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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION OF)
PACIFICORP, DBA ROCKY MOUNTAIN) CASE NO. PAC-E-11-06
POWER, REQUESTING FOR APPROVAL OF)
REVISIONS TO ITS DISPATCHABLE) COMMENTS OF THE
IRRIGATION LOAD CONTROL PROGRAM.) COMMISSION STAFF
_____)**

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its attorney of record, Neil Price, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure issued in Order No. 32173 on February 4, 2011, submits the following comments.

BACKGROUND

On January 20, 2011, PacifiCorp dba Rocky Mountain Power (“Rocky Mountain” or “the 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 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.” 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.

Rocky Mountain proposes the following modifications to the Schedule 72A program:

1. The addition of language, similar to that found in Idaho Power Company’s Schedule 23 Irrigation Peak Rewards Program, allowing the Company to reject prospective Program participants based on, among other criteria, 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 (“LCSC”) 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; eliminating 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.

STAFF ANALYSIS

The Dispatchable Irrigation Load Control Program began as a pilot in 2007, and was limited to 45 MW. Through settlement negotiations in the 2007 general rate case (PAC-E-07-05), the pilot status of the Program was lifted, and the Program was open to all eligible participants. The Stipulation set forth the terms and conditions of the Program for the 2008 and 2009 season, which saw tremendous growth in participation levels reaching over 250 MW. In the Decision Meeting on November 23, 2009, the Commission approved Rocky Mountain Power Tariff Advice 09-05, Update Schedule 72A. The filing represented an agreement between the Company and the Idaho Irrigation Pumpers

Association (“IIPA”) on the terms and conditions of the Program for 2010 through 2012. The agreement specifically addressed the level of the LCSC, length of the Program season, revision of the available dispatch hours, and continual provision of Program results in the Company’s annual DSM report filed with the Commission. Through a jointly signed letter of support, each party agreed “to these terms and conditions..., with all other terms and conditions remaining unchanged as specified” in the accompanying tariff sheets. Staff has included the Company’s Tariff Advice and the letter as Attachment A to its comments. While the Commission approved the tariff advice, the agreement itself was not submitted by Rocky Mountain for Commission approval. Perhaps the overarching decision before the Commission in this case is whether the agreement between the Company and its participating irrigators is binding, thus cementing the terms and conditions through the 2012 Program season.

Staff believes that the agreement was negotiated in good faith, with the understanding by both the Company and IIPA that the terms and conditions would remain in place through the 2012 Program season. The Commission has received numerous public comments echoing this sentiment. While Staff does not believe Rocky Mountain instructed participants to do so, many have said that they invested in upgrading equipment and altered management of their operations under the premise that the Program would be available in its current status for a minimum of three years at the time of negotiation. Staff considers the agreement binding, and if the Commission agrees, then Staff recommends rejection of the Company’s filing in its entirety. Should the Commission be inclined to address the merits of the proposed revisions, Staff respectfully submits the following comments.

Staff has reviewed the Company’s Application and believes that while a number of the modifications are supportable, two revisions are unjustified and should be denied by the Commission. Staff does not support the Company’s request to reduce the Credit from \$30 per kW-yr to \$23.50 per kW-yr, nor the proposed language modifications providing Rocky Mountain discretion to limit participation for reasons cited as “necessary to ensure the effective operation of the Program and utility system.” *See* PAC-E-11-06 Application, page 3.

The Company’s stated basis for violating the agreement and requesting revisions to the Program are to “make certain adjustments... to reduce the costs of the [P]rogram and increase its effectiveness” (PAC-E-10-07, Hunter Rebuttal, page 8), and to mitigate voltage excursion issues on its transmission and distribution system due to the size of the Program and the corresponding magnitude of the load loss during dispatch events. *See* Application, page 2. Staff recognizes that, while providing significant benefits to the Company and all its customers, there are technical issues

associated with a program of this magnitude. That said, Staff believes Rocky Mountain has already taken great steps in working around the technical problems, and the current proposal lacks sufficient evidence that it would provide a resolution to what the Company perceives as an issue.

