My duties as Senior Regulatory Analyst include the development of alternative pricing structures, analysis of the impact on customers of rate design changes, and the administration of the Company's tariffs.

Q. What is the purpose of your testimony in this matter?

A. The purpose of my testimony is to present the Company's request for a determination that $25,951,486 of DSM expenses incurred in 2013 for the acquisition of demand-side resources were prudently incurred. This amount includes $21,748,331 funded by the Idaho Energy Efficiency Rider ("Rider") and $4,203,155 of demand response program

incentive payments that will be included in the April 15, 2014, Power Cost Adjustment ("PCA") filing. My testimony will provide a background of recent Idaho Power DSM prudence and funding cases, review 2013 DSM program performance, discuss 2013 DSM expenses and adjustments, review cost-effectiveness and evaluation, and summarize how this filing satisfies the Memorandum of Understanding for Prudency Determination of DSM Expenditures filed in Case No. IPC-E-09-09 ("DSM MOU").

I. BACKGROUND

Q. Please provide a brief history of cases since 2002 after the Rider was established where the Idaho Public Utilities Commission ("Commission") has made a prudence determination regarding the Company's DSM expenses.

A. This is Idaho Power's sixth request for a determination of prudence related to DSM expenses since the Rider was established in 2002. The first filing for a determination of prudence occurred in June 2008 as part of the 2008 general rate case, Case No. IPC-E-08-10. Idaho Power requested that the Commission find that its 2002-2007 DSM expenditures of $29 million were prudently incurred. The Commission issued Order Nos. 30740 and 31039 finding the $29 million in DSM expenditures prudent. As part of Case No. IPC-E-09-09, Commission Staff ("Staff"), Idaho Power, and other investor-owned utilities operating in

Idaho worked together to establish an agreed-upon set of terms for future evaluation and reporting of DSM expenditures and programs. In January 2010, the Staff, Idaho Power, Avista Corporation, and Rocky Mountain Power signed the DSM MOU. The DSM MOU provides a set of guidelines for evaluation and reporting of DSM performance with the purpose of facilitating an objective and transparent assessment of the utilities' DSM efforts. The DSM MOU states, on page 6, item 10:

> A showing by the utility that it made a good faith effort to reasonably perform within these guidelines will constitute *prima facie* evidence that the utility's DSM expenses were prudently incurred for cost recovery purposes. By its performing within these guidelines, assuming there is no evidence of imprudent actions or expenses, the utility can reasonably expect that in the ordinary course of business Staff will support full cost recovery of its DSM program expenses.

In March 2010, concurrent with the filing of the *Demand-Side Management 2009 Annual Report* ("DSM 2009 Annual Report"), Idaho Power filed its second request for a determination of prudence related to Rider-funded efforts when it filed Case No. IPC-E-10-09 for the 2008 and 2009 DSM expenditures of $50.7 million. Idaho Power provided two supplements to the DSM 2009 Annual Report in order to satisfy the guidelines set forth in the DSM MOU. These were *Supplement 1: Cost-Effectiveness* and *Supplement 2:*

Evaluation. On November 16, 2010, the Commission issued Order No. 32113 finding that the 2008 and 2009 DSM expenditures were prudently incurred.

On March 15, 2011, Idaho Power filed its third request for a determination of prudence related to Rider-funded efforts in Case No. IPC-E-11-05 for the 2010 DSM expenditures of $42.5 million. This amount, which was later modified to $41.9 million due to an accounting adjustment, was found to be prudently incurred by the Commission in Order No. 32331 on August 18, 2011.

On March 15, 2012, Idaho Power filed its fourth request for a determination of prudence related to Rider-funded efforts in Case No. IPC-E-12-15 requesting an order finding that the Company had prudently incurred $42.6 million in DSM expenditures in 2011. On October 22, 2012, the Commission found that the Company prudently incurred $42.5 million in DSM expenditures in 2011. (Order No. 32667 and Reconsideration Order No. 32690.) In these Orders, the Commission denied recovery of $82,855.50 of A/C Cool Credit program expenses and declined to decide the reasonableness of the Company's increase in Rider-funded labor related expenses of $89,601 included in the 2011 DSM expenses until Idaho Power provides evidence by which to better assess the reasonableness of these expenses.

Finally, on April 3, 2013, Idaho Power filed Case No. IPC-E-13-08 requesting an order finding that the Company had prudently incurred $46.4 million in DSM expenditures in 2013. In Order No. 32953, issued on December 20, 2013, the Commission found that the Company prudently incurred $46.1 million in DSM expenditures in 2011. In this Order, the Commission declined to decide the reasonableness of the Company's increase in Rider-funded labor related expenses of $89,601 included in the 2011 DSM expenses and $173,811 included in the 2012 DSM expenses.

Q. Please review recent regulatory orders regarding treatment of Custom Efficiency program incentive payments.

A. On May 17, 2011, the Commission issued Order No. 32245 authorizing Idaho Power to account for Custom Efficiency program incentive payments as a regulatory asset beginning January 1, 2011. On October 31, 2012, Idaho Power filed Case No. IPC-E-12-24 requesting authority to begin recovery of that regulatory asset plus the Company's authorized rate of return over a four-year amortization period. The Commission denied Idaho Power's request in Order No. 32766 stating the Commission's opinion that a general rate case is the appropriate proceeding to address recovery of this regulatory asset. On April 15, 2013, Idaho Power filed an application with the Commission in

Case No. IPC-E-13-11 for authorization to revert recovery of the accumulated Custom Efficiency program incentive payments through May 31, 2013, and future program incentive payments back through the Rider. The Commission approved this request in Order No. 32826 and in June 2013, Idaho Power made an accounting entry to move $14,200,174 out of the regulatory asset account and back into the Rider account.

II. 2013 DSM PROGRAM PERFORMANCE

Q. Please provide an overview of Idaho Power's DSM efforts in 2013.

A. In 2013, on a system-wide basis, Idaho Power offered customers 18 energy efficiency programs or pilots and one demand response program, participated in market transformation programs through the Northwest Energy Efficiency Alliance ("NEEA"), and offered several ongoing education initiatives and studies. Per Commission Order No. 32776, two of Idaho Power's demand response programs (A/C Cool Credit and Irrigation Peak Rewards) were temporarily suspended. This suspension was due to a lack of need as identified in the Company's 2013 Integrated Resource Plan ("IRP"). A summary of Idaho Power's 2013 DSM activities is provided in Table 1 below.

