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2005 NOV -3 PM 2:00
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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF PACIFICORP DBA UTAH POWER & LIGHT COMPANY FOR APPROVAL OF A NEW DSM COST RECOVERY MECHANISM AND ENHANCED ENERGY EFFICIENCY PROGRAMS FOR COMMERCIAL, INDUSTRIAL, AGRICULTURAL AND RESIDENTIAL CUSTOMERS.	)	**CASE NO. PAC-E-05-10** **COMMENTS OF THE COMMISSION STAFF**

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Scott Woodbury, Deputy Attorney General, and in response to the Notice of Application, Notice of Public Workshops, Notice of Public Hearings, Notice of Modified Procedure and Notice of Comment Deadline issued on September 30, submits the following comments.

BACKGROUND – PACIFICORP APPLICATION

On September 6, 2005, PacifiCorp dba Utah Power & Light Company (PacifiCorp; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting approval of a suite of energy efficiency and demand-side management (DSM) programs for its commercial, industrial, agricultural, and residential customers in the State of Idaho. The

Company also requests approval of an associated cost recovery mechanism and related deferred accounting authorization.

The proposed funding mechanism is a 1.5% DSM tariff rider that will begin on January 1, 2006 with funds to be collected as a line item on customer bills. Based on current rates the proposed tariff rider will collect an estimated $1.8 million annually. The Company asks that the deferred accounting and DSM programs requested become effective November 15, 2005 or coincident with the service date of the Commission's Order approving the Application, whichever is later.

Energy Efficiency Programs

The Application states that all customer classes will have an opportunity to participate in programs. The proposed energy efficiency programs offer a combination of information and cash incentives to help customers install energy efficient equipment or make permanent operational changes to reduce energy consumption and save money. The proposed programs are summarized in Attachment A.

The new programs are: an irrigation efficiency program to complement the existing irrigation load control program, FinAnswer Express for commercial and industrial lighting, motors, etc., and a residential refrigerator/freezer recycling program, which also includes some efficient lighting and energy efficiency information.

Revisions to existing programs include revamping/increasing Low Income Weatherization rebates to community action agencies and paying incentives for energy and demand savings to business participants in Energy FinAnswer instead of providing low interest loans.

In addition to the programs listed above, the Company would continue to offer its irrigation load control program and participate in the Northwest Energy Efficiency Alliance's (NEEA) efforts to transform energy efficiency markets on a regional basis.

Based on its energy efficiency market experience, the Company indicates that new program introductions and proposed program enhancements will likely increase Idaho participation. Increased participation will allow more PacifiCorp customers to benefit from energy savings and simultaneously help control system energy costs.

Cost Recovery

Current cost recovery for PacifiCorp DSM expenditures was authorized by Order No. 22299 issued in January 1989 in Case No. U-1500-165. Order Nos. 22299 and 22758 (Case No. GNR-E-89-2) established the capitalization of demand-side resource costs and the use of a carrying charge. The Company has deferred DSM costs and amortized DSM expenditures over the useful lives of the program measures. While this cost recovery mechanism has been adequate for historic levels of participation and expenditures, the Company contends that the associated regulatory lag for recovery of prudently incurred DSM expenditures has made it financially difficult to improve existing DSM programs or implement new ones. Moreover, the Company contends that minimal customer awareness of DSM investments exists when the expenditures are amortized and included in general rates. In addition to removing a Company financial disincentive for increases in DSM activity, PacifiCorp contends that the proposed recovery mechanism will increase customer awareness of DSM investments and help increase participation in the new and enhanced programs.

PacifiCorp proposes to establish a DSM balancing account, defer all DSM program investments made on or after the service date of the Commission's Order approving the Application, and account for them in the DSM balancing account. The DSM balancing account would be offset by revenue collected through a newly established surcharge mechanism and referenced as a new line item on the bills of PacifiCorp retail electricity users effective January 1, 2006. In addition to DSM program expenses, the proposed DSM balancing account would calculate reciprocal carrying charges to be added or credited to the balance. PacifiCorp proposes that the carrying charges be set at the current Allowance for Funds Used During Construction (AFUDC) rate. Expenses posted to the DSM balancing account would be subject to applicable prudency reviews for DSM investments. Costs and carrying charges included in the DSM balancing account would not be included in the calculation of Company revenue requirements for a general rate case. Additionally, PacifiCorp proposes that DSM investments made prior to the service date of the Commission's Order approving this Application continue to be recovered through general rates until fully amortized.

