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IDAHO PUBLIC
UTILITIES COMMISSION

201 South Main, Suite 2300
Salt Lake City, Utah 84111

January 23, 2007

**VIA ELECTRONIC FILING
AND OVERNIGHT DELIVERY**

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attention: Jean D. Jewell
Commission Secretary

Re: PAC-E-06-10
In the Matter of the Petition of PacifiCorp to
Determine the Appropriate Payment Structure of Schedule 21

PacifiCorp (d.b.a. Rocky Mountain Power) hereby submits for filing an original and four copies of its testimony supporting the filed all-party stipulation in the above referenced case.

Service of pleadings, exhibits, orders and other documents relating to this proceeding should be served on the following:

Dean Brockbank
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, Utah 84111
Dean.Brockbank@PacifiCorp.com

Brian Dickman
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, Utah 84111
Brian.Dickman@PacifiCorp.com

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 2000
Portland, Oregon, 97232

By fax: (503) 813-6060

Sincerely,

Jeffrey K. Larsen
Vice President, Regulation

Enclosures

cc: Service List: PAC-E-06-10

1 **Q. Please state your name, business address and present position with**
2 **PacifiCorp dba Rocky Mountain Power (“Rocky Mountain Power” or “the**
3 **Company”).**

4 A. My name is Brian S. Dickman, and my business address is 201 South Main Street,
5 Suite 2300, Salt Lake City, Utah. My current position is Manager, Idaho
6 Regulatory Affairs.

7 **Q. Are you the same Brian S. Dickman that previously submitted direct**
8 **testimony and exhibits in this proceeding?**

9 A. Yes.

10 **Q. What is the purpose of your testimony?**

11 A. The purpose of my testimony is to support the filed Stipulation entered into by
12 Rocky Mountain Power, Community Action Partnership Association of Idaho
13 (“CAPAI”), and Commission Staff, and to explain why the Stipulation is
14 reasonable and in the public interest.

15 **Q. Please describe the Company’s initial filing in this proceeding.**

16 A. Pursuant to previous commitments made by the Company to CAPAI, on
17 September 1, 2006, Rocky Mountain Power filed a Petition with the Commission
18 to address the funding structure of its Schedule 21 Low Income Weatherization
19 Program. At issue is the level of rebates provided by Rocky Mountain Power to
20 the agencies performing weatherization services for the Company’s qualifying
21 low-income customers. Specifically, CAPAI desired that the Company increase
22 the rebates from 50 percent of the cost to weatherize a home to some higher
23 percentage amount.

1 **Q. Can you provide a summary of the key elements to the Stipulation?**

2 A. Yes. After collaborative discussions a Stipulation was signed by the Company,
3 Staff, and CAPAI, effectively resolving the issues disputed in this case. To
4 summarize, Rocky Mountain Power has agreed to increase the Schedule 21
5 sharing percentage from 50 percent to 75 percent of the cost to weatherize a
6 home, with no limit on the per-household cost of weatherization measures
7 installed. In addition, the parties agree that all measures for electrically heated
8 homes allowed in the United States Department of Energy's ("DOE")
9 weatherization program and determined to be cost effective (the Savings to
10 Investment Ratio is 1.0 or greater) based on audit results, will be eligible for
11 funding under Schedule 21. The current overall annual spending cap of \$150,000
12 will remain in place. In exchange, CAPAI agrees that it will not intervene in any
13 proceeding with the intent of further modifying Schedule 21 (or any Rocky
14 Mountain Power weatherization programs in Idaho) from April 1, 2007 through
15 March 31, 2009. Subsequent to the two-year period ending March 31, 2009, the
16 Company will have an impact evaluation completed on program results, including
17 a detailed cost-effectiveness analysis of the program, and submit the results to the
18 Commission and CAPAI.

19 **Q. Why did the Company agree to raise the sharing percentage above its**
20 **current level?**

21 A. Rocky Mountain Power is dedicated to providing cost-effective programs to
22 customers in financial need. As explained in my direct testimony filed in this
23 case, the cost effectiveness of this demand side management program should be

1 maintained. An analysis based on estimated program benefits (Exhibit 3 to my
2 direct testimony) shows that a sharing percentage close to 75 percent would align
3 the cost of the program to the estimated benefits of reduced energy usage.

4 **Q. Will the proposed Stipulation impact Rocky Mountain Power ratepayers?**

5 A. No. Funding for Schedule No. 21 is recovered from customers through the
6 Schedule No. 191 Customer Efficiency Services Rate Adjustment and the
7 Company is not currently proposing a change to that tariff rider.

8 **Q. Is this Stipulation in the public interest?**

9 A. Yes. The proposed changes to Schedule 21 are intended to increase flexibility for
10 administering agencies and to allow for additional measures to be installed for
11 low-income customers of Rocky Mountain Power. The projected cost-
12 effectiveness of the program as a demand side management tool is also intended
13 to remain intact, thus aligning the benefits of reduced energy usage with the cost
14 of providing the service.

15 **Q. What action does Rocky Mountain Power propose that the Commission take
16 with respect to the Stipulation?**

17 A. For the reasons stated above, the Company believes that the Stipulation is in the
18 public interest and that its terms and conditions are fair, just, and reasonable. The
19 Company recommends that the Commission adopt the Stipulation in its entirety to
20 resolve the contested issues in this proceeding, and that the terms of the
21 Stipulation go into effect April 1, 2007.

22 **Q. Does this conclude your testimony?**

23 A. Yes.

PROOF OF SERVICE

I hereby certify that on this 23rd day of January 2007, I caused to be served, via E-mail, a true and correct copy of the foregoing Testimony of Brian S. Dickman in Support of the all-filed Stipulation in Docket No. PAC-E-06-10 to the following parties as shown:

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Peggy Ryan
Supervisor, Regulation Administration