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

March 18, 2011

IDAHO PUBLIC  
UTILITIES COMMISSION

**VIA HAND DELIVERY**

Jean D. Jewell  
Commission Secretary  
Idaho Public Utilities Commission  
472 W. Washington  
Boise, ID 83702

**Re: Case No. PAC-E-10-07 – Rocky Mountain Power’s Cross-Petition to CAPAI’s  
Petition for Clarification/Reconsideration**

Dear Ms. Jewell:

Please find enclosed an original and seven (7) copies of Rocky Mountain Power’s Cross-Petition to Community Action Partnership Association of Idaho’s Petition for Clarification/Reconsideration. Electronic copies are being served on the parties today.

Please contact me directly at (801) 220-4014 if you have questions or if I can be of further assistance.

Sincerely,

*ds*  
Daniel E. Solander

cc: Service List

Enclosures

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*Attorneys for Rocky Mountain Power*

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE</b>	)	
<b>APPLICATION OF ROCKY</b>	)	<b>CASE NO. PAC-E-10-07</b>
<b>MOUNTAIN POWER FOR</b>	)	
<b>APPROVAL OF CHANGES TO ITS</b>	)	
<b>ELECTRIC SERVICE SCHEDULES</b>	)	<b>CROSS- PETITION FOR</b>
<b>AND A PRICE INCREASE OF \$27.7</b>	)	<b>CLARIFICATION AND</b>
<b>MILLION, OR APPROXIMATELY</b>	)	<b>RECONSIDERATION</b>
<b>13.7 PERCENT</b>	)	

Comes now, Rocky Mountain Power (“Company”) and in accordance with IPUC Rules 325 and 331, *et seq.*, respectfully submits this Cross-Petition to the Petition for Clarification/Reconsideration of Order No. 32196 filed by Community Action Partnership Association of Idaho (“CAPAI”) in this case on March 11, 2011. Rocky Mountain Power respectfully requests that the Idaho Public Utilities Commission (“Commission”) reject CAPAI’s position that the Company committed to ongoing, annual funding of \$50,000 for the Company’s

Low-Income Conservation Education program (“conservation education”), and issue a finding that the funding commitment was for a total of \$50,000. In support of this Cross-Petition, Rocky Mountain Power states as follows:

On February 4, 2009, in Case No. PAC-E-08-07, the Parties entered into a stipulation to resolve the case (“Stipulation”), which the Commission approved April 16, 2009 with Order No. 30783, which included the following paragraph:

**Further, the Parties agree that a total of \$50,000 of demand side management program funds** will be made available to SouthEastern Idaho Community Action Agency and Eastern Idaho Community Action Partnership to be used to support conservation education as a component of Rocky Mountain Power’s low income weatherization program, Schedule 21. Parties agree that it is the responsibility of the Community Action Partnership Association of Idaho to propose said education program to Rocky Mountain Power by May 1, 2009 and that the proposal will contain funding proportioning the \$50,000 between the two agencies, objectives and any savings estimates to assist in program evaluation and reporting requirements. The Parties agree that the low income weatherization program (Schedule 21) and the conservation education component of the program is in the public interest and is determined to be cost effective even though the explicit quantification of benefits may not be possible, and furthermore, the Parties agree to support the justification and recovery of these costs through the demand side management surcharge funding. (emphasis added)

The Stipulation required CAPAI to provide a proposal of how the funds would be used by May 1, 2009. After several calls from RMP requesting the status CAPAI provided a proposal which did not include thorough details needed to implement a meaningful program. In order to assist CAPAI in moving the program forward, RMP staff drafted an Energy Education Program Plan in June 2009 that included program purpose, program description (including details on the curriculum, kit contents, estimated kWh savings, and participate eligibility), program goals, data collection, reporting, an evaluation plan and a program implementation timeline.

After continued coaxing by RMP, CAPAI submitted its first invoice in May 2010 for \$7,500 so they could order 500 energy efficiency kits from their vendor. These kits are intended

to be distributed during energy education sessions and include 3 CFL light bulbs, 1 refrigerator temperature card, 10 outlet gaskets, 1 kitchen faucet aerator and 1 luminescent night light. RMP worked with an outside consultant to design the kits with an estimated savings of 522 kWh per kit.

RMP inquired as to the program status in August 2010, and CAPAI staff stated the program was delayed until the 2010 - 2011 LIHEAP season with the following statement: "The delay was due to Idaho Power and their energy kit program, the Idaho Power program was put behind schedule due to a delay in ordering the kits which in turn delayed the distribution. The agencies which will be participating in the Rocky Mountain Power program also participated in the Idaho Power program and so as not to over burden our agency and to make sure we could serve the people who needed the information the most, we decided to delay the implementation."