The Company proposes to label the line item charge "Customer Efficiency Services" on the customer bill and in the description section of Schedule 191. The line item surcharge will be calculated as a percentage of the base charges before the application of Schedule 34, the Pacific Northwest Electric Power Planning and Conservation Act Residential and Farm Kilowatt-Hour

Credit (also known as the "BPA Credits"), because these credits vary by year and by rate schedule and are available primarily for agricultural and selected non-irrigation customers. All customer groups will have access to programs funded directly through Schedule 191 or through the Northwest Energy Efficiency Alliance, thus delivering a system benefit in addition to participant benefits.

The Application states that, "The amount collected will be set based on a forecast of Commission-approved DSM program investments." The Company will review balancing account activity on an annual basis and adjust it based on the account balance and the forecast activity of the approved programs. The Company proposes the initial annual review be completed after January 1, 2007 to coincide with the first full year of Schedule 191 collections. The annual review and recommendation for a change (if any) in the collection rate would be completed within 60 days of the end of the fiscal year, with the first such review being completed no later than March 1, 2007.

The objective of the line item surcharge will be to set a collection rate projected to result in a zero balance in the DSM balancing account by the following review period. PacifiCorp intends to provide the Commission quarterly reports on the account's activity. The Company proposes to set the rate to initially collect approximately $1,825,000 – approximately 1.5% of retail revenue based on rates in effect after September 16, 2005. Any future changes to the collection rate will be filed by PacifiCorp for Commission approval prior to implementation and will not occur automatically.

STAFF ANALYSIS

Program Issues

Staff generally supports PacifiCorp's proposal to increase its pursuit of cost-effective DSM through its various new, revised and expanded programs. Staff believes the Company's Application is correct in stating "Increased participation in [DSM] will allow PacifiCorp customers to benefit from energy savings and simultaneously help control system energy costs." Application, p. 3. Staff notes that the Company's Application Attachment 1, Table 2, predicts that each of the proposed programs will be cost-effective (using June 30, 2005 forward price curves) from the utility perspective (i.e. utility system cost reductions will exceed utility DSM costs), as well as from the DSM participant perspective and the total resource cost perspective. PacifiCorp has previously implemented many of these programs in other states, which Staff believes adds credence to its projected program cost-effectiveness. Staff also believes that further diversification of PacifiCorp's resources through increased DSM will reduce the Company's operational risks by reducing the growth of its reliance upon supply-side resources.

Staff notes that PacifiCorp's loads continue to grow in Idaho as well as in its other operating states. Because incremental costs of supplying electricity are greater than the embedded cost of service, load growth causes rates to increase. We believe it is well demonstrated in PacifiCorp's Application that there are many DSM programs that can help meet the demand for electricity more cost-effectively than most supply-side resources. Of particular interest to Staff is that in spite of the fact that residential customers in Idaho reduced their average consumption of electricity per customer by 11.9% from 1997 to 2004, a 20.7% increase in residential customers resulted in a 6.3% increase in total electricity consumption. Furthermore, the Company now forecasts that consumption by its residential customers will increase 32% over the next 12 years due to the number of customers increasing 16% combined with a 13% increase in electricity use per customer. Staff believes cost-effective DSM should be prudently pursued in Idaho by PacifiCorp to help meet its customers' growing demand for electricity.

Staff notes that PacifiCorp's relatively aggressive DSM implementation in many of its other states (i.e. 3% of revenues in Utah and Washington and 2.35% in Oregon) will eventually reduce those states' share of the Company's multi-state cost allocations. Thus, in addition to DSM being cost-effective from a resource acquisition standpoint, it is important for DSM to be aggressively pursued in Idaho to avoid unnecessary increases to Idaho's jurisdictional cost allocations.

Attachment B summarizes by customer class projected DSM revenue collections, program costs and program benefits. Staff has two concerns about this information. Our first concern is that DSM direct program benefits to customer classes are too disproportionate to the DSM funds collected from each class. Our second concern is that DSM program costs are projected to quickly outpace DSM revenue.