Table 1. 2013 DSM, Sectors, Programs, Operational Type, and Energy Savings/Demand Reduction

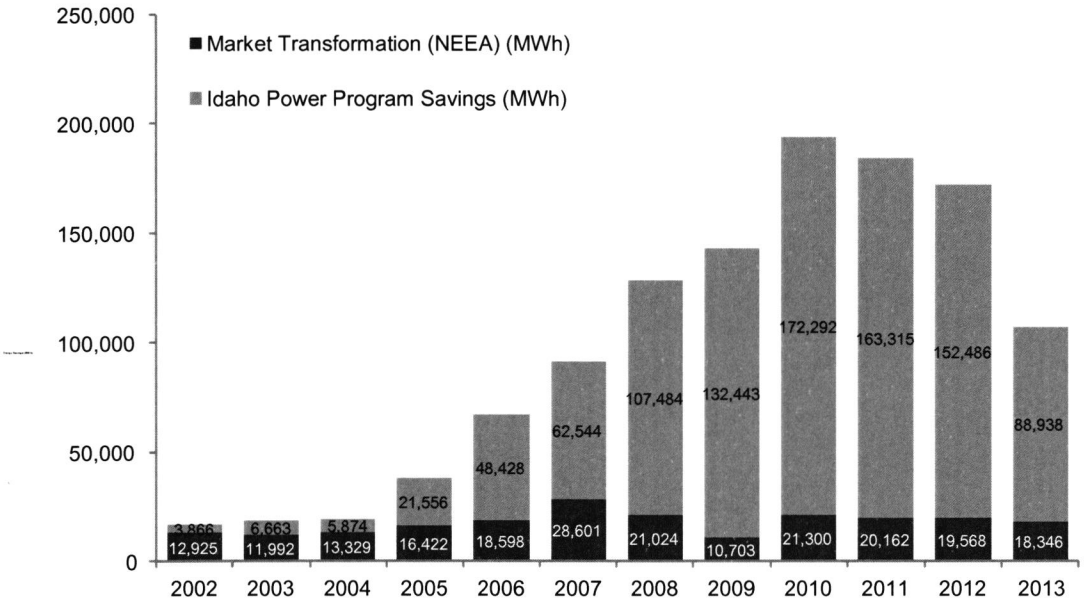
Program by Sector	Operational Type	State	Savings/Demand Reduction
Residential			
A/C Cool Credit	Demand Response	ID/OR	suspended
Ductless Heat Pump Pilot	Energy Efficiency	ID/OR	589 MWh
Energy Efficient Lighting	Energy Efficiency	ID/OR	9,996 MWh
Energy House Calls	Energy Efficiency	ID/OR	837 MWh
ENERGY STAR® Homes Northwest	Energy Efficiency	ID/OR	365 MWh
Heating & Cooling Efficiency Program	Energy Efficiency	ID/OR	1,004 MWh
Home Energy Audit	Other Programs and Activities	ID	n/a
Home Improvement Program	Energy Efficiency	ID	616 MWh
Home Products Program	Energy Efficiency	ID/OR	886 MWh
Oregon Residential Weatherization	Energy Efficiency	OR	15 MWh
Rebate Advantage	Energy Efficiency	ID/OR	270 MWh
Residential Economizer	Other Programs and Activities	ID	n/a
Residential Energy Efficiency Education Initiative	Other Programs and Activities	ID/OR	n/a
See ya later, refrigerator®	Energy Efficiency	ID/OR	1,442 MWh
Shade Tree Project	Other Programs and Activities	ID	n/a
Weatherization Assistance for Qualified Customers	Energy Efficiency	ID/OR	682 MWh
Weatherization Solutions for Eligible Customers	Energy Efficiency	ID	303 MWh
Commercial/Industrial			
Building Efficiency	Energy Efficiency	ID/OR	10,989 MWh
Commercial Education Initiative	Other Programs and Activities	ID/OR	n/a
Custom Efficiency	Energy Efficiency	ID/OR	21,370 MWh
Easy Upgrades	Energy Efficiency	ID/OR	21,062 MWh
FlexPeak Management	Demand Response	ID/OR	48 MW
Oregon Commercial Audits	Other Programs and Activities	OR	n/a
Irrigation			
Irrigation Efficiency Rewards	Energy Efficiency	ID/OR	18,511 MWh
Irrigation Peak Rewards	Demand Response	ID/OR	suspended
All Sectors			
Northwest Energy Efficiency Alliance	Market Transformation	ID/OR	18,346 MWh

Table 1 illustrates the broad availability of programs offered by Idaho Power to its customers in energy efficiency, demand response, and education. The *Demand-Side Management 2013 Annual Report* ("DSM 2013 Annual Report"), Attachment 1 to the Application filed in this proceeding, provides details for each program, including a description of each program, 2013 performance and activities, cost-effectiveness, customer satisfaction, and evaluation results. In addition, the DSM 2013 Annual Report provides Idaho Power's DSM strategies for 2014.

Q. What level of incremental annual energy efficiency savings was achieved in 2013 with energy efficiency programs?

A. On a system-wide basis, Idaho Power achieved 107,284 megawatt-hours ("MWh") of incremental annual energy efficiency savings in 2013. This value includes energy efficiency market transformation savings through NEEA initiatives. Table 2 below shows the incremental annual energy efficiency savings in MWh from 2002 to the current year.

Table 2. Annual Energy Savings, 2002-2013 (MWh)



Note: 2013 NEEA market-transformation savings are preliminary.

Q. Why is the incremental annual energy savings for 2013 lower than the incremental annual energy savings for 2012?

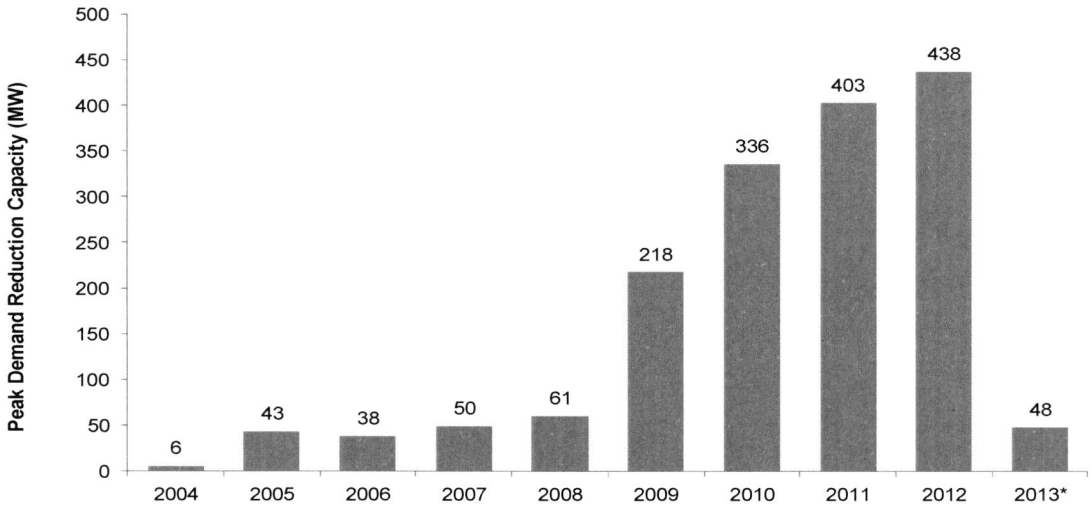
A. There are several reasons for this reduction. In 2013 there were some large industrial projects in the Custom Efficiency program that were being worked on but were not completed during the year. Idaho Power does not count the energy efficiency savings for a project until it is complete. Also, as buildings and appliances become more efficient and building codes become more strict, there is a general movement to lower savings estimates by the Regional Technical Forum ("RTF") on a regional basis. Idaho Power utilizes deemed savings estimates from the RTF for many of

its programs. For a more detailed discussion on this topic please refer to page 10 of the DSM 2013 Annual Report.