The Company has been experiencing voltage excursions on its distribution system allegedly due to the Program prior to the 2010 season. To mediate voltage excursions, Rocky Mountain began “phasing in” or stair-stepping curtailment over three separate four-hour dispatch blocks in 2010.¹ The agreement signed in 2009 extended the available dispatch hours from 2:00 pm until 8:00 pm to 11:00 am until 7:00 pm, facilitating the phasing in approach to load curtailment. This has required the Company to take more of an “intelligent scheduling” approach to load curtailment, and obviously reduced the maximum amount of curtailed load at any given point. According to Rocky Mountain’s 2010 Idaho Irrigation Load Control Program Final Report (“2010 Report”), peak load curtailment occurred in the 3:00 pm to 6:00 pm timeframe, and averaged nearly 130 MW, or just under half the load under contract. The Company states that while this approach “was effective in stabilizing the voltage excursions, doing so diluted the total control available during any peak hour when the Program’s resources are needed to manage system demands.” *See* Hunter page 3, lines 8-10.

Staff agrees that the phasing in curtailment reduces the amount of load reduction at any given moment, but believes the Company devalues the benefit of having such a substantial amount of curtailed load available. The extended timeframe for dispatch hours still fall within heavy load hours in what is generally the most expensive season of the year to procure energy. Based on the Company’s net power cost filing in the 2010 general rate case, July and August represent the two highest cost months for providing electricity. The extended dispatch hours may afford the Company more flexibility to run its gas-fired generation plants or make off-system sales. Rocky Mountain notes that this “‘smart implementation’ would augment existing infrastructure assets and perhaps improve Grid performance.” *See* 2010 Report, page 10. The Company acknowledges that curtailment “must absolutely be executed in an intelligent fashion,” and going forward, will “[d]esign dispatch protocol to extract additional value from a ‘smart-grid’ approach.” *Id.* at 28-29. Staff commends the Company’s efforts toward maximizing the numerous benefits of the Program, and believes approving the proposed language to restrict participation would only hinder its efforts going forward.

¹ A fourth block, 7:00am-11:00 am, was instituted that shifted 20MW off of the Big Grassy substation due to continued voltage issues.

Staff also believes that reducing the LCSC at this time is inappropriate. The Company has provided no technical analysis to show this would improve the cost effectiveness of the Program or resolve the voltage excursion problem the Company purports to address. While it is clear that reducing the LCSC by nearly 16 percent would lower the cost of the Program, the Company has not attempted to quantify the impact that would have on participation. The potential loss in participation could easily offset any savings from reduced credit payments. If the Company's proposal is approved, it would take less than an 11 percent reduction in participating load to adversely affect the benefit cost ratio of the Program. The Commission has received several public comments from participants sharing this sentiment, with one participant stating "that the proposed incentives are so low that very few farmers will participate and the entire program will be lost, resulting in higher rates for everybody." Since the Company did not attempt to quantify the loss of participation due to a reduced LCSC nor its effect on voltage excursions, as well as the risk of harming the Program's cost effectiveness, Staff does not believe it is reasonable to reduce the LCSC at this time.

Staff first became aware of possible modifications to the Program through the Company's rebuttal testimony of Ms. Hunter in the 2010 general rate case. In that proceeding, Ms. Hunter first proposed the participation selection language, change in opt-out penalty, and reduction in the participation credit.² There were no supporting tariffs filed with the Company's request at that time, and through Order No. 32196, the Commission denied the Company's proposed modifications as part of the general rate case. Rocky Mountain resubmitted the revised tariffs to the Commission as Tariff Advice No. 11-01 on January 10, 2011. Staff contacted the Company and expressed its concerns that the revisions fell outside the normal parameters of a tariff advice, and requested the Company withdraw and refile as a formal case. The Company complied, resulting in the current case.