DSM revenues would be collected in proportion to total revenues (sans BPA credit), but the proposed DSM investments and direct benefits would be skewed away from residential toward commercial and industrial and this would likely violate residential customer expectations for reasonable distribution of DSM programs among customer classes. While Staff does not believe it is necessary for DSM program costs and benefits to be distributed in exact proportion to DSM contributions, we think that the residential class's 13% of 3-year projected total program expenditures is too small compared to that class's 38% of total revenue collected for DSM programs. Staff is also concerned that the two non-NEEA residential programs are too limited in applicability and may not allow many residential customers a reasonable opportunity to participate in DSM programs.

In addition to the obvious discrepancy of direct program benefits, there is another less obvious reason for DSM to be roughly equally distributed among customer classes. That is, to the extent that DSM programs succeed in reducing energy consumption and peak demand more for one customer class than for another, such programs will change future class cost of service allocations, which will exacerbate the inequity.

If there were no additional DSM programs that could be cost-effectively implemented for the residential class, then Staff would be more supportive of the proposed allocation of DSM resources. However, the Northwest Power and Conservation Council's Fifth Power Plan suggests that there are additional cost-effective DSM resources available in the residential class, in particular from improved efficiencies in lighting, water heating, space heating and clothes washers. Although Staff recognizes that the rural nature of PacifiCorp's Idaho service territory may, in some instances, present more challenges than in the more urban areas of the Northwest, we believe the greater use of electricity for space and water heating and for domestic wells in PacifiCorp's service area may enhance DSM opportunities in other instances.

Staff's second concern demonstrated on Attachment B is that DSM revenues are projected to fall severely short of DSM costs by the second year. An obvious, simple solution to the projected shortfall is to increase the DSM tariff rider, but we are not convinced that PacifiCorp's portfolio of programs, regardless of its overall cost-effectiveness, will adequately allow customers to realize a benefit commensurate with their level of contribution. Furthermore, although the Company reports that some of its proposed programs have been implemented successfully in other states, it is possible that its Idaho service area may present different challenges than it has experienced in other states. Staff cannot yet suggest that the 1.5% DSM rider ought to be increased in the future.

Staff informally expressed its concerns to PacifiCorp. In response, Attachment C was provided to Staff by PacifiCorp to describe its DSM objectives and its RFP process to achieve those objectives. In short, PacifiCorp is in the process of seeking additional or changed DSM resources from the residential as well as other customer classes through a request for proposal (RFP) process. The Company anticipates changes to its DSM program portfolio by March of 2006. Because the

Company is continuing to seek a wider breadth of DSM programs for the residential class, some of Staff's initial concerns described above could be alleviated.

It is now Staff's understanding that PacifiCorp's proposed allocation of DSM resources is a work in progress and that the Company may very well address our concerns in its future program modifications. While Staff is cautiously optimistic, we are not yet able to state that the currently proposed program portfolio, let alone a modified one, will be prudently managed or that it will result in cost-effective savings. Before Staff can recommend that DSM revenue collections be increased beyond the requested 1.5%, the Company needs to have sufficient time to demonstrate that its programs are equitably distributed and prudently planned, implemented and evaluated. While it may be possible for PacifiCorp to make such demonstrations in the next 14 months, Staff believes it might take considerably longer.

In conclusion, Staff supports PacifiCorp's Application to begin collecting a 1.5% tariff rider on January 1, 2006, to fund a more aggressive DSM program portfolio. But we believe the proposed portfolio has deficiencies that the Company is in the process of mitigating. Staff believes it is premature to suggest a future increase to the tariff rider is in the public interest.

Accounting Issues

Two other Idaho utilities have had DSM balancing accounts for several years. Avista Utilities has had such for over ten years. In Order No. 28097, Case No. WWP-E-98-11, the Commission found that the appropriate interest rate going forward is the Company's authorized overall return. Avista continues to use its authorized overall rate of return when calculating the carrying charges on the electric DSM balancing account. Avista calculates the carrying charge asymmetrically, with a carrying charge accruing when there is a surplus balance in its DSM deferral account, i.e. when the Company has collected more from the ratepayers than it has spent on DSM programs. Avista does not accrue carrying charges when the balancing account is in the negative position, i.e. the Company has spent more on DSM programs than it has collected. The rational for asymmetric carrying charges is that the Company has control over when and how it spends the DSM funds, whereas the ratepayers do not have control over how and when the DSM funds are spent.