Q. What level of demand reduction capacity was available from Idaho Power's demand response programs in 2013?

A. Idaho Power's single demand response program operating in 2013 (FlexPeak Management program) provided a peak demand reduction capacity of 48 megawatts ("MW"). Table 3 below shows the annual peak demand reduction capacity in MW since 2004.

Table 3. Peak Demand Reduction Capacity, 2004-2013 (MW)



*In 2013, two of the three demand response programs were temporarily suspended.

Q. Why is the demand reduction capacity for 2013 lower than in 2012?

A. As per Commission Order No. 32776, the A/C Cool Credit program and the Irrigation Peak Rewards program

were temporarily suspended during the summer of 2013 while Idaho Power worked with stakeholders to determine the future design of the programs. Therefore, no peak demand reduction capacity was available from those programs. The stakeholder workshop process resulted in program designs that better aligned with the current and future resource needs identified in the 2013 IRP and all three demand response programs being operational in 2014.

Q. Please describe the opportunities for external parties to provide input and guidance to Idaho Power's DSM efforts.

A. In 2002, Idaho Power created the Energy Efficiency Advisory Group ("EEAG") to provide a forum to gather ideas and suggestions from customers and special interest representatives on formulating and implementing DSM programs. Members include customer representatives from residential, irrigation, commercial, and industrial sectors, as well as representatives for senior citizens, limited-income individuals, environmental organizations, state agencies, the Idaho Public Utilities Commission, the Public Utility Commission of Oregon, and Idaho Power. In 2013, the EEAG met four times. During these meetings, Idaho Power discussed and requested recommendations on a broad range of DSM issues. The minutes from the 2013 EEAG

meetings are included in *Supplement 2: Evaluations* ("Supplement 2") to the DSM 2013 Annual Report.

Q. Please describe the on-going effort Idaho Power has taken to improve the operation of the EEAG.

A. In response to concerns raised by Staff in Case No. IPC-E-12-15, and Commission direction in Order Nos. 32667 and 32953, Idaho Power has, in the last two years, implemented a number of changes designed to improve the way the EEAG operates and to increase opportunities for members and other meeting attendees to provide advice to Idaho Power. Idaho Power engaged EEAG members and meeting attendees in an interactive session in the July 19, 2012, EEAG meeting to explore how best to improve how the EEAG operates. The input received centered around two general areas: how to improve the structure of the meetings and how to improve the content of the meetings. Idaho Power and the EEAG have made several changes to the way the EEAG operates and the Company believes that these changes are producing results. The EEAG members have recognized that Idaho Power is providing more information on current and future issues. For a more detailed discussion on this improvement process as well as the history, purpose, and value of the EEAG please see *Report on the Energy Efficiency Advisory Group*, filed February 18, 2014, in compliance to Order No. 32953 in Case No. IPC-E-13-08.

The EEAG provides value to Idaho Power by imparting guidance and advice, and bringing different perspectives to the Company regarding its energy efficiency and demand response efforts. Idaho Power appreciates the time and effort that its EEAG members contribute to its DSM efforts.

Q. Were there additional opportunities for external parties to provide input and guidance to Idaho Power's DSM efforts during 2013?

A. Yes. In the summer of 2013, Idaho Power hosted a series of five public workshops to determine strategies for the continuation of Idaho Power's three demand response programs for 2014 and beyond. Approximately 60 individuals from 21 organizations and two individual customers participated in the workshops, including staff members from both the Idaho Commission and the Oregon Commission. These workshops were collaborative in nature and resulted in a settlement agreement that the Commission approved in Order No. 32923, which sets forth the guidelines for the continuation of these programs into the future.

III. 2013 DSM EXPENSES AND ADJUSTMENTS

Q. What amount of 2013 DSM expenses is the Company requesting the Commission find were prudently incurred?

A. In the delivery of energy efficiency, demand response, and market transformation programs as well as education and administrative costs, Idaho Power expended $21,748,331 of Rider funds and $4,203,155 of demand response program incentive and continuity payments for a total of $25,951,486 spent on demand-side resource acquisition in 2013. To arrive at an amount for prudence determination, these numbers include adjustments from current and prior years as described later in my testimony. Idaho Power requests that the 2013 Rider-funded DSM expenses and the 2013 demand response program incentive and continuity payments recovered through the PCA be reviewed together for a prudence determination. With this filing, Idaho Power requests the Commission issue an order finding that these funds were prudently incurred. Exhibit No. 1, *2013 Idaho DSM Expenses and Adjustments for Prudence Filing*, shows a breakout of these expenses by program and customer sector and by funding source. For clarity and ease of understanding in the development of Exhibit No. 1, I started with *Appendix 2. 2013 DSM expenses by funding source (dollars)*, which is found on page 142 of the DSM 2013 Annual Report.

Q. Please compare the dollar amounts in Exhibit No. 1 with Appendix 2 of the DSM 2013 Annual Report.

A. The first column of Appendix 2 labeled "Idaho Rider" and the first column of Exhibit No. 1 labeled "Rider Expenses" match at the row labeled "Grand Total" in the amount of $34,468,123. The other columns in Exhibit No. 1 detail the demand response program incentive and continuity payments and the Total Expenses. All values in Exhibit No. 1 represent DSM charges for the Idaho service area only. Adjustments to these totals are needed to accurately arrive at the total 2013 expenses for purposes of the prudence determination. There are five categories of adjustments: (1) transfer of 2011 and 2012 Custom Efficiency program incentive amounts, (2) Rider-funded labor related expense increases, (3) 2012 A/C Cool Credit program switch prudence request, (4) prior year-end accounting adjustments, and (5) current year-end accounting adjustment. To further aid in explaining the adjustments, in my Exhibit No. 1, I have broken out the amounts in the row titled "Special Accounting Entries" and added a section at the bottom of the table titled "Adjustments."

Q. Please explain the detailing of the row titled "Special Accounting Entries."

A. In Appendix 2, the Special Accounting Entries row of the Idaho Rider column totals $13,838,199. For clarity, I have broken this number into three different expense categories in my Exhibit No. 1. I have done this

in order to detail the transfer of Custom Efficiency incentives and removal of Rider-funded labor increases.

