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December 2, 2011

IDAHO PUBLIC
UTILITIES COMMISSION

VIA OVERNIGHT DELIVERY

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

Attention: Jean D. Jewell
Commission Secretary

RE: CASE NO. PAC-E-11-12
In the Matter of the Application of PacifiCorp dba Rocky Mountain Power for
Approval of Changes to Its Electric Service Schedules and Price Increase of \$32.7
Million, or Approximately 15.0 Percent

Enclosed please find the original and nine (9) copies of rebuttal testimony of Rebecca Eberle filed on behalf of Rocky Mountain Power in response to testimony filed by the Community Action Partnership Association of Idaho.

Please contact J. Ted Weston at (801) 220-2963 if you have any further questions.

Very Truly Yours,

Jeffrey K. Larseh
Vice President of Regulation
Rocky Mountain Power

Enclosures

CERTIFICATE OF SERVICE

I hereby certify that on this 2nd of December, 2011, I caused to be served, via e-mail and/or US mail, a true and correct copy of the foregoing document in PAC-E-11-12 to the following:

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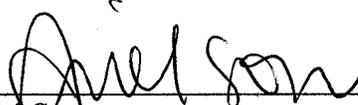
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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)	
APPLICATION OF ROCKY)	CASE NO. PAC-E-11-12
MOUNTAIN POWER FOR)	
APPROVAL OF CHANGES TO ITS)	Rebuttal Testimony of Rebecca Eberle
ELECTRIC SERVICE SCHEDULES)	
AND A PRICE INCREASE OF \$32.7)	
MILLION, OR APPROXIMATELY)	
15.0 PERCENT)	

ROCKY MOUNTAIN POWER

CASE NO. PAC-E-11-12

December 2011

1 **Q. Please state your name, business address and present position with**
2 **PacifiCorp dba Rocky Mountain Power (the “Company”).**

3 A. My name is Rebecca Eberle. My business address is 825 NE Multnomah, Suite
4 800, Portland, OR 97232. My present position is Low Income Program Manager.

5 **Qualifications**

6 **Q. Please describe your educational and professional background.**

7 A. I received a B.S. degree in Business Administration, with a minor in Sociology
8 from Oregon State University. I joined the Company in June 1980 and have held
9 positions in the Customer Service, Regulation and Demand-Side Management
10 Departments. I began managing residential energy efficiency programs including
11 low income weatherization programs in 1991. I currently manage a variety of
12 programs available to PacifiCorp’s customers with limited incomes including low
13 income weatherization, bill assistance discounts and fuel funds such as Lend-A-
14 Hand.

15 **Purpose of Testimony**

16 **Q. What is the purpose of your rebuttal testimony?**

17 A. I am filing rebuttal testimony to respond to the testimony of Ms. Teri Ottens,
18 witness for the Community Action Partnership Association of Idaho (“CAPAI”),
19 specifically, Ms. Ottens’ request for Low Income Weatherization assistance
20 (“LIWA”) and energy conservation education funding.

21 **Q. Is the LIWA program funded with revenues obtained through the**
22 **Company’s general rates that are the focus of this proceeding?**

23 A. No. LIWA is funded through the revenue obtained through Schedule 191,

1 Customer Efficiency Services. Consequently it would appear that this request
2 would more appropriately be handled in Case No. PAC-E-11-13 as it is
3 specifically related to the Low Income Weatherization Program available through
4 Schedule 21.

5 **CAPAI Funding Request – LIWA Program**

6 **Q. What is Ms. Ottens request related to Rocky Mountain Power’s LIWA**
7 **Program?**

8 A. Ms. Ottens proposes Rocky Mountain Power’s funding level should be set to
9 equal AVISTA’s funding on a per capita basis.

10 **Q. What is Rocky Mountain Power’s current funding level of the LIWA**
11 **program on a per capita basis?**

12 A. Agencies can bill Rocky Mountain Power up to \$300,000 annually for the
13 services they provide through the LIWA program. Using Ms. Ottens’ figure for
14 Rocky Mountain Power’s residential customers of 56,430, this is an annual
15 funding investment of \$5.32 per residential customer.

16 **Q. At what level is Ms. Ottens proposing Rocky Mountain Power fund the Low**
17 **Income Weatherization program?**

18 A. Ms. Ottens proposes Rocky Mountain Power’s funding level be set at \$377,517
19 annually, or in other words, Ms. Ottens is requesting a 26 percent increase to
20 LIWA funding.