Staff believes the timing and the type of modifications proposed by the Company are in response to the Commission's findings in the 2010 general rate case. Staff believes that Rocky Mountain's current request is the result of the Commission's decision to consider the Program as a system resource, and the costs being allocated accordingly across all jurisdictions. It is clear that the Company has proactively addressed the voltage excursion issue, and as stated before, does not rely on any cost effectiveness test in proposing a reduced LCSC. Rocky Mountain's filing indicates that the

² At that time, the Company's proposal was to reduce the participation credit to \$25 per kW for the 2011 season, not \$25.30 per kW as currently proposed, and returning to \$30 per kW for the 2012 season.

requested LCSC is expressly a function of cost allocation.³ See Hunter, page 8, lines 209. If the ultimate rationale for this filing is cost recovery uncertainty, Staff argues that not only are the proposals in this case insufficient to address this, but the Company is currently working with the multistate process (MSP) committee and each jurisdiction on this matter. This filing does not represent the proper forum for handling cost recovery issues.

Should the Commission decide that the terms and conditions of Tariff Schedule 72A are subject to change, Staff does not oppose the Company's modification of the opt-out penalty. Currently, the penalty is based on the day-ahead market price Rocky Mountain would have to pay to supply the non-curtailed power. Approval in this Application would result in a graduated reduction in the LCSC paid depending on the number of opt-outs a customer elects to take. Under the proposal, there would be no penalty for the first opt-out, then a 10 percent reduction in credit pay for two opt-outs, then further reductions through the sixth opt-out, in which the participant forfeits any credit payment. Staff believes this approach better aligns participant involvement in the Program with the cost imposed by opting out. This also provides certainty of the economic impact participants face when making the operational decision of whether or not to opt out of an event. That said, the opt-out rate has traditionally been low (~3 percent), and has not materially affected the cost effectiveness of the Program.

If the Commission decides to leave the LCSC at the current level, Staff finds it unnecessary to remove the graduated credit schedule. The Company's filing replaces the schedule with its proposed \$25.30 per kW-yr value. While Staff does not envision Program participation levels to fall below 175 MW (the current threshold in which a lower LCSC would occur), keeping the graduated payment schedule in the tariff assures the LCSC adheres to the agreement made by the parties and approved by the Commission.

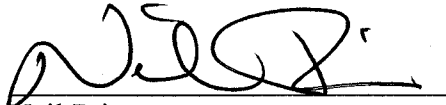
Staff believes that the remainder of the proposed revisions results in a clear and concise tariff. Of the proposed changes, Staff supports the elimination of language regarding the internet access requirement, redundant language regarding the calculation of the credit and references to air-time communication costs, discontinuance of equipment charges, and substituting the phrase "Program Season" for "irrigation season". These modifications are minor, and more accurately reflect the operation of the Program.

³ The \$25.30 per kW-yr value is the result of the Company's solicited LCSC of \$25 per kW-year from the 2010 general rate case allocated to jurisdictions outside of Idaho (94 percent of the cost) plus Idaho's allocation (6 percent) of the current \$30 per kW-yr credit, thus $(\$25 \times .94) + (\$30 \times .06) = \$25.30$.

STAFF RECOMMENDATIONS

Staff recommends that the Commission deny the request of the Company to modify Schedule 72A, Dispatchable Irrigation Load Control Credit Rider Program as the terms and conditions were agreed upon for the 2010 through 2012 seasons on October 26, 2009. Should the Commission determine that Program changes are allowed, Staff recommends that the Commission approve the following modifications to the Schedule 72A tariff: changing the phrasing from "irrigation season" to "Program season", elimination of redundant language regarding the calculation of the Credit, references to air-time communication costs, language regarding the use of load control equipment, and the revised Opt-Out penalty schedule. Staff recommends that the Commission deny the Company's request to reduce the Credit value from \$28 per kW-yr to \$25.30 per kW-yr. Staff also recommends denial of language modifications that grant the Company discretion in participation based on the revised criteria proposed by the Company. In doing so, Staff finds that participation in subsequent Program seasons is well-defined in the current tariff language. To the extent that the Commission accepts this recommendation, Staff believes it is appropriate to maintain the current language in the tariff requiring a 30 Hp minimum pump size.

Respectfully submitted this 21st day of March 2011.