Q. Please discuss the first category of adjustments – the transfer of Custom Efficiency incentives.

A. As a result of Order No. 32826 in Case No. IPC-E-11-13, Idaho Power transferred $14,200,174 of Custom Efficiency incentive payments from a regulatory asset account to the Rider account. This transfer is shown in Exhibit No. 1, under Special Accounting Entries, the row titled "Transfer of Custom Efficiency Regulatory Asset Account." However, most of this amount had already been deemed prudently incurred in Order Nos. 32667 ($7,018,385 for 2011) and 32953 ($6,019,109 for 2012). Therefore, even though these dollars were transferred into the Rider account in 2013 they are removed from this prudence request. This is shown in Exhibit No. 1 in the first two rows under Adjustments. The $14,200,174 also included $966,319 of Custom Efficiency incentive payments for program activity from January 1 through May 31, 2013, and accrued carrying charges. These amounts are included in the total amount for which Idaho Power is requesting a prudence determination.

Q. In this filing, did Idaho Power include the increases in 2011-2013 Rider-funded labor related expense for a prudence determination?

A. No. In Order Nos. 32667, 32690, and 32953, the Commission declined to decide the prudence of the increase in 2011 and 2012 Rider-funded labor related expenses, while at the same time offering the Company another opportunity to provide sufficient evidence at a future time, preferably revisiting this issue in the next general rate case. Order 32953 at 8. Because of the Commission's decisions in these three Orders, Idaho Power is not asking for a prudence determination in this filing for the increase in Rider-funded labor related expenses that occurred in 2011, 2012, and 2013.

Q. Please quantify the increase in 2013 Rider-funded labor related expenses based upon 2010 labor rates.

A. The increase in Rider-funded labor related expenses based upon 2010 labor rates included in the 2013 DSM expenses is $269,432.

Q. Please explain the methodology used by Idaho Power to arrive at this amount.

A. Please refer to Table 4 below where the increase in 2013 Rider-funded labor related expenses based upon 2010 labor rates has been quantified. Idaho Power is using the same methodology to quantify the increase in 2013 Rider-funded labor related expenses that was previously adopted by the Commission for use in 2011 and 2012. The total annual Rider-funded labor related expense is shown in

column 1 and an estimate of the total number of Rider-funded full-time equivalent employees ("FTE") is shown in column 2 for each year from 2010 to 2013. These estimated FTE values are based on total hours charged to the Rider, divided by a full-time employee equivalent of 1,912 hours per year. Annual FTE numbers vary due to a number of reasons, including unfilled positions or number of hours charged to the Rider by employees. In order to calculate the average labor expense per FTE for 2010, column 1 is divided by column 2 and the result is shown in column 3. This average labor expense per FTE of $96,520 is used as the basis for this analysis because it was the average labor expense per FTE from 2010 when all Rider-funded labor costs were last deemed prudent by the Commission. Column 4 shows the 2011 through 2013 "deemed prudent" total labor expense calculated by multiplying the yearly FTE values in column 2 by the 2010 average labor expense per FTE value of $96,520. In column 5, the actual total labor expenses in column 1 is compared to the "deemed prudent" total labor expense in column 4, resulting in the calculation of the change in Rider-funded labor related expenses for 2011, 2012, and 2013.

Table 4

Column	1	2	3	4	5
	Total Labor	FTE	2010 $/FTE	Column 2 times 2010 $/FTE	Column 1 minus Column 4
2010	$2,577,080	26.70	$96,520		
2011	$2,637,729	26.40	$96,520	$2,548,128	$89,601
2012	$2,886,988	28.11	$96,520	$2,713,177	$173,811
2013	$2,767,445	25.88	$96,520	$2,498,013	$269,432
Total					$532,844

Q. Please describe the second category of adjustments – the Rider-funded labor increase related adjustments on Exhibit No. 1.

A. In Exhibit No. 1 under Special Accounting Entries in the row labeled "Removal of 2011-2013 Rider-funded Labor Increases," the Company excluded all the Rider-funded labor related increases from the Rider account for the three years 2011-2013. The total cumulative three-year removal of labor increases was $532,844. The calculation of this number is shown above in Table 4. This accounting adjustment removed the 2011-2013 increase in Rider-funded labor related expenses from the amount for prudence determination in this filing. However, a second accounting adjustment is needed concerning the increase in labor amounts. Because the 2011 and 2012 increases in Rider-funded labor related expenses were already removed from the Rider account in 2013 (as per Order No. 32953), it is necessary to add these amounts back in to determine the

actual amount of Rider expenses in 2013. I show this second adjustment in Exhibit No. 1 under Adjustments in the row labeled "2011 & 2012 Rider-funded Labor Increases Transferred from Rider in 2013." The 2011 ($89,601) and 2012 ($173,811) amounts, for a total of $263,412, are added back into this prudence request to avoid a double removal of these amounts.

Q. Please explain the third category of adjustments – the 2012 A/C Cool Credit program switch prudence request.

A. In December 2012, when the Company petitioned the Commission to temporarily suspend the A/C Cool Credit program, the Company issued a letter to the switch installation vendor to halt the installation of switches. There were 481 switches that were installed at a cost of $32,090 after the Company issued the letter to halt the installation. Last year, in Case No. IPC-E-13-08, Idaho Power did not request a prudence determination on this amount and proposed to set aside this amount for future prudence review. The A/C Cool Credit program has been redesigned and is no longer suspended as per Order No. 32923 and will be operational this summer. The 481 switches (the cost of which had been removed from last year's prudence request) will now provide value to the program and should be deemed a prudent expense. Therefore,

the $32,090 is added into the amount for a prudence determination as shown in the row labeled "2012 A/C Cool Credit Program Switch Installation Expense" under the Adjustments section of Exhibit No. 1.

Q. Please describe the fourth category of adjustments – prior year-end accounting adjustments.

A. In last year's prudence filing, Case No. IPC-E-13-08, Idaho Power proposed certain adjustments of 2012 expenses that reduced the amount requested for a prudence determination. In Order No. 32953, the Commission approved a prudence amount that included those specific adjustments. These Rider expenses occurred in 2012 but were removed from the Rider account via an accounting entry made in 2013. In order to arrive at actual total program expenses for 2013, these amounts are added back into this prudence request to avoid a double removal of these amounts.

These items are shown in the Adjustments section of Exhibit No. 1 in the row labeled "Prior Year-end Accounting Adjustments." They include:

• Energy House Calls Correction	$17,113
• ENERGY STAR® Homes Adjustment	$ 4,000
• Misc. Accounting Corrections	$ 839
Total	$21,952

The explanation of these corrections is detailed in pages 12-18 of my direct testimony in last year's prudence filing, Case No. IPC-E-13-08.

