

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: WELDON STUTZMAN

DATE: FEBRUARY 2, 2007

SUBJECT: CASE NO. PAC-E-06-12
PACIFICORP'S REQUEST FOR APPROVAL OF AN IRRIGATION
LOAD CONTROL DISPATCH PILOT PROGRAM

On December 5, 2006, PacifiCorp dba Rocky Mountain Power filed an Application requesting approval of an Irrigation Load Control Dispatch Pilot Program. Rocky Mountain currently has an Irrigation Load Control Program that rewards customers who allow the Company to interrupt service at designated irrigation pump sites. The proposal is for an optional program in addition to the Irrigation Load Control Program already in place. On January 5, 2007, the Commission issued a Notice of Application and Notice of Modified Procedure establishing a deadline for the filing of written comments. Staff reviewed Rocky Mountain's Application and case documents and filed written comments.

There are two major differences between the proposed pilot and the Company's existing Irrigation Load Control Program. First is the ability to interrupt service at the Company's choosing rather than on a scheduled basis. Second, the proposed program's pricing structure is a yearly credit rather than a monthly credit.

In the proposed pilot program, it is expected that a limited number of participants will be selected, data will be collected, results will be assessed, and changes will be made as needed in order to make the program more successful. For the 2007 irrigation season the Company proposes to allow eligible customers served on the Company's Schedule 10 to enroll in the program on a first-come, first-served basis, up to a total of 45 MW.

At the conclusion of the pilot, Staff recommends the Company conduct an evaluation of the pilot program. The report should include the number of customers and the number of sites

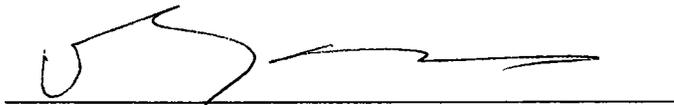
participating, amount of load under control, amount of load reduction achieved, the number of interruptions and the amount of load that failed to be interrupted when scheduled and the reason for the failure. The report should also provide a detailed cost breakdown, with a cost-effective analysis, an assessment of customer satisfaction, an analysis of load control equipment, and any recommended changes in the program.

STAFF RECOMMENDATIONS

1. Staff recommends the Commission approve Rocky Mountain Power's Application to implement an Irrigation Load Control Dispatch Pilot Program as proposed.
2. Staff recommends the Commission direct the Company to prepare an evaluation report for the Commission's review at the conclusion of the 2007 irrigation season.

COMMISSION DECISION

Should Rocky Mountain's Application for approval of an Irrigation Load Control Dispatch Pilot Program be approved? Should the Company be directed to file a report with the Commission after the conclusion of the 2007 irrigation season?



Weldon Stutzman

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