21 **Q. How was the proposed increase calculated?**

22 A. Ms. Ottens states that her proposed increase of \$77,517 is based on Avista’s per
23 capita investment in their Low Income Weatherization program. She states that

1 Avista currently funds their program at \$6.69 per residential customer and if
2 Rocky Mountain Power's funding was increased to \$377,517 annually, the per
3 capita annual investment would also total \$6.69 per residential customer.

4 **Q. Is it reasonable to compare the per capita funding for Avista's and Rocky**
5 **Mountain Power's Low Income Weatherization programs in this manner?**

6 A. No. Comparison of the funding provided by Avista and Rocky Mountain Power is
7 difficult, at best, because Avista provides electric and natural gas service whereas
8 Rocky Mountain Power provides electric service only. Ms Ottens fails to
9 acknowledge that Avista expenditures are for both its gas and electric low income
10 weatherization programs. As Ms. Stacey Donohue of the Idaho Public Utilities
11 Commission Staff testified to:¹

12 "If Avista continues to spend 60% of its low income program
13 budget on electric measures, then (using Ms. Ottens' methodology)
14 the \$420,000 budget divided by Avista's 105,286 electric
15 residential customers (FERC Form No. 1, 2010, pg. 304) equates
16 to a \$3.98/customer expenditure."
17

18 The Company believes this is a more appropriate comparison to the Rocky
19 Mountain Power expenditure of \$5.32 per customer provided by Ms. Ottens.

20 **Q. What percent of Rocky Mountain Power's customers heat using gas?**

21 A. Approximately forty-six percent of the Company's residential customers in Idaho
22 heat with natural gas. To my knowledge the natural gas providers don't fund any
23 LIWA programs in Rocky Mountain Power's service territory. Obtaining funding
24 from natural gas providers in Rocky Mountain Power's service area at a rate that
25 matches the funding Avista applies to natural gas service homes may be a more
26 appropriate means of increasing LIWA program funding. I don't believe it is

¹ Case No. IPC-E-11-08 (page 3, lines 20-24).

1 appropriate to compare funding from an electric only utility to funding from a gas
2 and electric utility solely on a per capita basis as Ms. Ottens has proposed.

3 **Q. Why isn't basing funding solely on per capita investment reasonable?**

4 A. As Ms. Donohue suggested in her testimony, it may be more advantageous to
5 households throughout Idaho to determine funding based on customer needs.

6 **Q. Do you agree with Ms. Ottens' statement that it is likely that Rocky
7 Mountain Power's customers will have to wait for an average of eight years
8 and quite possibly might never receive benefits under the program?**

9 A. No, I don't believe this is likely. Although the Company specifically requested the
10 information used by CAPAI to support its calculation, CAPAI was not able to
11 provide this information at the time my testimony was due. CAPAI's response to
12 the Company's data request 17 asking for the number of qualifying customers on
13 the waiting list as of December 31, 2010 and October 31, 2011 states:

14 "The number of eligible customers on the waiting list changes
15 constantly. It is not known what the exact number of customers on
16 the waiting list was on December 31, 2010 without unreasonable
17 effort and recalculation of data no longer current."

18 The agencies' list of customers interested in weatherization services is likely a
19 moving target. A number of households may receive services within a year. Many
20 applicants may not be served by Rocky Mountain Power and may reside in homes
21 that are not heated with electricity, so funding may be dependent on other sources.
22 Some may not qualify for a variety of reasons, some may move out of the
23 agency's jurisdiction and there may be a few where their landlord does not want
24 to participate. As Ms. Ottens' states, this is difficult to predict with precision.

1 **Q. Are there ways of improving upon the allocation of Rocky Mountain Power's**
2 **funding?**

3 A. Yes. Currently funding is allocated evenly between Eastern Idaho Community
4 Action Partnership ("EICAP") and SouthEastern Idaho Community Action
5 Agency ("SEICAA"). Based on the response from CAPAI to Rocky Mountain
6 Power's data request 16, SEICAA has a longer weatherization waiting list, so the
7 Company would like to work with the agencies to determine the most appropriate
8 means of allocating the funding between the two agencies.

9 **Q. Does Rocky Mountain Power have a good working relationship with the**
10 **weatherizing agencies in its service territory?**

11 A. Yes. Rocky Mountain Power is grateful for the valuable services provided by
12 employees of EICAP and SEICAA to our income eligible customers. The
13 Company appreciates the positive relationship we maintain with their staff.

14 **CAPAI Funding Request – Conservation Education**

15 **Q. Please summarize the background of the \$50,000 one-time conservation**
16 **education funding.**

17 A. As part of the stipulation approved by the Commission in Case No. PAC-E-08-07
18 dated February 4, 2009, which CAPAI was a party to, Rocky Mountain Power
19 committed to a one-time payment of \$50,000 for conservation education.