Q. Please explain the fifth and last category of adjustments – current year-end accounting adjustment.

A. I found a small accounting error that occurred in 2013 that should be included as an adjustment in this filing.

Q. Please describe the accounting error.

A. The Home Energy Audit program currently operates only in Idaho. A labor charge of $248 for the Home Energy Audit program was initially allocated to DSM expenses in the Oregon jurisdiction. Upon further review, it was determined that this charge should have been charged to the Idaho jurisdiction. This adjustment moves $248 into the Idaho Rider account and increases the total amount of the prudence determination request. This is shown in the Adjustment section of Exhibit No. 1 under "Current Year-end Accounting Adjustment, Home Energy Audit Program Correction."

Q. Please summarize the impact of all the adjustments described above to the two different funding accounts.

A. As shown in Exhibit No. 1, these adjustments bring the total Rider-funded expenses to $21,748,331. The demand response program incentive payment amount had no adjustment and remains at $4,203,155. The total of these two amounts is $25,951,486.

IV. 2013 PROGRAM COST-EFFECTIVENESS OVERVIEW

Q. What is Idaho Power's overall goal when it comes to DSM cost-effectiveness tests?

A. Idaho Power's goal is to have all programs achieve benefit/cost ratios of 1.0 or greater for the total resource cost test ("TRC"), utility cost test ("UCT"), and the participant cost test ("PCT"). Each of the tests provides information about the impacts of DSM programs from distinct perspectives. The TRC looks at benefits and costs from the perspective of all utility customers (participants and non-participants) in the utility service area, the UCT calculates costs and benefits from Idaho Power's perspective, and the PCT looks at the average participating customer's costs and benefits. Because of the value in comparing demand-side resources to supply-side resources, Idaho Power has placed emphasis on the TRC and UCT. Idaho Power reviews the cost-effectiveness results for each program on an annual basis to determine whether the program should continue or be modified in some way to ensure its ongoing cost-effectiveness. The cost-effective test methodologies and assumptions are described in more detail in the first pages of *Supplement 1: Cost-Effectiveness* ("Supplement 1") that is contained in Attachment No. 1 to the Application in this proceeding.

Q. What were the results of the 2013 cost-effective analyses?

A. Exhibit No. 2, *2013 Cost-Effectiveness Summary by Program*, shows the results of the UCT, TRC, and PCT for every energy efficiency and demand response program offered in the Idaho jurisdiction. These results show that, using 2013 DSM costs and benefits, of the 15 energy efficiency programs for which the Company claims savings, eleven programs had benefit/cost ratios greater than 1.0 for both the TRC and UCT. Two programs had benefit/cost ratios less than 1.0 for both the TRC and UCT. And two other programs had benefit/cost ratios less than 1.0 for the TRC but greater than 1.0 for the UCT. One program did not pass the PCT.

As shown in Exhibit No. 2, two of the demand response programs, A/C Cool Credit and Irrigation Peak Rewards, were suspended in 2013, resulting in no benefit/cost analyses being performed. Idaho Power, as authorized in Order No. 32776, provided continuity payments to participants and incurred costs to maintain program infrastructure. The cost-effectiveness calculation for the FlexPeak Management program shows benefit/cost ratios greater than 1.0 from the TRC and the UCT perspective when evaluated from a five-year life cycle perspective. For prudence determination purposes, Idaho Power has

historically focused on the one-year benefit/cost ratios for energy efficiency programs and the longer term benefit/cost ratios for demand response programs.

For energy efficiency programs, Idaho Power also provides calculations of the TRC and UCT using costs and benefits for the program life – from the inception of the program to the current year. For demand response programs, Idaho Power also provides benefit/cost calculations reflecting one-year costs and benefits. These calculations are shown in the program description sections and in Appendix 4 of the DSM 2013 Annual Report. The details of these calculations are in Supplement 1. The PCT is not calculated for any demand response program or where there are no direct customer costs, and this is reflected as "N/A" in Exhibit No. 2.

Q. Which programs did not have a benefit/cost ratio greater than 1.0 in 2013 for neither the TRC nor the UCT perspective?

A. As shown in Exhibit No. 2, for the second year in a row, the two programs targeted to limited-income customers, Weatherization Assistance for Qualified Customers ("WAQC") and Weatherization Solutions for Eligible Customers ("Solutions"), had benefit/cost ratios below 1.0 for both the UCT and the TRC using 2013 data.

The PCT is not calculated for these programs because they impose no direct costs on the participants.

Q. Please explain why the WAQC and Solutions programs did not achieve the targeted results.

A. As was reported in the DSM 2012 Annual Report, Idaho Power, in early 2013, completed an impact evaluation on these two programs that reported a realization rate for the WAQC program of 29 percent and a realization rate for the Solutions program of 19 percent. Idaho Power has adjusted the 2012 and 2013 kilowatt-hour ("kWh") savings values in the cost-effectiveness calculations of the WAQC and Solutions programs to reflect these realization rates in the average annual energy savings from the impact evaluations. When Idaho Power adjusted the kWh savings to reflect the impact evaluation findings, both programs had benefit/cost ratios under 1.0 for the TRC and the UCT.

Q. What activities has Idaho Power undertaken in the last year to improve the cost-effectiveness of the WAQC and Solutions programs?

A. For the 2013 analyses (as in the 2012 analyses), Idaho Power included in the cost-effective calculations most of the changes recommended in Commission Order No. 32788 issued in Case No. GNR-E-12-01, Cost-effectiveness and Funding of Low Income Weatherization Programs.

After gathering the information from the impact evaluation that was completed in early 2013, Idaho Power also administered a process evaluation by Johnson Consulting Group to look at the implementation procedures of both WAQC and Solutions and obtain recommendations for improvements. A literature review of limited-income non-energy benefits and cost-effectiveness policies used in other jurisdictions was a part of the process evaluation. A full report of this evaluation is included in Supplement 2. In August 2013, and again in October 2013, Idaho Power invited the Community Action Partnership agencies that implement the WAQC program along with contractors that implement the Solutions program to meet and review the program evaluations and to brainstorm ways to make the program more cost-effective. In addition, Idaho Power participated in a statewide utility partnership meeting sponsored by Community Action Partnership Association of Idaho where many of these same ideas to increase cost-effectiveness were discussed.

As a result of the formal evaluations completed and the input from the program implementers, Idaho Power has compiled a list of areas of program improvement to pursue with the goal of making the two limited-income programs more cost-effective.

First, Idaho Power has begun working to modify the audit tool, called the EA4, used in the Solutions program. These modifications are necessary because it is important to have an audit tool that more accurately estimates savings for each of the measures in order to know which measures need to be modified. The first specific model change was the alignment of measure lives with the corresponding RTF values for weatherization and heating, ventilating, and air conditioning measures. Future modifications include changing the way the audit tool models efficiency measures and changing the way the audit tool calculates some cost categories and other parameters.

