DECISION MEMORANDUM

TO: COMMISSIONER KEMPTON
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: NEIL PRICE
DEPUTY ATTORNEY GENERAL

DATE: JANUARY 28, 2011

SUBJECT: IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER REQUESTING APPROVAL OF REVISIONS TO ITS DISPATCHABLE IRRIGATION LOAD CONTROL PROGRAM, CASE NO. PAC-E-11-06

On January 20, 2010, PacifiCorp dba Rocky Mountain Power ("Rocky Mountain" or "Company") filed an Application, pursuant to *Idaho Code* §§ 61-502 through -503 and Commission Rule of Procedure 52, IDAPA 31.01.01.052, requesting an Order from the Commission allowing the Company to enact prospective changes to its Dispatchable Irrigation Load Control Program ("Program").

THE APPLICATION

PacifiCorp is a Utah corporation providing retail electric service to customers in Utah, Wyoming and Idaho. The Company lists its principal place of business as Salt Lake City, Utah.

The Schedule 72A Program is a voluntary program available to irrigation customers receiving service under Schedule 10. Program participants agree to curtail demand during the Company's summer peak usage period by turning off their pumps intermittently, total curtailment not to exceed 52 hours for any Program participant, during the summer season (June 1 to August 31). The Company is authorized to turn off pumps, with a prior day notification, from 11 a.m. to 7 p.m. MDT, Monday through Friday, during the Program season.

Rocky Mountain noted that Program participation has now reached 278 MW of curtailment in 2010. According to the Company, the success of the Program has led to certain voltage control problems. In 2010, the Company claims that it was able to mitigate the problem somewhat by implementing a "phasing process to ramp load off and back on during dispatch events." However, Rocky Mountain states that it is now necessary to shift some Program participants to other load control hours in order to lessen the magnitude of load loss during summer peak load hours.

Accordingly, Rocky Mountain proposes the following modifications to the Schedule 72A Program:

1. The addition of language, similar to that found in the Schedule 23 Irrigation Peak Rewards Program, allowing the Company to reject prospective Program participants and pertaining to the Program's cost-effectiveness and the impact of Program participation on the Company's transmission and distribution system;

2. Elimination of the graduated rate schedule;

3. Fixing the Load Control Service Credit at $25.30 per kW per year;

4. Changing the opt-out penalty schedule from the current market price of energy to a graduated scale (more fully described in the Application);

5. Other administrative language changes in the Tariff including: modifying language about continued Program participation; elimination of the internet-access requirement; excising redundant language regarding the calculation of the credit and references to air-time communication costs; discontinue the use of equipment charges; and substituting the phrase "Program Season" for "irrigation season" in the Tariff.

In support of its Application, Rocky Mountain filed the direct testimony of Carol Hunter, Vice President in charge of the Company's Demand-Side Management Programs.

STAFF RECOMMENDATION

Staff has reviewed Rocky Mountain's Application and recommends that the Commission process the Application through Modified Procedure with a 45-day comment period.

COMMISSION DECISION

Does the Commission wish to process Rocky Mountain's Application through Modified Procedure with a 45-day comment period?

Neil Price
Deputy Attorney General

M:PAC-E-11-06_np