RMP staff checked on the kit status with CAPAI staff in October 2010 and was told they would be ordered on October 28, 2010. RMP finally received invoices from EICAP and SEICAA in late November 2010 for remaining funds (\$21,250 each). The invoice has not been processed as CAPAI staff agreed that the curriculum should be completed first. CAPAI provided RMP the first draft of curriculum for review in January 2011 with the intent to have curriculum final in March 2011.

On October 13, 2010, CAPAI asked a data request of Rocky Mountain Power in Case No. PAC-E-10-07, which noted that RMP had not proposed an increase to its existing Conservation Education Program as part of Case No. PAC-E-10-07, and asking if there was a specific rationale for not proposing such an increase in funding. Rocky Mountain Power responded as follows:

Response to CAPAI Data Request 5

In Case No. PAC-E-08-07 Rocky Mountain Power committed to provide a one-time payment of \$50,000 for Conservation Education to Southeastern Idaho Community Action Agency and Eastern Idaho Community Action Partnership. Company staff worked with Community Action Partnership Association of Idaho (CAPAI) to assist them in the development of an Energy Education Program plan. This plan was completed in June 2009; as of April 2010 Rocky Mountain Power has only received an invoice from CAPAI for energy efficiency kits that will be distributed through the program. The payment for the kits totaled \$7,500. As of August 10, 2010, the kits had not been ordered and education had not been provided to Rocky Mountain Power customers.

To date the Company has yet to be billed for \$42,500, which is the majority of these funds. The Company does not believe it would be appropriate to consider allocating additional customer funds to cover costs associated with a program not yet fully operating.

Accordingly, CAPAI data response 5, provided October 13, 2010, reiterated clearly what was stated in the stipulation and has been communicated several times during phone conversations with CAPAI representatives that it was always Rocky Mountain Power's understanding and commitment that the payment for the Conservation Education Program to be a one-time payment totaling \$50,000.

This directly refutes the position taken by CAPAI in its Petition for

Clarification/Reconsideration, in which it stated:

During the course of this proceeding, an issue previously unknown to CAPAI arose through the rebuttal testimony of Rocky Mountain Power ("RMP" or "Company") witness Barbara Coughlin when she referred to the Company's Low-Income Conservation Education program ("conservation education") as a "one-time commitment," as opposed to an annual, ongoing DSM program. The program was established in RMP's last general rate case (PAC-E-08-07 - referred to herein as the "08-7 case") and approved by the Commission in Order No. 30783. To CAPAI's knowledge, RMP had never publicly taken this position prior to Ms. Coughlin's rebuttal testimony. Thus, CAPAI did not anticipate this issue and had no opportunity under the case schedule in this proceeding to address it through testimony or the introduction of other evidence at hearing. CAPAI Petition for Clarification/Reconsideration, pp. 1-2.

CAPAI had more than adequate notice of Rocky Mountain Power's position regarding the Conservation Education program in Case No. PAC-E-08-07, and had ample opportunity to present a witness of its own to testify regarding the need for continuing funding, or any other argument regarding the program CAPAI cared to raise in Case No. PAC-E-10-07. To claim surprise of Rocky Mountain Power's position on this issue is disingenuous at best.

There is no additional evidence in the record that would support CAPAI's position that the \$50,000 payment to the Conservation Education program was to be an ongoing, annual payment. In fact, as the testimony of Rocky Mountain Power witness Ms. Barbara A. Coughlin makes clear, the Company considered the payment to be a one-time payment with a total of \$50,000. This was reiterated by Ms. Coughlin during cross-examination, as noted by CAPAI in its petition. See Tr. Vol. VI, pp. 1066-1068. Any other interpretation of the stipulation in Case No. PAC-E-08-07 is unsupported by the record and is simply not credible.

WHEREFORE RMP respectfully requests the Commission deny CAPAI's Petition for Clarification/Reconsideration.

DATED this 18<sup>th</sup> day of March, 2011.

ROCKY MOUNTAIN POWER

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## CERTIFICATE OF SERVICE

I hereby certify that on this 18<sup>th</sup> day of March, 2011, I caused to be served, via E-mail, a true and correct copy of Rocky Mountain Power's Cross-Petition to Clarification and Reconsideration in PAC-E-10-07 to the following:

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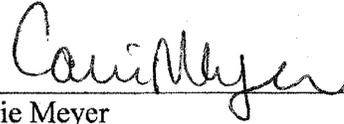
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