



credit is based on the price that the Company would have to pay for an equivalent amount of power on the open market for a block purchase of 30 megawatts (MW).

When the Schedule 72 program began, it had 207 customers with 401 sites, representing 45 MW of peak reduction. Program participation then increased to a high of 489 customers, 1065 sites, and 54 MW of peak reduction capability in 2005. Program participation has since declined, and in 2012 only 68 customers with 77 sites participated, representing 2.3 MW of peak reduction capability. *Id.* at 3.

During the 2007 irrigation season, the Company successfully piloted a fully dispatchable load control solution; while the Company expected 45 MW of participating load, 76 MW ultimately participated in the program under contract. In light of this success, in 2008 the Company implemented Electric Service Schedule 72A as a full enrollment program. Schedule 72A is a voluntary load reduction program available to irrigators who receive service under Schedule 10. The program enables the Company to control demand and manage summer peaks by periodically turning off program pumps. *Id.* at 4. Participation in the Schedule 72A program has grown, and participation was capped at 283 MW for the 2011 and 2012 seasons. *Id.* Following a series of stipulations between the Company, Idaho Irrigation Pumpers Association (“IIPA”), and Commission Staff, an agreed-to load control credit was extended through the end of the 2012 irrigation season. *Id.* at 5.

During the 2012 season, the Company called 12 control events. *Id.* Incentive payments or credits to 2012 participants were based on 244 MW of load. *Id.* at 6. The average realized load reduction for the 2012 season was 139 MW, or 57% of participating load. During the 10-year system peak period, the 2012 average realized load reduction was 117 MW, or 48% of the participating load. *Id.*

### ***B. The EnerNOC DSM Contract***

In 2012, the Company requested proposals for delivering the irrigation load control program in the most cost-efficient manner. *Id.* at 7. The Company sought proposals on two alternatives: (1) A pay-for-performance model in which the contractor delivers the dispatchable irrigation load control program and provides capacity, monitoring and load control devices, and incentives to customers while accepting the risks associated with the program; and (2) an equipment-and-service model in which the Company continues to operate the program while the

contractor provides the customer service and equipment installation, operation, and maintenance associated with the program. *Id.* at 7.

After reviewing five proposals from two qualified vendors, the Company determined that the least-cost option is a pay-for-performance model submitted by EnerNoc, Inc., a company that manages more than 25 pay-for-performance contracts and which purchased the manufacturer of the Company’s current irrigation load control equipment. *Id.* at 8. The Company’s resulting contract with EnerNoc provides:

General Term	Description
Term of Agreement	10 years with ability to terminate early
Eligible Customers	Schedule 10 customers
Average Demand Response Capacity	145 MW 40 MW
Capacity Basis	Average available capacity measured during the guarantee period
Pricing	Confidential
Performance Guarantees	Confidential
Dispatch Limitations	52 hours per year, 20 events per year, 1 to 4 hours per event
Guarantee Period	June 15 – August 15 Weekdays excluding holidays 12 p.m. – 8 p.m. MST
Non-Guaranteed Capacity	May dispatch an event anytime beyond the Dispatch Limitations and Guaranteed Capacity Limits, load reductions will not be guaranteed

*Id.* at 9. In addition, EnerNoc assumes all responsibility for installing, operating, and maintaining the irrigation load control devices, dispatching services as directed by the Company, recruiting customers, providing customer service, and issuing the irrigation credits. *Id.* EnerNoc will be paid based on the average load available for curtailment less any performance shortfall adjustments during program events. EnerNoc also receives an incentive to optimize load curtailment during historical peak times. *Id.* at 10. Participant curtailment amounts, incentives, and terms and conditions will be between EnerNoc and qualifying customers. *Id.* Consistent

with existing program structure, customers will be notified the day before program dispatch and will be able to opt-out of event participation before loads are controlled. *Id.*

YOU ARE FURTHER NOTIFIED that in light of the above, the Company asks the Commission to approve the EnerNoc DSM contract and cancel Electric Service Schedules 72 and 72A. *Id.* at 11.

YOU ARE FURTHER NOTIFIED that the following persons are designated as Rocky Mountain Power's representatives in this matter:

Ted Weston  
Manager, Idaho Regulatory Affairs  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, Utah 84111  
E-mail: [ted.weston@pacificorp.com](mailto:ted.weston@pacificorp.com)

Daniel E. Solander  
Senior Counsel  
Rocky Mountain Power  
201 South Main Street, Suite 2300  
Salt Lake City, Utah 84111  
E-mail: [daniel.solandern@pacificorp.com](mailto:daniel.solandern@pacificorp.com)

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-502, 61-622, and 61-623. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

#### **NOTICE OF INTERVENTION DEADLINE**

YOU ARE FURTHER NOTIFIED that **persons desiring to become parties** in this matter to conduct formal discovery or present evidence or cross-examine witnesses at any

hearing **must file a Petition to Intervene** with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. The Petition to Intervene must be filed **no later than fourteen (14) days from the service date of this Order**. Persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or the parties.

YOU ARE FURTHER NOTIFIED that the Commission Secretary shall issue a Notice of Parties after the deadline for intervention has passed. The Notice of Parties shall assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that once the Notice of Parties is issued, the Staff counsel will convene an informal prehearing conference for the purpose of discussing a schedule to process this case, the service of discovery, and other issues raised by the parties.

YOU ARE FURTHER NOTIFIED that any hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0338 (Telephone)  
(208) 334-3762 (FAX)  
E-mail: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

#### **SUSPENSION OF PROPOSED EFFECTIVE DATE**

Due to the nature of the case and constraints on the Commission's time, the Commission finds that it cannot adequately review the Application before the proposed effective date of February 1, 2013. Pursuant to *Idaho Code* §§ 61-307, 61-622 and 61-623, and in light of the Company's consent to have the effective date suspended, the Commission hereby suspends the proposed effective date for a period of thirty (30) days plus five (5) months or such time as the Commission enters an Order accepting, rejecting, or modifying the request in this matter.

**ORDER**

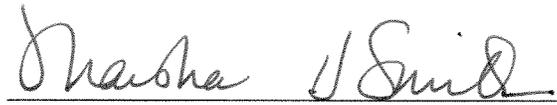
IT IS HEREBY ORDERED that the effective date of the changes proposed in the Application is suspended until August 3, 2013, or such time as the Commission enters an Order accepting, rejecting, or modifying the request in this matter.

IT IS FURTHER ORDERED that persons desiring to intervene in this matter for the purpose of presenting evidence or cross-examination at hearing shall file a Petition to Intervene with the Commission no later than fourteen (14) days from the service date of this Order.

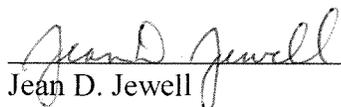
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 28<sup>th</sup> day of December 2012.

  
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PAUL KJELLANDER, PRESIDENT

  
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MACK A. REDFORD, COMMISSIONER

  
\_\_\_\_\_  
MARSHA H. SMITH, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Jean D. Jewell  
Commission Secretary

O:PAC-E-12-14\_kk