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UTILITIES COMMISSION

May 7, 2015

ELECTRONICALLY FILED

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, ID 83720-0074

RE: Case No. IPC-E-15-03 - New Tariff Schedule 82, A Commercial and Industrial Demand Response Program (Flex Peak Program)
Tariff Schedule 82 Compliance Filing

Dear Ms. Jewell:

Idaho Power Company hereby submits the enclosed compliance filing of its revised Tariff Schedule 82, in the above-captioned proceeding pursuant to Idaho Public Utilities Commission Order No. 33292.

If you have any questions regarding this filing, please contact Tami White at 388-6938 or twhite@idahopower.com.

Very truly yours,



Lisa D. Nordstrom

LDN/kkt

Enclosure

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

PURPOSE

The Flex Peak Program (the Program) is a voluntary program that motivates Participants to reduce their load during Company initiated demand response events. A participating Customer will be eligible to receive a financial incentive in exchange for being available to reduce their load during the calendar months of June, July, and August.

AVAILABILITY

The Program is available to Commercial and Industrial Customers receiving service under Schedules 9, 19, or a Special Contract Schedule.

The Company shall have the right to accept Participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, total Program capacity, a Facility Site location, or amount of capacity provided at a Facility Site.

To participate in the Program, a Customer must sign and return the Program Application and worksheet provided by the Company specifying the Facility Site(s) to be enrolled in the Program. To enroll in the Program, Customers must be capable of providing a minimum load reduction of 20 kW per Facility Site or an aggregate reduction of 35 kW if participating under the Aggregated Option. If a Facility Site is accepted for participation in the Program, a Notification of Program Acceptance will be mailed to the Participant within 10 business days of the Company receiving the Program Application. Notification of Program Acceptance will include a listing of the Facility Sites that have been enrolled.

PROGRAM DESCRIPTION

The Company will initiate Program Events for a maximum of 60 hours during June, July, and August, and during those Program Events Participants will be expected to reduce load at their Facility Site(s). Participants will be eligible to receive a financial incentive in exchange for their reduction in load.

DEFINITIONS

Actual kW Reduction. The kilowatt (kW) reduction during a Program Event, which is the difference between a Participant's hourly average kW measured at the Facility Site's meter and the corresponding hour of the Adjusted Baseline kW.

Adjusted Baseline kW. The Original Baseline kW plus or minus the "Day of" Load Adjustment amount.

Aggregated Option. Multiple Facility Sites belonging to a single Participant that are grouped together per the customer's request with a single Nominated kW for participation in the Program. Under this option, the Company will sum the metering data from each enrolled Facility Site before calculating any incentive amounts.

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DEFINITIONS (Continued)

Business Days. Any day Monday through Friday, excluding holidays. For the purposes of this Program, Independence Day is the only holiday during the Program Season. If Independence Day falls on Saturday, the preceding Friday will be designated the holiday. If Independence Day falls on Sunday, the following Monday will be designated the holiday.

Capacity Payment. The Weekly Effective kW Reduction multiplied by the Capacity Payment rate (as described in the Incentive Structure section).

"Day of" Load Adjustment. The difference between the average Original Baseline kW and the average actual metered kW during the two hours prior to the Participant receiving notification of an event. This adjustment is used to account for a customer using more or less load than their Original Baseline kW predicts on the day of the Program Event. "Day of" Load Adjustment will be applied to the Original Baseline kW for each Facility Site for each interval during the Program Event time when a Program Event is called. This adjustment will be capped at 20 percent below or above the Original Baseline kW.

Energy Payment. An energy-based financial incentive provided to the Participant. The payment is calculated by multiplying Variable Program kWh by the Energy Payment Rate (as described in the Incentive Structure section). The Energy Payment does not apply to the first three Program Events.

Event Availability Time. Between 2:00 p.m. and 8:00 p.m. Mountain Daylight Time (MDT) each Business Day.

Facility Site(s). All or any part of a Participant's facility or equipment that is metered from a single service location that a Participant has enrolled in the Program. For those Participants who have enrolled under the Aggregated Option, Facility Site will refer to the combination of individual Facility Sites selected for inclusion under the Aggregated Option.

Highest Energy Usage Days. The three days out of the immediate past 10 non-event Business Days that have the highest average kW as measured across the Event Availability Time.

Hours of Event. The timeframe when the Program Event is called and Nominated kW is expected to be reduced. The Hours of Event will not be less than two hours and will not exceed four hours.

Nominated kW. The amount of load expressed in kW that a Facility Site commits to reduce during a Program Event.

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DEFINITIONS (Continued)

Nominated kW Incentive Adjustment. An adjustment made when a Facility Site does not achieve its Nominated kW for a given hour during a Program Event. The adjustment will be made for each hour the Nominated kW is not achieved. The total Nominated kW Incentive Adjustment will not exceed the total incentive amount for the Program Season (as described in the Incentive Structure section).

Notification of Program Acceptance. Written confirmation from the Company to the Participant. The Notification of Program Acceptance will confirm each Facility Site enrolled in the Program, as well as the Nominated kW amount for each Facility Site.

Original Baseline kW. The arithmetic mean (average) kW of the Highest Energy Usage Days during the Event Availability Time, calculated for each Facility Site.