Neil Price
Deputy Attorney General

Technical Staff: Bryan Lanspery

i:umisc:comments/pace11.6npbl comments



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

October 28, 2009

VIA ELECTRONIC FILING

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

Attention: Jean D. Jewell
Commission Secretary

RE: Tariff Advice 09-05, Update Schedule 72A to reflect terms of an agreement between Rocky Mountain Power and the Idaho Irrigation Pumper's Association for the Dispatchable Irrigation Program through the end of the 2012 Irrigation Season.

Rocky Mountain Power, a division of PacifiCorp, (the "Company") hereby files Tariff Advice 09-05 for electronic filing containing the proposed revisions to the Company's tariff Schedule 72A - Dispatchable Irrigation Load Control Credit Rider Program. Rocky Mountain Power hereby submits a clean and legislative copy of each sheet containing proposed revisions along with a letter agreement between the Company and the Idaho Irrigation Pumpers Association. Rocky Mountain Power respectfully requests this application be processed under the Commission's Modified Procedure with an effective date of December 31, 2009.

The purpose of this filing is to update tariff Schedule 72A to incorporate minor modifications to the program agreed to between the Company and the Idaho Irrigation Pumper's Association ("IIPA"). The current tariff agreement for the load control service credit ended after the 2009 irrigation season. Company and IIPA representatives met on October 6, 2009 to negotiate a new agreement. The parties successfully negotiated a three-year agreement for 2010 through 2012. Attached is a copy of the signed agreement executed by representatives of the two parties.

Rocky Mountain Power submits the following proposed revisions to the Dispatchable Load Control Credit Rider Program sheets:

- Fourth Revision of Electric Service Schedule Sheet No. 72A.1
- Fourth Revision of Electric Service Schedule Sheet No. 72A.2
- Fourth Revision of Electric Service Schedule Sheet No. 72A.3

Sheet No. 72A.1 – Revise the season for the dispatch program from the current period of June 1 to September 15 to the proposed period of June 1 to August 31.

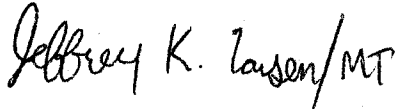
Sheet No. 72A.2 – Extend the current participation schedule for the 2008 and 2009 seasons through the end of the 2012 irrigation season.

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B. Lanspery, Staff
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Sheet No. 72A.3 – Revise the available dispatch hours from the current period of 2:00 PM to 8:00 PM to the proposed period of 11:00 AM to 7:00 PM. The additional hour will help facilitate phasing in and out of dispatch events. Shifting the ending time forward one hour will provide additional time to the pumpers to check that their irrigation system is operating correctly before it gets dark. Remove the 2007 reference from the load control section of the tariff.

If you have any questions please contact Ted Weston at (801) 220-2963 or email ted.weston@pacificorp.com.

Very truly yours,



Jeffrey K. Larsen
Vice President, Regulation

Enclosures

**Agreement between Rocky Mountain Power
and Idaho Irrigation Pumpers Association**



*Jeffrey K. Larsen
Vice President, Regulation
One Utah Center
201 S. Main Street, Suite 2300
Salt Lake City, UT 84111
801.220.4907*

October 21, 2009

Idaho Irrigation Pumpers Association, Inc.
201 East Center
PO Box 1391
Pocatello, ID 83204

Attn: Mark Mickelsen
Eric Olsen

**Re: Idaho Tariff Schedule 72A Dispatchable Load Control Service Credit Rider Program
Settlement Terms**

Dear Mark and Eric:

The purpose of this letter agreement is to memorialize the October 6, 2009 discussions between representatives of Rocky Mountain Power ("Company") and the Idaho Irrigation Pumpers Association, ("IIPA"). The Company and IIPA collectively are referred to herein as the "Parties". At that meeting, the Parties discussed the results of the dispatchable irrigation program to-date and negotiated the post-2009 terms of such program.