Avista also has a gas DSM program. The gas DSM program at Avista was not set up with a balancing account, rather the Company is allowed to recognize revenues and expenses as they occur instead of amortizing a regulatory account. In Order No. 28646, Case No. AVU-G-01-1, the Commission ordered that the Company was to "calculate interest on both over-collected and under-funded Schedule 190 program account balances at the Commission established customer deposit rate…".

Idaho Power's DSM balancing account was established much more recently than Avista's. Although Idaho Power's DSM accounting has not been formally established by a Commission order, the Company has calculated reciprocal interest at the current customer deposit rate.

Staff recommends that the accounting for the DSM program as outlined by PacifiCorp be accepted with one exception. Reciprocal interest is appropriate but the interest should be accrued at the customer deposit rate, not the Company AFUDC rate. This is consistent with the accounting treatment Idaho Power Company established in 2002 and that ordered by the Commission in Case No. AVU-G-01-1.

Consumer Issues

PacifiCorp's Application contained copies of its Customer Notice and Press Release. Staff reviewed both documents and determined that they complied with the requirements of the Utility Customer Information Rules, IDAPA 31.21.02.102. The Notices were mailed with customers' bills beginning September 5, 2005 and continuing for approximately 30 days. Customers had until November 3, 2005 to file comments with the Commission. As of October 26, 2005, no customers had filed comments. On October 19 and 20, 2005, Staff presented workshops in Preston and Rigby to discuss the Company's proposal. One customer was present at each workshop. Both asked how the proposed DSM programs would benefit customers.

The programs would be funded by a line item charge on customer bills labeled "Customer Efficiency Services". This label is being used by PacifiCorp in other jurisdictions to identify revenue collected for conservation programs, and the Company wishes to maintain billing system consistency across the states it serves. As stated early, the Company maintains that having conservation funding separately identified on bills will increase customer awareness of the programs. Staff is not opposed to having a separately identified charge for conservation programs, and agrees with the Company that line item charges capture customers' attention. Unfortunately, it is not uncommon for a customer to negatively react to surcharges that result in a significant dollar amount, as would be the case with any customer that uses large amounts of electricity. This makes it particularly important that customers perceive value commensurate with their contribution.

PacifiCorp is proposing that its surcharge be set at 1.5% of base charges. The Commission has approved similar surcharges to recover the cost of conservation programs in the past. Avista currently collects 1.25% and Idaho Power 1.5%. In the most recent case (IPC-E-04-29), the Commission limited the dollar amount Idaho Power could collect from its residential and irrigation customers to $1.75 and $50.00 per bill per month, respectively. The Commission noted that none of Idaho Power's current programs were directed toward existing residential customers with electric space heating. The Commission also took note of "the hardships irrigators are facing due to several years of drought". Order No. 29784 at 5. The Commission found that "implementing these two caps will moderate the Rider increases for residential and irrigation customers, while providing significant funds to the Company's DSM programs for the next 12 months". *Ibid.*

Staff has consistently recommended a uniform application of DSM tariff riders without caps. We continue to make that recommendation in this case. Obviously, DSM caps applied to any customer class will result in a reduction of revenue available for DSM programs, which the Company already projects will be under-funded unless the rider is increased above 1.5 percent. Program expansions will increase the amount of under-funding and capping DSM collections would further exacerbate the problem. In addition, the Company has committed to expand program offerings in the residential sector and its proposal already includes an irrigation efficiency program to complement its successful irrigation load control program. In consideration of all these factors, Staff believes PacifiCorp's proposed uniform 1.5% DSM rider without caps is reasonable.

CONCLUSIONS AND RECOMMENDATIONS

Staff recommends that the Commission approve PacifiCorp's 1.5% DSM tariff rider as requested in its Application. As such, the rider would be applied uniformly, without caps, to all customer classes, with the exception of special contract customers. We also recommend that the Commission formally recognize that the portfolio of programs contained in the Application is expected to undergo changes, including a broadening of residential programs, and that the Company should be allowed, in fact is expected, to deviate from its portfolio whenever prudent and cost-effective DSM opportunities arise.

Staff further recommends that Commission state that its approval of the DSM tariff rider should not be construed as a determination that the use of the rider funds for any particular DSM program is reasonable and prudent, that such determination must come after programs have been implemented. At such time that the Company requests a Commission determination that its DSM programs have been reasonable and prudent, Staff's review will include an examination of distribution of DSM program dollars both within and among customer classes, prudent program management and cost-effectiveness.