Idaho Power plans to conduct another billing analysis after these changes are in place to determine improvement in the accuracy of the model to predict energy savings. Once it is determined how best to modify the EA4 audit tool to incorporate the desired changes, the EA5 audit tool (which is very similar to the EA4 audit tool and is used for the WAQC program) could be modified if the Idaho State Weatherization Assistance program administrators agree.

In addition, Idaho Power will work with Staff and other stakeholders to examine if the cost-effective calculation used for limited-income programs needs further

modification. This includes evaluating non-energy benefits.

Q. Has there been an improvement in the benefit/cost ratios of the WAQC and Solutions programs in the last year?

A. Yes. Both the TRC and UCT ratios for the Solutions program improved slightly. The TRC improved from 0.47 in 2012 to 0.53 in 2013 and the UCT improved from 0.43 to 0.46. For the WAQC program, the TRC improved from 0.71 in 2012 to 0.74 in 2013 and the UCT improved from 0.84 in 2012 to 0.95 in 2013.

Q. How is Idaho Power approaching the issue that the WAQC and Solutions programs have not been cost-effective?

A. Idaho Power continues to work diligently with program partners, stakeholders, and vendors with these programs to find ways to streamline operations, adjust offerings, and develop more accurate tools in an effort to make these programs more cost-effective. Because these programs target limited-income customers, Idaho Power believes there are other benefits to these programs that are difficult to quantify. Unless the Commission directs otherwise, Idaho Power will continue its efforts to improve these programs while at the same time offering them to the Company's customers on an on-going basis.

Q. Which programs did not have a benefit/cost ratio greater than 1.0 in 2013 from the perspective of the TRC or the PCT?

A. As shown in Exhibit No. 2, the Ductless Heat Pump Pilot ("DHP") program had a benefit/cost below 1.0 for the TRC and the PCT using 2013 data. The ENERGY STAR® Homes Northwest program had a benefit/cost ratio below 1.0 for the TRC.

Q. Please explain why the DHP pilot program did not meet the TRC or the PCT and discuss Idaho Power's response to this result.

A. Idaho Power operates this program through the regional Northwest DHP pilot project. The RTF is still evaluating the DHP measures to establish appropriate energy savings. In the fall of 2013, the RTF approved annual-savings estimates for DHP installed under the pilot parameters. These savings were given a sunset date of March 31, 2014, because the RTF only approved savings that did not consider the impact of supplemental fuel use such as wood burning stoves. The pilot billing analysis showed that there were lower savings in colder climates for customers that reported large amounts of wood heat prior to the installation of the DHP. The resulting billing analysis of wood burning customers shows minimal savings or even increased use of electricity from the pre-installation

period. As a consequence of the supplemental fuel issue, DHPs installed in Idaho Power's colder climate zones have lower energy savings than previously estimated. Savings in the other climate zones were higher and DHPs were cost-effective. The combination of the savings from different climate zones and the impact of wood burning use decreased overall per unit savings, which caused the overall program TRC benefit/cost ratio to fall below 1.0. The issues discussed above also lowered the PCT to under 1.0. Depending on the results of the RTF final review, Idaho Power will, in consultation with the EEAG, explore making program changes to improve the cost-effectiveness, both of the TRC and of the PCT, of this program.

Q. Please explain why the ENERGY STAR® Homes Northwest program did not meet the TRC test and explain Idaho Power's response to this result.

A. In 2013, Idaho Power certified 267 homes in the ENERGY STAR® Homes Northwest program. Only seven of these homes were stand alone, single-family homes and 260 were townhomes. The RTF estimates of kWh savings for townhomes is less than single-family homes but the incentive and fixed costs borne by the program are the same. The high ratio of townhomes to total homes in Idaho Power's program in 2013 caused this program's cost-effectiveness to dip to a TRC of 0.95. The RTF unit energy

savings for this program will sunset at the end of April 2014. Idaho Power will, in consultation with the EEAG, evaluate program changes after the RTF reviews the energy savings assumptions for Energy Star® Homes Northwest in order to improve the cost-effectiveness of this program.

Q. Concerning all of its programs, did Idaho Power look at program cost-effectiveness from the Ratepayer Impact Measure ("RIM") perspective as requested by the Staff in Attachment No. 1 of the DSM MOU?

A. Yes. The RIM test measures the impact on customers' bills or rates due to changes in utility revenues and operating costs caused by an energy efficiency program. According to the National Action Plan for Energy Efficiency's *Understanding Cost-Effectiveness of Energy Efficiency Programs: Best Practices, Technical Methods, and Emerging Issues for Policy-Makers,* this test is typically a secondary test used to evaluate relative impacts on rates. It should be noted that while Staff, in Attachment No. 1 to the DSM MOU, stated an expectation that programs should pass the TRC, UCT, and PCT (and if not to provide an explanation), there was no stated expectation that programs must pass the RIM test.

Q. What were the results when Idaho Power calculated the RIM tests on its programs?

A. When Idaho Power made these calculations, programs had a range of benefit/cost ratios for the RIM test with the lowest at 0.35 and the highest at 1.81. Results for each program calculation can be found in Supplement 1 of the 2013 DSM Annual Report.

Q. Did Idaho Power calculate cost-effectiveness tests for each measure within each program?

A. Yes. In 2013, Idaho Power evaluated the benefits and costs of 455 measures from both the TRC and the UCT perspective. Of the total number of measures analyzed, 18 did not pass the TRC. Four additional measures failed the UCT but passed the TRC. It should be noted that Idaho Power does not perform cost-effectiveness calculations by measure in programs where there is significant interaction between measures.

The results of these calculations along with measure assumption details and source documentation can be found in Supplement 1 to the DSM 2013 Annual Report.

Q. How did Idaho Power address the measures that are not cost-effective based on one or more tests?

A. The cost and benefit values used in the various analyses are based on markets, technologies, economic inputs, savings estimates, and cost estimates, which can change over time. When a measure is determined not to be cost-effective at a specific point in time, Idaho

Power first evaluates whether the inputs used in the calculations are still correct, and then determines if measure parameters should be modified or whether the measure should be eliminated. As mentioned above, 18 individual measures in various programs are not cost-effective from a TRC perspective and four individual measures fail the UCT but pass the TRC. These measures will either be discontinued, analyzed for additional non-energy benefits, modified to increase potential per unit savings, or monitored to examine their impact on the specific program's overall cost-effectiveness. For additional detail on measure analysis refer to Supplement 1.