For the 2008 and 2009 irrigation seasons the dispatchable irrigation program was governed by the stipulation to Rocky Mountain Power's Case No. PAC-E-07-05, approved in Order No. 30482 by the Idaho Public Utilities Commission. Tariff Schedule 72A was modified to reflect the terms of the stipulation. Since Tariff Schedule 72A does not address the terms for irrigation seasons after 2009, the Parties have agreed to the following changes in the terms and conditions of the dispatchable irrigation program under Tariff Schedule 72A to address the post-2009 treatment of the program:

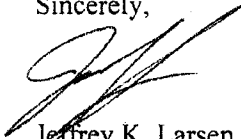
1. extend the current participation schedule for the irrigation seasons through the end of the 2012 irrigation season;
2. extend the current \$2.00/kw-yr incentive for participation at 175 MW or greater. If participation levels are at 175 MW or greater then all participants would be paid \$28.00 plus a \$2.00 incentive totaling \$30.00. If the program participation levels are less than 175 MW then all participants would be paid according to the Participation Credit Schedule listed on Electric Service Schedule 72A, Sheet No. 72A.2;
3. revise the dispatch program season from the current period of June 1 to September 15 to a new period of June 1 to August 31 of each year;

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4. revise the available dispatch hours from the current period of 2:00 PM to 8:00 PM to a new period of 11:00 AM to 7:00 PM. The change in times will help facilitate phasing in and out of dispatch events as well as provide additional time to the pumpers to check that their irrigation system is operating correctly before it gets dark; and,
5. continue to provide results of the Dispatchable Irrigation program in the DSM report filed annually with the Idaho Commission.

Furthermore, the Parties agree to these terms and conditions as reflected as revisions to the current Tariff Schedule 72A, with all other terms and conditions remaining unchanged as specified in the attached tariff sheets. The Parties will support these changes to Tariff Schedule 72A in a Tariff Advice filing made by the Company for Commission approval and represent that they are in the public interest.

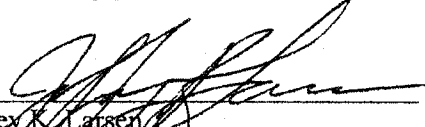
Sincerely,



Jeffrey K. Larsen
Vice President Regulation


The Parties have negotiated the changes to tariff Schedule 72A in good faith and by their signatures below acknowledge and agree to the terms as detailed above.

ROCKY MOUNTAIN POWER

By: 
Jeffrey K. Larsen
Vice President Regulation
201 South Main Street, Suite 2300
Salt Lake City, UT 84111

Date: 10/21/09

**IDAHO IRRIGATION
PUMPER'S ASSOCIATION**

By: 
Eric Olsen
Attorney for IIPA
201 East Center PO Box 1391
Pocatello, ID 83204

Date: 10/26/09

Revised Tariffs



I.P.U.C. No. 1

Fourth Revision of Sheet No. 72A.1
Canceling Third Revision of Sheet No. 72A.1

ROCKY MOUNTAIN POWER
ELECTRIC SERVICE SCHEDULE NO. 72A
STATE OF IDAHO

Dispatchable Irrigation Load Control Credit Rider Program

PURPOSE: This optional tariff allows Customers to participate in a dispatchable control service interruption program in exchange for a Load Control Service Credit (LCSC). Customers participating in this program will be considered participants in the Irrigation Load Control Credit Rider program.

PARTICIPATION: Prior to participation, and in order to qualify under this Schedule, Customers must execute a Load Control Service Agreement (LCSA) with the Company. Participants in the dispatchable program will be considered program participants for subsequent years unless the Customer explicitly communicates the desire to no longer participate in the Load Control Credit Rider program.

APPLICABLE: To qualifying Customers served on Schedule 10 and who have continuous access to the Internet from May 1 through September 15. Access to the internet beginning May 1 is required to allow for program information sharing, training, and communication testing in advance of the control season. In addition, Schedule 10 Customers participating in the dispatchable program must:

- (a) Meet minimum irrigation equipment motor load size of 30 Hp. The Company may evaluate individual pumps or motors smaller than 30 Hp to determine if participation is cost-effective or necessary because such pumps are part of a larger participating system.
- (b) Use advanced 2-way remote control equipment as specified by the Company to manage ALL pumping requirements throughout the Company defined Irrigation Season (June 1 through September 15).
- (c) Participate in Company-defined training to set up their pump sites for dispatch.
- (d) Incur air time communication charges for communication transactions exceeding 70 per month. Charges for communication transactions in excess of 70 per month will be deducted from the Customer's LCSC.