Respectfully submitted this 3rd day of November 2005.

Scott D. Woodbury

Scott Woodbury
Deputy Attorney General

Technical Staff: Kathy Stockton
Lynn Anderson
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Pacificorp's Demand-Side Programs in Idaho would be funded by a 1.5% surcharge yielding $1.8 million per year.

Proposed Programs		Type	Description
Residential			
1	See Ya Later Refrigerator	New to Idaho (same as in Utah)	Customers who volunteer to recycle their working, second refrigerator or freezer (or who upgrade their primary appliance) would be given $40, two compact fluorescent lightbulbs (CFLs) and an energy efficiency booklet.
2	Low Income Weatherization	Enhanced	Company would expand this program by increasing the overall funding, the maximum rebate per home (from $1,000 to $1,500), the agencies' admin. allowance, and rebating 50% of costs regardless of heating fuel.
Commercial & Industrial			
3	Energy FinAnswer Incentives	Enhanced (same as in Utah)	Loans would be replaced by incentive payments of 12¢ / kWh saved in the first year and $50 / kW demand savings during system peak load periods. Energy engineering would continue to be provided by the program.
4	FinAnswer Express	New to Idaho (same as in Utah)	Would pay prescriptive incentive payments for energy efficiency measures for lighting, motors, air conditioners, heat pumps, evaporative cooling and variable frrequency drives. Incentives for other qualifying measures would be the lesser of 8¢ / kWh first year savings or 35% of the measure's cost.
Irrigation			
5	Irrigation Efficiency	New	Would offer no cost equipment exchange for select irrigation system components, on site water management consultation, pump checks, pump tests and system analysis. Also includes incentives for select pivot equipment and other equipment upgrades.
6	Irrigation Load Control	Existing	This existing program pays incentives for irrigators to allow their pumps to be scheduled off during the company's peak-load hours.
All Customer Classes			
7	NEEA Market Transformation	Existing	The company proposes to continue its participation in the Northwest Energy Efficiency Alliance's (NEEA) efforts to transform energy efficiency markets for all customer classes in Washington, Oregon, Idaho and Montana.

Source: Pacificorp's Attachment 1, Table 1, PAC-E-05-10

Pacificorp Projected Costs and Savings				11/1/05 - 12/31/06			1/1/07 - 12/31/07			1/1/08 - 12/31/08		
Programs	Type	Delivery	Duration	$ Costs	aMW	Peak MW	$ Costs	aMW	Peak MW	$ Costs	aMW	Peak MW
See Ya Later Refrigerator	New to Idaho	Third Party JACO	2 years	258,387	0.16	0.25	258,387	0.16	0.25			
Low Income Weatherization	Enhanced	Community Action Agen.	on-going	156,585	0.04		176,585	0.04		156,585	0.04	
Residential Subtotal				**$ 414,972**	**0.20**	**0.25**	**$ 434,972**	**0.20**	**0.25**	**$ 156,585**	**0.04**	**0.00**
Energy FinAnswer Incentives	Enhanced	Company	on-going	613,000	0.21	0.16	1,798,000	0.63	0.49	2,382,000	0.79	0.61
FinAnswer Express	New to Idaho	Company + outsource	on-going	176,435	0.05	0.06	170,257	0.07	0.09	170,309	0.07	0.09
Com. & Indus. Subtotal				**$ 789,435**	**0.26**	**0.22**	**$1,968,257**	**0.70**	**0.58**	**$2,552,309**	**0.86**	**0.70**
Irrigation Efficiency	New	Third Party	2.25 years	720,229	0.59		567,950	0.51				
Irrigation Load Control	Existing	KT Services & Company	on-going	370,000		50.00	370,000		50.00	370,000		50.00
Irrigation Subtotal				**$1,090,229**	**0.59**	**50.00**	**$ 937,950**	**0.51**	**50.00**	**$ 370,000**	**0.00**	**50.00**
NEEA Market Transformation	Existing	NW Energy Efficiency Alliance	on-going	253,000	0.44		210,000	0.44		210,000	0.44	
Grand Totals				**$2,547,636**	**1.49**	**50.5**	**$3,551,179**	**1.85**	**50.8**	**$3,288,894**	**1.34**	**50.7**
Grand Totals as % of Annual Revenue				**2.1%**			**2.9%**			**2.7%**		
1.5% of Revenue	($121.9 m. tot. rev./yr. w.o. spec. contracts)			**$1,828,170**			**$1,828,170**			**$1,828,170**		