20 Paragraph 8 of that stipulation states:

21 "…the Parties agree that a total of \$50,000 of demand-side
22 management program funds will be made available to
23 SouthEastern Idaho Community Action Agency and Eastern Idaho
24 Community Action Partnership to be used to support conservation
25 education as a component of Rocky Mountain Power's low income
26 weatherization program, Schedule 21. Parties agree that it is the

1 responsibility of the Community Action Partnership Association of
2 Idaho to propose said education program to Rocky Mountain
3 Power by May 1, 2009 and that the proposal will contain funding
4 proportioning the \$50,000 between the two agencies, objectives
5 and any savings estimates to assist in program evaluations and
6 reporting requirements. The Parties agree that the low income
7 weatherization program (Schedule 21) and the conservation
8 education component of the program is in the public interest and is
9 determined to be cost-effective even though the explicit
10 quantification of benefits may not be possible, and furthermore, the
11 Parties agree to support the justification and recovery of these costs
12 through the demand-side management surcharge funding.”

13 **Q. What is the status of the conservation education funded by Rocky Mountain**
14 **Power?**

15 A. The curriculum was developed by CAPAI staff and provided to the Company in
16 final form in March 2011. Our two partnering agencies, EICAP and SEICAA
17 began providing the energy conservation curriculum and distributing energy
18 efficiency kits in May 2011 to income eligible Rocky Mountain Power customers.
19 As of August 23, 2011, 36 households had participated in the energy conservation
20 program; the agencies agreed to provide an update on their progress in December.

21 **Q. What is the cost of the conservation education per participant?**

22 A. The kits were purchased at a cost of \$15 each and include three compact
23 fluorescent light bulbs, a kitchen aerator, outlet gaskets, a night light and a
24 refrigerator/freezer temperature card. With a participant goal of 500 households,
25 the funding per participant totals \$100 with \$15 covering the efficiency kit and
26 \$85 funding the agencies cost to distribute the kits and provide the curriculum
27 consisting of one group session and one in-home session.

1 **Q. What are some issues that have occurred in the offering of conservation**
2 **education?**

3 A. Rocky Mountain Power is very appreciative of the efforts of the conservation
4 education staff from EICAP and SEICAA. They are very committed to these
5 efforts.

6 From my perspective there have been two obstacles in developing and
7 implementing customer conservation education. The first obstacle was that
8 implementation was delayed because CAPAI was devoting its efforts to initiating
9 conservation education in Idaho Power's service area. And secondly, with the
10 total funding amount of \$50,000 it became apparent that the services provided to
11 Rocky Mountain Power's customers had to go beyond the distribution of a kit and
12 a group efficiency presentation. Providing a group session and an in-home session
13 to households is valuable but may be an insurmountable component of the
14 offering.

15 **Q. How do you suggest energy conservation be provided to income eligible**
16 **Rocky Mountain Power customers in the future?**

17 A. I suggest that Rocky Mountain Power continue to work directly with the staff of
18 the two local agencies, Commission Staff, and CAPAI to determine: (1) what is
19 the best approach for agency staff to provide conservation education services to
20 households; (2) what is the agencies' cost of providing energy conservation
21 services; and (3) what is an achievable annual participation goal.

1 **Q. Does your testimony address the issues Ms. Ottens' testimony raises related**
2 **to Case No. PAC-E-11-13?**

3 A. No. These issues were appropriately addressed in Case No. PAC-E-11-13.

4 **Conclusion**

5 **Q. Does the Company support CAPAI's per capita LIWA funding Proposal and**
6 **position on conservation education?**

7 A. No. The Company does not support this specific proposal because, as I have
8 demonstrated, CAPAI's per capita comparison to Avista is inappropriate. When
9 you correctly adjust Avista's funding to exclude gas customers, Rocky Mountain
10 Power's per capita funding level is actually be higher than Avista's.

11 The Company agrees with Ms. Donohue's suggestion (CASE No. IPC-E-
12 11-08, page 4, lines 19-20) that the issue of equitable funding would be best
13 resolved through a collaborative effort among stakeholders.

14 As mentioned earlier the \$50,000 conservation education funding was
15 made in February 2009. As of August 2011 only 36 of the 500 kits had been
16 placed in households. However, the Company has initiated discussions and held
17 two meetings with representatives from the two local agencies, Commission Staff
18 and CAPAI in an effort to develop a conservation education program that will
19 have a positive impact on all parties, most importantly our income eligible
20 customers.

21 **Q. Does this conclude your testimony?**

22 A. Yes.