DISPATCHABLE PROGRAM SEASON: This rider is applicable from June 1 to August 31, annually.

(Continued)

Submitted Under Advice No. 09-05

ISSUED: October 28, 2009

EFFECTIVE: December 31, 2009

Attachment A
Case No. PAC-E-11-06
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ELECTRIC SERVICE SCHEDULE NO. 72A – Continued

LOAD CONTROL SERVICE AGREEMENT: The Customer and Company will execute a LCSA for irrigation load control participation. The LCSA shall specify the Load Control kW amount that each of the Customer’s sites shall curtail during each Dispatch Event. The agreement will also include typical costs that the Customer may incur for Early Termination. Once executed, the agreement shall remain in force for subsequent Irrigation Seasons unless explicitly canceled by the participating Customer. Cancellation of an existing LCSA may occur only between September 16 and May 30 each year.

LOAD CONTROL SERVICE CREDIT: The LCSC for a participating site shall be calculated and issued to the participating customer in the form of a check, or as a credit against the participating site account if an outstanding account balance exists that is 30 days or more past due two weeks before the credit issuance. The LCSC will be issued no later than October 31 following each irrigation season. The LCSC is composed of a Fixed Annual Participation Credit that shall remain fixed throughout the Irrigation Season each year. The LCSC shall be computed at the conclusion of the Irrigation Season by multiplying the Fixed Annual Participation Credit times the Load Control kW at the Schedule 10 metered pump site. The Load Control kW shall be computed by taking the most recent 2-year demand (kW) average for that particular site. In situations where the pump has been replaced and/or re-wound the kW shall be computed by taking the manufacturer’s revised nameplate Hp and converting it to the kW using standard engineering conversion metrics.

The Fixed Annual Participation Credit for 2010, 2011 and 2012 is based upon total program participation volumes as defined in the table below (Participation Credit Schedule). The participation credit is increased for each tier of program participation volume to encourage participation in the program.

Participation Credit Schedule

Program Participation Volumes (MW)	Participation Credit (\$/kW-yr)
Less than 150	\$23.00
150 to less than 175	\$26.00
175 or greater	\$28.00

SCHEDULE:

Notification of Credit: The Company will provide notification of the total LCSC to all eligible Schedule 10 customers by February 15 each year.

Load Control Service Agreement: Concurrent with the Notification of Credit referenced above, the Company will provide a LCSA listing the amount of the credit the Customer will receive for the irrigation season if they elect to participate in the program. Customers who have not previously entered into a LCSA with the Company and who desire to participate in this load control program shall sign the LCSA and return it to the Company by April 15 to indicate their participation.

(Continued)

Submitted Under Advice No. 09-05

ISSUED: October 28, 2009

EFFECTIVE: December 31, 2009

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I.P.U.C. No. 1

Fourth Revision of Sheet No. 72A.3
Canceling Third Revision of Sheet No. 72A.3

ELECTRIC SERVICE SCHEDULE NO. 72A – Continued

DISPATCH CONDITIONS: The Company shall have the right to implement a Dispatch Event for participating customers according to the following criteria:

- (a) Available Dispatch Hours: 11:00 AM to 7:00 PM Mountain Daylight Savings Time
- (b) Maximum Dispatch Hours: 52 hours per Irrigation Season
- (c) Dispatch Duration: Not more than four hours per Dispatch Event or twelve hours per week
- (d) Dispatch Event Frequency: limited to a single (1) Dispatch Event per day
- (e) Dispatch Days: Monday through Friday (inclusive)
- (f) Dispatch Day Exclusions: July 4 and July 24

DISPATCH COMMUNICATIONS: The Company will provide day-ahead notice of intent to dispatch as well as day-of confirmation communication prior to the dispatch event. Communications will be made via voice, text or email messaging depending on each Customer's communication preference.