V. EVALUATION ACTIVITY OVERVIEW

Q. Please discuss the Company's approach to program evaluation.

A. In order to ensure the ongoing cost-effectiveness of programs through validation of energy savings and demand reduction, and to guide the efficient management of its programs, the Company relies on evaluations by third-party contractors chosen through a competitive bidding process, internal analyses, and regional and national studies. Idaho Power uses industry-standard protocols for its internal and external evaluation efforts. Process and impact evaluations are typically on a

three-year cycle for each program; however, the timing of specific program evaluations is based on considerations regarding program needs. The Company actively participates in regional groups that evaluate new technologies and advancements. The DSM MOU provides further direction on how Idaho Power plans, evaluates, and reports its DSM activities.

Q. Please provide an overview of the evaluation activities that took place in 2013.

A. In addition to the annual cost-effective analyses that the Company conducts for each program, in 2013, Idaho Power completed six process evaluations on the following programs: Energy Efficient Lighting, ENERGY STAR® Homes Northwest, Heating and Cooling Efficiency Program, Weatherization Assistance for Qualified Customers, Weatherization Solutions for Eligible Customers, and Easy Upgrades. Idaho Power completed one impact evaluation on the Irrigation Efficiency Rewards program. All these evaluations were conducted by third-party contractors. In addition, Idaho Power conducted its annual internal review on the FlexPeak Management and the Irrigation Peak Rewards programs. The final reports for these evaluations and studies, and the market effects evaluations conducted by NEEA, are included in Supplement 2 of the DSM 2013 Annual Report.

There were four "Other" research projects listed in last year's 2013 evaluation plan that were not completed in 2013. Two of these research projects were planned for the WAQC and Solutions programs in 2013 and were to evaluate the EA software audit tool. This work is continuing into 2014. There was also a process evaluation scheduled for the FlexPeak Management program in 2013. Idaho Power chose not to complete this evaluation based on the fact that it was the last year of a five-year contract with EnerNOC, Inc., and that the operation of the FlexPeak Management program was uncertain for 2014 and beyond. The other two evaluations listed in last year's 2013 evaluation plan for the Custom Efficiency and Building Efficiency programs were for the development of Technical Reference Manuals ("TRM"). The development of these TRMs is still underway.

Q. Has Idaho Power been able to evaluate customer satisfaction with the program offerings?

A. Yes. Since 2003, Idaho Power has included three questions specific to customer satisfaction with the Company's energy efficiency efforts in its quarterly customer satisfaction survey conducted by a third-party proprietary research vendor. From 2003 to 2013, customers' positive perceptions of Idaho Power's energy efficiency efforts have increased from 39 percent to 57 percent. Of those surveyed who participated in at least one program, 91

percent are "very" or "somewhat" satisfied with the program. The Company also implements surveys as needed for individual programs to gather information on suggestions for improvement or satisfaction of energy efficiency services offered.

Q. Does Idaho Power have a DSM program evaluation plan for 2014?

A. Yes. The 2010-2014 DSM Program Evaluation Plan is attached as Exhibit No. 3 and is also included in Supplement 2. The emphasis in 2013 was on conducting process evaluations. In 2014, Idaho Power's evaluation plan includes four impact evaluations, three process evaluations, and two additional research projects. This plan is intended to be used as a guide and may change based on need, timing, or other factors.

VI. SATISFACTION OF DSM MOU GUIDELINES

Q. Does Idaho Power believe that this filing satisfies the reporting obligation for DSM activity as set forth in the DSM MOU?

A. Yes. Idaho Power has followed the template, table of contents, highlights, and program specific sections as recommended in the DSM MOU. This information can be found in the main document of the DSM 2013 Annual Report. In Supplement 1, Idaho Power has provided the cost-effectiveness detail for programs and measures and

Supplement 2 supplies the evaluation information requested in the DSM MOU.

VII. CONCLUSION

Q. Do you believe that the information contained in this testimony and attached documents supports a prudence determination for 2013 DSM expenses?

A. Yes. Based on the testimony set forth above and in the attached exhibits, Idaho Power respectively requests that the Commission determines that $25,951,486 of DSM expenses incurred in 2013 for the acquisition of demand-side resources were prudently incurred.

Q. Does this conclude your testimony?

A. Yes, it does.

ATTESTATION OF TESTIMONY

STATE OF IDAHO)
) ss.
County of Ada)

I, Darlene Nemnich, having been duly sworn to testify truthfully, and based upon my personal knowledge, state the following:

I am employed by Idaho Power Company as a Senior Regulatory Analyst in the Regulatory Affairs Department and am competent to be a witness in this proceeding.

I declare under penalty of perjury of the laws of the state of Idaho that the foregoing pre-filed testimony and exhibits are true and correct to the best of my information and belief.

DATED this 13th day of March 2014.

Darlene Nemnich

SUBSCRIBED AND SWORN to before me this 13th day of March 2014.

CHRISTA S. BEARRY NOTARY PUBLIC STATE OF IDAHO

Notary Public for Idaho
Residing at: Boise, Idaho
My commission expires: 02/04/2015

