(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO DISCONTINUE ITS DESIGN EXCELLENCE AWARD PROGRAM. | )))))) | CASE NO. IPC-E-97-2NOTICE OF APPLICATIONNOTICE OF MODIFIED          PROCEDURE |

YOU ARE HEREBY NOTIFIED that on February 25, 1997, the Idaho Power Company (Idaho Power; Company) filed an Application for Authority to Discontinue the Company’s “Design Excellence Award Program” (DEAP).

On December 20, 1989, the Commission issued Order No. 22893 approving Idaho Power’s Application for authority to implement the DEAP; a program instituted for the purpose of introducing and fostering the use of energy modeling software into the design of new and major retrofit commercial buildings.  The DEAP accomplishes its objectives by (1) funding the initial purchase of energy modeling software; (2) providing training on the basics of energy modeling in design; (3) providing standards of reasonable beginning efficiency levels for consideration; (4) working with participants to develop an efficient report format for transferring the results to their customers; and (5) paying an incentive to the participating design professional for modeling performed under the program to encourage incorporating energy modeling into the building design.  The payments to the design professional range from $1,500 to $4,500, depending on the project.

According to Idaho Power, in 1996 almost $98,000 in program payments were deferred under the DEAP with all of the deferred amount being for incentive building modeling payments.  The Company contends that the design firms that have availed themselves of this service have now gained the necessary experience to efficiently utilize the energy modeling software in their possession.  Since the inception of the DEAP, Idaho Power asserts, 12 firms have performed 75% of the energy modeling.  In the last two years, there has only been one new design firm that submitted a single DEAP package.  Thus, the Company contends, discontinuing the DEAP will not remove the energy modeling software from the design professionals who have it in their possession.  Nor will it affect the experience they have developed.  The Company asserts that the skill and experience gained through the DEAP will enable the design professional community to offer energy modeling to customers based on market demand.  The Company contends that it has created the required market transformation and that its participation in the program is no longer required.  Idaho Power states that the next step for consideration is the implementation of a commercial building energy code by the Idaho Legislature when it is deemed that such legislation should be implemented in the state of Idaho.

Idaho Power notes that DEAP activity continued to decline in 1996.  During that year, the Company certified 30 buildings completed under the program but only four of them were primarily heated by electricity.  Consequently, much of the energy savings attributable to the program are in the form of reduced natural gas usage.  The Company contends that an electric utility should not continue funding a conservation program which results in energy savings primarily in the form of natural gas, particularly in light of the restructuring of the electric industry.

Idaho Power proposes that, although participation in the DEAP has been minimal, the Company would notify the known design firms which have participated in the program that discontinuance of the DEAP would occur one month after Commission approval.  Any project submitted during this period would be processed for possible DEAP participation.

YOU ARE FURTHER NOTIFIED that the Application together with supporting workpapers, testimonies and exhibits, have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices.

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.

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 through -.204.

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 twenty-one (21) days from the 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 the Applicant at the addresses reflected below:

COMMISSION SECRETARYLARRY D. RIPLEY

IDAHO PUBLIC UTILITIES COMMISSIONSENIOR ATTORNEY

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BOISE, IDAHO  83702-5983IDAHO POWER COMPANY

PO BOX 70

BOISE, ID 83707

These comments should contain the case caption and case number shown on the first page of this document.

YOU ARE FURTHER NOTIFIED that if no written comments 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.

DATED at Boise, Idaho this                  day of April 1997.

Myrna J. Walters

Commission Secretary

vld/N:IPC-E-97-2.bp

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

April 3, 1997