SPECIAL CONDITIONS:

Load Control kW: The Load Control kW amount for the Irrigation Season shall be computed as follows:

- 1. The maximum kW for the past two (2) years (or available history) for each of the four irrigation months shall be averaged by month (June 1 through September 15).
- 2. The average monthly values calculated in Step 1 above shall be averaged.
- 3. The output of Step 2 above shall be multiplied by the appropriate participation credit as defined in the Participant Credit Schedule above.

Outages: Uncontrolled outages or other types of interruptions do not qualify for payment under the tariff.

Ownership of Control Equipment: The load control equipment remains the property of the Company. Customers may, at their discretion, purchase complementary control components that can work with the Company's foundational control units. To the extent possible, the Company will cooperate and work with local equipment distributors in facilitating such additional equipment.

Communication: The Company will pay the cost of air time communication for up to 70 transactions per month. Additional Customer communication with irrigation control equipment is permitted. The cost of such transactions will be the Customer's responsibility but will be managed through the Company (Note: Customer air time communication costs, if any, will be calculated as a reduction to the LCSC).

Liquidated Damages: Customers are permitted to 'opt-out' of five (5) Dispatch Events throughout the Irrigation Season. Customers electing to 'opt-out' of a scheduled dispatch event may do so on the program's web page, by contacting the program's call center, or by notifying a program field technician. Each 'opt-out' event will incur a cost resulting in a reduction to the Customer's LCSC. The costs will be calculated based on the \$/MWh the Company otherwise has to pay for power at the time of the Dispatch Event. Such \$/MWh prices will be provided by day ahead on-peak price as published at <http://theice.com> and will be based on the established Four Corners trading hubs.

(Continued)

Submitted Under Advice No. 09-05

ISSUED: October 28, 2009

EFFECTIVE: December 31, 2009

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B. Lanspery, Staff
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I.P.U.C. No. 1

~~Third~~ ~~Fourth~~ Revision of Sheet No. 72A.1
Canceling ~~Second~~ ~~Third~~ Revision of Sheet No. 72A.1

ROCKY MOUNTAIN POWER
ELECTRIC SERVICE SCHEDULE NO. 72A
STATE OF IDAHO

Dispatchable Irrigation Load Control Credit Rider Program

PURPOSE: This optional tariff allows Customers to participate in a dispatchable control service interruption program in exchange for a Load Control Service Credit (LCSC). Customers participating in this program will be considered participants in the Irrigation Load Control Credit Rider program.

PARTICIPATION: Prior to participation, and in order to qualify under this Schedule, Customers must execute a Load Control Service Agreement (LCSA) with the Company. Participants in the dispatchable program will be considered program participants for subsequent years unless the Customer explicitly communicates the desire to no longer participate in the Load Control Credit Rider program.

APPLICABLE: To qualifying Customers served on Schedule 10 and who have continuous access to the Internet from May 1 through September 15. Access to the internet beginning May 1 is required to allow for program information sharing, training, and communication testing in advance of the control season. In addition, Schedule 10 Customers participating in the dispatchable program must:

- (a) Meet minimum irrigation equipment motor load size of 30 Hp. The Company may evaluate individual pumps or motors smaller than 30 Hp to determine if participation is cost-effective or necessary because such pumps are part of a larger participating system.
- (b) Use advanced 2-way remote control equipment as specified by the Company to manage ALL pumping requirements throughout the Company defined Irrigation Season (June 1 through September 15).
- (c) Participate in Company-defined training to set up their pump sites for dispatch.
- (d) Incur air time communication charges for communication transactions exceeding 70 per month. Charges for communication transactions in excess of 70 per month will be deducted from the Customer's LCSC.

IRRIGATION-DISPATCHABLE PROGRAM SEASON: This rider is applicable ~~only during the~~ Irrigation Season from June 1 to August 31 ~~September 15~~, annually.

(Continued)

Submitted Under Advice No. 09-051

ISSUED: ~~October 28~~ February 11, 2009

EFFECTIVE: ~~December~~ June 31, 2009

Attachment A

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B. Lanspery, Staff

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