The following table provides an example of the calculation of the Original Baseline kW between hours of 2:00 p.m. and 8:00 p.m. using the (3) Highest Energy Usage Days of 5, 7, and 9.

Day	2-3 PM (kW)	3-4 PM (kW)	4-5 PM (kW)	5-6 PM (kW)	6-7 PM (kW)	7-8 PM (kW)	Average Usage (kW)
1	3000	3100	3000	3200	3000	3200	3083
2	3200	3100	3200	3200	3100	3300	3183
3	3100	3200	3100	3100	3200	3100	3133
4	3250	3400	3300	3400	3300	3400	3342
5	3300	3400	3300	3400	3400	3500	3383
6	3100	3000	3200	3100	3100	3200	3117
7	3400	3300	3400	3300	3400	3300	3350
8	3300	3200	3300	3300	3300	3200	3267
9	3400	3500	3350	3400	3500	3400	3425
10	3250	3300	3300	3200	3200	3200	3242
Original Baseline (kW)	3367	3400	3350	3367	3433	3400	

Participant. Any Customer who has a Facility Site that has been accepted into the Program.

Program Application. Written form submitted by a Customer who requests to enroll a Facility Site in the Program.

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DEFINITIONS (Continued)

Program Event. A time period when the Company requests or calls for reduction of the Nominated kW.

Program Season. June 15th through August 15th of each year.

Program Week. Monday through Friday.

Variable Program kWh. The kWh savings amount calculated by multiplying the Actual kW Reduction by each of the Hours of Event for the Facility Site during each Program Event beyond the first three Program Events.

Weekly Effective kW Reduction. The average of the Actual kW Reduction for all events in a Program Week or in the absence of a Program Event, the Weekly Effective kW Reduction will equal the Nominated kW for that Program Week.

PROGRAM EVENTS

The Company will dispatch Program Events on Business Days during the Program Season between the hours of 2:00 p.m. and 8:00 p.m. MDT. Program Events will last between two to four hours per day and will not exceed 15 hours per calendar week and 60 hours per Program Season. During each Program Season the Company will conduct a minimum of three Program Events. Participating Customers will receive advance notification on or about two hours prior to the Program Event. The Company will provide notice of a Program Event via the following communication technologies: telephone and e-mail to the designated contact(s) submitted by the Participant in the Program Application. If prior notice of a pending Program Event has been sent, the Company may choose to revoke the Program Event initiation and will provide notice to Participants no less than 30 minutes prior to the Program Event.

REQUIREMENTS OF PARTICIPATING FACILITIES

Participants will have the flexibility to choose what equipment will be used to reduce the Nominated kW during each Program Event. Participants must notify the Company of their Nominated kW via the Program Application. Once the Program Season begins, the Participant must contact the Company via phone or email by Thursday at 10:00 a.m. MDT of the proceeding week to notify of any changes in Nominated kW. The Nominated kW may be raised or lowered each week without restriction any time before the third mandatory Program Event is called. After the third Program Event is called, the Nominated kW may still be raised or lowered, but may not exceed the highest Nominated kW prior to the third Program Event being called.

INCENTIVE STRUCTURE

Incentive payments will be determined based on a Capacity Payment, an Energy Payment, and any applicable Nominated kW Incentive Adjustment. Both the Capacity and Energy Payments will be paid by check no more than 30 days after the Program Season concludes on August 15th.

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INCENTIVE STRUCTURE (Continued)

When a Program Event is called and a Participant exceeds the Nominated kW the Capacity Payment will be capped at 20 percent above original Nominated kW.

<u>Capacity Payment Rate*</u> (*to be prorated for partial weeks)	<u>Energy Payment Rate*</u> (*does not apply to first three Program Events)
\$3.25 per Weekly Effective kW Reduction	\$0.16 per kWh

Participants are expected to reduce their load by the Nominated kW during each hour of each Program Event for the duration of the event. Each time a Participant fails to achieve a load reduction of up to the Nominated kW during a Program Event, a Nominated kW Incentive Adjustment will apply.

For the first three Program Events, the Nominated kW Incentive Adjustment will be \$2.00 per kW for each hour the Nominated kW is not achieved during that interval. After the first three Program Events, the Nominated kW Incentive Adjustment will be \$0.25 per kW for each hour the Nominated kW is not achieved during that interval.

The total Nominated kW Incentive Adjustments will not exceed the total incentive amount for the Program Season.

TERMS OF PARTICIPATION

Participants must submit a Program Application annually prior to the start of the Program Season. This Program Application must include the Facility Site(s) they wish to enroll and the initial Nominated kW for each Facility Site. If a Participant requests the Aggregated Option they must specify this on the Program Application.

1. A Participant may terminate their participation in the Program at any time during or before the Program Season by notifying the Company in writing.
2. Upon terminating participation of a Facility Site, the Participant's incentive payment shall be prorated for the number of Business Days of participation in the Program. The Participant may not re-enroll the Facility Site into the Program until the following calendar year.

SPECIAL CONDITIONS

The provisions of this Program do not apply for any time period that the Company requests a load reduction during a system emergency or any other time that a Participant's service is interrupted by events outside the control of the Company. The provisions of this Program will not affect the calculation or rate of the regular Service, Energy, or Demand Charges associated with a Participant's standard service schedule.