38-Month Totals	DSM Rev.	%	Program $	%	Savings: aMW	%	P.MW	%
Residential	2,067,000	38%	1,195,365	13%	0.81	17%	0.5	1%
Commercial and Industrial	1,545,000	28%	5,790,433	62%	2.76	59%	1.5	3%
Irrigation	1,869,000	34%	2,401,911	26%	1.11	24%	50.0	96%
Lighting/Signals	4,890	0%	0	0%				
Grand Totals	$ 5,485,890	100%	$9,387,709	100%	4.68	100%	52.0	100%
	Rev. per Pacificorp Attach. 1, Table A		w. NEEA allocated per NEEA est. budgets		aMW = MWh saved / 8760 hrs.			

Received from
PacifiCorp 10/19/05

Utah Power's Idaho Strategy - supplemental FAQ

Q: **What are Utah Powers' primary objectives for DSM programs in Idaho?**

A: Utah Power's objectives are four-fold. First, to assist the Company in pursuing a least cost strategy in the acquisition of resources requirements as identified within our Integrated Resource Plan. Second, to effectively manage the loads we serve in order to minimize the need for peak, short-term uneconomic investments. Third, to provide customers with cost control tools to help them better manage their near-term energy expenses. And fourth, to provide both the State and customers the opportunity to take an active role in helping Utah Power keep future system and power costs as low as possible.

Q: **How did Utah Power select the initial DSM programs for introduction in Idaho?**

A: The initial programs were selected based on targeting those sectors with the greatest impact on the system during peak load periods. Irrigators and business customers are major users of energy and therefore the introduction of programs to these sectors was paramount in early success. Next, we looked to improve services to qualifying income customers appreciating their position among the residential sector in regards to ability to pay. Finally we looked to provide residential customers with a program of high value that had a reasonably wide application and opportunity for participation, a proven program with good economics and customer satisfaction as experienced in other jurisdictions where we have run the program.

Q: **In general, how are changes to the DSM programs made?**

A: Any changes to existing programs are made based on market specific performance factors including cost effectiveness, participation and evaluation results. Changes, if warranted, would be made to increase or enhance program cost effectiveness and participation.

Q: **How does Utah Power identify new DSM programs?**

A: Consistent the Company's Integrated Resource Plan action plan, Utah Power issued a 2005 DSM RFP to assist us in the identification, design, procurement and implementation of new DSM programs. Promising programs will be evaluated for relevance and application across all the states we serve. In our 2005 DSM RFP, Utah Power identified several program concepts in which we had specific interest along with a request for new program concepts. One program we specifically requested applicable to Idaho is a residential rebate program. The program's objectives are two-fold, 1) to assist residential customers in the purchase and installation of energy efficient appliances, equipment, and materials such as compact florescent lighting, Energy Star appliances, weatherization measures, etc., and 2) to increase program participation and savings potential within the broader residential sector.

Another planned activity to assist us in new program development is a DSM market study of the potential for energy efficiency and load management investments across our six state service territory. The study is one of the commitments made by Mid-American Energy Holding Company as part of their proposed purchase of PacifiCorp from Scottish Power. The study promises to provide us better information from which to plan for and evaluate our DSM successes going forward.

Q: **What is the introduction timeframe for programs identified through the 2005 DSM RFP?**

A: Proposals were received on October 17, 2005 and the company anticipates completing reviews, securing internal approvals and completing regulatory contingent contracts by March 2006. Regulatory applications and program introductions would begin around this timeframe.

Q: **What types of new programs would the company anticipate bringing forward for the Idaho market in the next 12 months?**

A: As noted above, the most promising would be a residential rebate program. Other possible considerations would be a residential new construction program and possibly an AC best practices program. In addition, opportunities to improve load management and pumping efficiencies among irrigation customers are likely candidates if suitable initiatives are identified.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 3RD DAY OF NOVEMBER 2005, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF,** IN CASE NO. PAC-E-05-10, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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