DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

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TERRI CARLOCK

DAVID SCOTT

WORKING FILE

FROM:CHERI C. COPSEY

DATE:JANUARY 15, 1998

RE:IDAHO POWER COMPANY’S APPLICATION FOR AUTHORITY TO DISCONTINUE ITS COMMERCIAL LIGHTING ENERGY EFFICIENCY PROGRAM.  CASE NO. IPC-E-98-1.

On January 5, 1998, Idaho Power Company filed an Application requesting that the Commission grant it authority to discontinue its Commercial Lighting Energy Efficiency Program.  Implementation of this program was authorized on May 26, 1993, by the Commission in Order No. 24913.

The Commercial Lighting Energy Efficiency Program was designed to promote energy conservation among its commercial customers through installation of more efficient lighting.  Idaho Power’s program offers its commercial customers two options: (1)  the Customized Lighting Systems Option, and (2)  the Commercial Lighting Menu Option.

The Customized Lighting Systems Optionwas designed to encourage energy-efficient lighting projects in new and existing commercial customer facilities and multi-family common areas.  This option provides customers with energy efficient lighting information, design assistance by professional trade allies and Idaho Power energy service representatives, and financial assistance to complete the project.  Customers are informed about the benefits of energy-efficient lighting and are screened and prioritized based on their potential to save energy.  For qualifying retrofit projects, payment is $200 per kilowatt removed from the system up to 40% of the lighting system and design cost.  For new projects, payment is $200 for every kilowatt by which the installed lighting is less than the interior lighting power budget value.  In order to obtain financial assistance from Idaho Power, customers must include an itemized invoice detailing all equipment and labor costs associated with the project.  Financial assistance is limited to $35,000 per customer account per calendar year.

Under the Commercial Lighting Menu Option, Idaho Power pays for qualifying lighting equipment used in commercial facilities and multi-family common area lighting for accounts that have been active for at least two years. Customers purchase and install qualifying equipment indicated on a lighting menu payment form and submit an application to Idaho Power along with paid invoices.  Idaho Power pays the lesser of 100% of the material costs or $5,000 per commercial customer account in any calendar year.

Idaho Power states in its Application that participation in the program is declining.  Application at p. 3.  It further states that it has advised its customers and those businesses that sell lighting products that it intended to file this Application requesting authority to discontinue the program.  Id.  It states that participation in the Northwest Energy Efficiency Alliance, Inc., a regional conservation program, is the best approach to conservation.  Therefore, it asserts that discontinuance of the Commercial Lighting Energy Efficiency Program is consistent with reducing the deferral of expenditures for recovery at a later date.

Idaho Power requests the Commission authorize it to give its customers two months notice, ending March 7, 1998, that this program will be discontinued.  It requests that the two month period begin effective the date it filed this Application with the Commission.  During the two month notice period, projects submitted under the Customized Option would continue to be processed under that option so long as the project was completed within four months of the date of Idaho Power’s Application.  Likewise requests for payment submitted under the Menu Lighting Option during the two month period would be processed for payment under that option’s terms.  Idaho Power further requested this Application be processed under the Commission’s Modified Procedure.

Staff recommends that Idaho Power’s Application be processed by Modified Procedure.

Commission Decision:

Does the Commission agree that this matter can be processed under Modified Procedure?

Cheri C. Copsey

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