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-14-04

IDAHO POWER COMPANY

NEMNICH, DI TESTIMONY

EXHIBIT NO. 1

Idaho Power Company
2013 Idaho DSM Expenses and Adjustments for Prudence Filing

Expenses	Rider Expenses	Demand Response Program Incentives Recorded in PCA	Total Expenses
Energy Efficiency/Demand Response			
Residential			
A/C Cool Credit	$ 537,163	$ 96,964	$ 634,128
Ductless Heat Pump Pilot	$ 230,761	$ 0	$ 230,761
Energy Efficient Lighting	$ 1,331,113	$ 0	$ 1,331,113
Energy House Calls	$ 164,173	$ 0	$ 164,173
ENERGY STAR® Homes	$ 344,217	$ 0	$ 344,217
Heating & Cooling Efficiency Program	$ 317,973	$ 0	$ 317,973
Home Energy Audit Program	$ 88,491	$ 0	$ 88,491
Home Improvement Program	$ 299,032	$ 0	$ 299,032
Home Products Program	$ 391,348	$ 0	$ 391,348
Rebate Advantage	$ 58,674	$ 0	$ 58,674
See ya later, refrigerator®	$ 571,304	$ 0	$ 571,304
Weatherization Solutions for Eligible Customers	$ 1,239,132	$ 0	$ 1,239,132
Commercial/Industrial			
Building Efficiency	$ 1,489,195	$ 0	$ 1,489,195
Custom Efficiency	$ 2,402,903	$ 0	$ 2,402,903
Easy Upgrades	$ 3,258,427	$ 0	$ 3,258,427
FlexPeak Management	$ 108,842	$ 2,497,589	$ 2,606,432
Irrigation			
Irrigation Efficiency Rewards	$ 2,277,059	$ 0	$ 2,277,059
Irrigation Peak Rewards	$ 407,496	$ 1,608,602	$ 2,016,098
Energy Efficiency/Demand Response Total	***$ 15,517,306***	***$ 4,203,155***	***$ 19,720,462***
Market Transformation			
Northwest Energy Efficiency Alliance	$ 3,147,405	$ 0	$ 3,147,405
Market Transformation Total	***$ 3,147,405***	***$ 0***	***$ 3,147,405***
Other Programs and Activities			
Residential Economizer Pilot	$ 74,901	$ 0	$ 74,901
Residential Energy Efficiency Education Initiative	$ 395,668	$ 0	$ 395,668
Commercial Energy Efficiency Education Initiative	$ 63,451	$ 0	$ 63,451
Energy Efficiency Direct Program Overhead	$ 361,910	$ 0	$ 361,910
Other Programs and Activities Total	***$ 895,929***	***$ 0***	***$ 895,929***
Indirect Program Expenses			
Commercial/Industrial/Irrigation Overhead	$ 136,811	$ 0	$ 136,811
Energy Efficiency Accounting and Analysis	$ 802,258	$ 0	$ 802,258
Energy Efficiency Advisory Group	$ 5,390	$ 0	$ 5,390
Residential Overhead	$ 124,825	$ 0	$ 124,825
Special Accounting Entries			
Special Accounting Entries	$ 170,869	$ 0	$ 170,869
Transfer of Custom Efficiency Regulatory Asset Account [a]	$ 14,200,174	$ 0	$ 14,200,174
Removal of 2011-2013 Rider-funded Labor Increases	$ (532,844)	$ 0	$ (532,844)
Indirect Program Expenses Total	***$ 14,907,483***	***$ -***	***$ 14,907,483***
Grand Total	**$ 34,468,123**	**$ 4,203,155**	**$ 38,671,278**
Adjustments			
2011 Custom Efficiency Incentives Transferred to Rider in 2013, but Deemed Prudent-Order No. 32667	$ (7,018,385)		$ (7,018,385)
2012 Custom Efficiency Incentives Transferred to Rider in 2013, but Deemed Prudent-Order No. 32953	$ (6,019,109)		$ (6,019,109)
2011 & 2012 Rider-funded Labor Increases Transferred from Rider in 2013	$ 263,412		$ 263,412
2012 A/C Cool Credit Program Switch Installation Expense	$ 32,090		$ 32,090
Prior Year-end Accounting Adjustments[b]			
Energy House Calls Program Accounting Correction	$ 17,113		$ 17,113
Adjustment for ENERGY STAR® Homes Northwest Incentives	$ 4,000		$ 4,000
Other Miscellaneous Accounting Corrections	$ 839		$ 839
Current Year-end Accounting Adjustment[c]			
Home Energy Audit Program Correction	$ 248		$ 248
2013 Prudence Filing Total	**$ 21,748,331**	**$ 4,203,155**	**$ 25,951,486**

(a) This balance includes 2011 accrued incentives of $7,018,385, 2012 accrued incentives of $6,019,109, January 1-May 31, 2013, accrued incentives of $966,319 and carrying charges at the Idaho Deposit Rate of 1% per annum that were accrued in the 182317 Regulatory Asset account as of May 31, 2013.

(b) These are accounting corrections pertaining to 2012 that were corrected in 2013 and should be added back in to reflect total expenses in 2013.

(c) This was an accounting correction made in 2014 but pertaining to 2013 activity and should be added back to reflect total expenses in 2013. An Idaho related expense was incorrectly charged to the Oregon Energy Efficiency Rider.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-14-04

IDAHO POWER COMPANY

NEMNICH, DI TESTIMONY

EXHIBIT NO. 2

Idaho Power Company
2013 Cost-Effectiveness Summary by Program

	2013 Benefit/Cost Tests		
Program	**Utility Cost (UCT)**	**Total Resource Cost (TRC)**	**Participant Cost (PCT)**
A/C Cool Credit	N/A	N/A	N/A
FlexPeak Management	1.43	1.43	N/A
Irrigation Peak Rewards	N/A	N/A	N/A
Ductless Heat Pump Pilot	2.51	0.71	0.81
Energy Efficient Lighting	4.79	2.61	2.96
Energy House Calls	3.95	3.95	N/A
ENERGY STAR ® Homes Northwest	1.61	0.95	1.46
Heating & Cooling Efficiency Program	3.87	1.93	2.54
Home Improvement Program	3.58	1.18	1.43
Home Products Program	1.69	2.24	3.42
Rebate Advantage	5.39	3.80	6.38
See ya later, refrigerator ®	1.23	1.23	N/A
Weatherization Assistance for Qualified Customers	0.95	0.74	N/A
Weatherization Solutions for Eligible Customers	0.46	0.53	N/A
Building Efficiency	5.48	3.26	2.94
Custom Efficiency	5.61	2.56	1.58
Easy Upgrades	4.71	2.61	2.42
Irrigation Efficiency	6.35	1.72	1.17

Notes: For each energy efficiency program, this table shows UCT, TRC, and PCT using actual annual 2013 information for each program. For demand response programs, this table shows UCT and TRC using five-year life-cycle information for FlexPeak Management and N/A for A/C Cool Credit and Irrigation Peak Rewards programs due to their temporary suspension in 2013. The PCT was not calculated for demand response programs or for programs where there are no participant costs.

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-14-04

IDAHO POWER COMPANY

NEMNICH, DI TESTIMONY

EXHIBIT NO. 3

Idaho Power Company
2010-2014 DSM Program Evaluation Plan

	2010			2011			2012			2013			2014		
Residential Programs	Impact	Process	Other	Impact	Process	Other	Impact	Process	Other	Impact	Process	Other	Impact	Process	Other
Ductless Heat Pump Pilot															
Energy Efficient Lighting											✓		✓		
Energy House Calls		✓		✓											
ENERGY STAR® Homes Northwest											✓		✓		
Heating & Cooling Efficiency Program		✓					✓				✓				
Home Improvement Program		✓		✓											
Home Products Program				✓											
Rebate Advantage				✓											
See ya later, refrigerator®					✓		✓								
Residential Energy Efficiency Education Initiative		✓													
Shade Tree Project														✓	
Home Energy Audit														✓	
Weatherization Assistance for Qualified Customers							✓				✓				✓
Weatherization Solutions for Eligible Customers							✓				✓				✓
Commercial/Industrial Programs															
Building Efficiency		✓					✓								
Custom Efficiency		✓		✓									✓	✓	
Easy Upgrades		✓					✓				✓				
Irrigation Programs															
Irrigation Efficiency Rewards		✓							✓	✓					
Demand Response Programs															
A/C Cool Credit	✓			✓				✓	✓						
FlexPeak Management			✓			✓			✓		✓	✓			
Irrigation Peak Rewards			✓		✓	✓			✓			✓	✓		

Exhibit No. 3
Case No. IPC-E-14-04
D. Nemnich, IPC
Page 1 of 1