

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF PACIFICORP DBA ROCKY MOUNTAIN) **CASE NO. PAC-E-08-01**
POWER FOR AN INCREASE TO THE)
SCHEDULE 191 CUSTOMER EFFICIENCY) **NOTICE OF APPLICATION**
SERVICES RATE ADJUSTMENT AND)
ENHANCEMENT TO ENERGY) **NOTICE OF**
EFFICIENCY PROGRAMS FOR) **MODIFIED PROCEDURE**
COMMERCIAL, INDUSTRIAL,)
AGRICULTURAL AND RESIDENTIAL) **NOTICE OF**
CUSTOMERS) **COMMENT/PROTEST DEADLINE**

YOU ARE HEREBY NOTIFIED that on February 14, 2008, PacifiCorp dba Rocky Mountain Power (PacifiCorp; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting authority to (1) adjust the collection rate of the existing demand side management (DSM) cost recovery mechanism (Schedule 191) from 1.5% to 3.72% of retail revenue for a net increase of 2.22% (a monthly increase of about \$1.56 for the average residential customer); (2) add a new energy efficiency program for commercial and industrial customers; and (3) make several enhancements and changes to existing programs for business and residential customers intending to improve program performance. The Company proposes a May 1, 2008 effective date.

DESCRIPTION OF REVISIONS

Schedule No. 191 – Customer Efficiency Services

The Company proposes to adjust the collection rate for Schedule No. 191 from 1.5% to 3.72% of retail revenue for a net increase of 2.22%. This collection rate is designed to fund projected program activity for 2008 and 2009 and retire the current back balance of \$349,000 by the end of 2009, for an average of \$4.86 million per year. The Schedule No. 191 collection rate does not fund an estimated \$3.9 million in Schedule No. 72A irrigation load management incentives currently recovered in the Company's base rates.

Schedule No. 115 – FinAnswer Express

The FinAnswer Express program has been available to Idaho customers since January 2006 and provides prescriptive incentives for common energy efficiency measures. Enhancements proposed in this filing are based on proven program design and delivery

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experience in other jurisdictions. These changes: (1) add new measures eligible for prescriptive incentives; (2) add a separate incentive table for lighting retrofits and new construction/major renovation; and (3) revise some delivery mechanisms, including moving premium efficiency motors from point of purchase to post-purchase, and modifying new construction/major renovation lighting from a pre-purchase incentive agreement to post-purchase incentive application. In addition, the application of percentage of project cost incentive caps moves from the measure level to the project level.

Similar to the services provided by the Company in its other jurisdictions, the Company is offering sales support functions to assist equipment distributors and contractors in their sales and installation of high efficiency equipment.

Schedule No. 155 – Irrigation Energy Savers

Equipment exchange has been the most popular measure and has been available since spring 2006. The only change proposed to Schedule No. 155 is removal of the “funding availability” language. Current information indicates customers are now primarily interested in system upgrades, including the installation of variable frequency drives on pumps. Based on the program focus moving from an equipment exchange approach to an analysis-based approach, the Company is seeking proposals for program administration to help ensure that program delivery is done by a program administrator with the best combination of competitive pricing, irrigation, and electric energy efficiency experience.

Schedule No. 118 – Home Energy Savings

The Home Energy Savings program has been offered since May 31, 2006, and provides incentives for more efficient products and services for residential customers with new or existing homes. The program encompasses equipment categories including appliances, lighting, cooling equipment, insulation, and windows, and services such as duct sealing and air conditioning equipment tune-ups. A dedicated program web site may be found at www.homeenergysavings.net/idaho/home and provides full information, including incentive levels and eligible equipment specifications. Changes to increase participation and to better align incentive levels with Idaho markets are proposed for the following program offerings: Washing machines, dishwashers, water heaters, lighting, evaporative cooling, insulation, and heat pumps.

DESCRIPTION OF NEW PROGRAM

Schedule No. 125 – Energy FinAnswer

In this filing, PacifiCorp proposes to offer the incentive-based energy FinAnswer program which provides Company-funded energy engineering, incentives of \$0.12 for first-year energy savings (kWh) and \$50 per average monthly demand savings (kW), up to 50% of the approved project cost. The program is designed to target comprehensive projects requiring project-specific analysis and will operate as a complement to the FinAnswer Express program. The enhancements are designed to increase new construction participation and early program involvement to capture lost opportunities. Enhancements include design-team honorariums (finder fees for new projects) and design-team incentives (in addition to enhanced customer incentives) for new construction projects exceeding the current Idaho energy code by at least 10%.

PROGRAMS FUNDED BY SCHEDULE 191 NOT CHANGED IN THIS FILING

Schedule No. 117 – Refrigerator Recycling

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Schedule No. 121 – Low-Income Weatherization Services

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Schedule Nos. 72 and 72A – Irrigation Load Control Credit Rider

This program was enhanced per the agreement reached in the Company's general rate case approved by the Commission in Case No. PAC-E-07-05. Additional modifications were proposed in Tariff Advice No. 08-01 and approved by the Commission on February 11, 2008. Changes included new incentive levels, reduction in maximum dispatch hours, increase in dispatch duration, and revision of the minimum pump size.

DESCRIPTIONS OF TARIFFS BEING CANCELLED

Schedule Nos. 120 and 122 – Commercial Energy Services

These schedules were closed to new service with the 2006 filing but remained as approved schedules to administer the loans originated under the schedules.

YOU ARE FURTHER NOTIFIED that the Commission has preliminarily found that the public interest regarding the Company's Application in Case No. PAC-E-08-01 may not require a hearing to consider the issues presented and that the Application may be processed

under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the Commission will not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to the Application and the Commission's use of Modified Procedure in Case No. PAC-E-08-01 is **Thursday, April 24, 2008**. Persons desiring a hearing must specifically request a hearing in their written protest or comments.

YOU ARE FURTHER NOTIFIED that written comments concerning the Application should be mailed to the Commission and the Company at the addresses reflected below.

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
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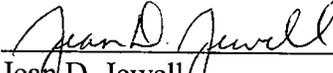
All comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to PacifiCorp at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may

decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Application in Case No. PAC-E-08-01 together with supporting workpapers and Company analysis are available for public inspection during regular business hours at the offices of the Idaho Public Utilities Commission, 472 W. Washington Street, Boise, Idaho and at the Idaho offices of PacifiCorp. The Application may also be viewed at the Commission's web site, www.puc.idaho.gov by clicking on "File Room" and "Electric Cases."

DATED at Boise, Idaho this 28th day of February 2008.



Jean D. Jewell
Commission Secretary

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