BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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IN THE MATTER OF THE APPLICATION OF PACIFICORP DBA ROCKY MOUNTAIN POWER FOR AUTHORITY TO MAKE REVISIONS TO ITS ELECTRIC SERVICE SCHEDULE 155, AGRICULTURAL ENERGY SERVICES

CASE NO. PAC-E-13-10 NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE NOTICE OF INTERVENTION DEADLINE ORDER NO. 32834

YOU ARE HEREBY NOTIFIED that on May 24, 2013, PacifiCorp dba Rocky Mountain Power ("Rocky Mountain" or "Company") filed an Application, including a Revised Schedule 155 Tariff Sheet and Evaluation Report, pursuant to *Idaho Code* §§ 61-301, 61-307, 61-622, and 61-623, with the Commission seeking an Order allowing the Company to modify its Electric Service Schedule No. 155, Agricultural Energy Services. The Company proposes to suspend the prescriptive measures in the Idaho Agricultural Energy Services program ("Program").

YOU ARE FURTHER NOTIFIED that Rocky Mountain seeks to amend the Program by suspending: (1) the Nozzle Exchange Program; and (2) incentives for the pivot and linear equipment measures listed in Table 1 of the current Schedule 155.

YOU ARE FURTHER NOTIFIED that Rocky Mountain employed a third party, Navigant Consulting ("Navigant"), to prepare an evaluation report. The complete report is included as Attachment B to the Application. Navigant cited several factors affecting Program energy savings:

a) Reported energy savings for the majority of the energy efficiency measures that reduce flow were based on deemed or unit energy savings (UES) values, making it difficult to establish a reliable baseline for a bottom-up engineering analysis.

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- b) Farmers may opt to participate in the Program in anticipation of future increases in watering requirements creating a self-selection bias in the analysis of the billing data and masking actual savings realized.
- c) Mobility of non-center-pivot and non-pump specific measures could have reduced the applicability of a retrospective billing analysis because energy impacts occurred across multiple meters.
- d) Lack of good data on crop planting history or participants' expansion efforts introduced uncertainty regarding energy consumption.
- e) The impact of growers bringing acreage in and out of production and the subsequent impacts on water use and energy consumption.
- f) Lack of information on soil characteristics for various participants impeded efforts to understand moisture retention at participant sites, and subsequent impacts on watering requirements.
- g) Where multiple measures were installed the resulting interaction complicated the analysis beyond the approved sampling methodology. The lack of baseline data combined with unknowns regarding the relative magnitude of the varying measures increased uncertainty.

YOU ARE FURTHER NOTIFIED that the Program evaluation report includes findings for the 2009-2011 time periods. Rocky Mountain believes that the resource acquisition from a utility perspective was cost-effective, but the total resource look and other cost tests returned benefit to cost ratios below one. Based on these results the Company requested an additional review of individual Irrigation Energy Savers measures. The Navigant review indicates that while there is uncertainty regarding the analysis it appears that the Nozzle Exchange (including gaskets and drains) and prescriptive pivot and linear system upgrades are not cost-effective based on the information available.

YOU ARE FURTHER NOTIFIED that Rocky Mountain believes that costeffectiveness and energy savings can be evaluated with more certainty through custom analysis. Accordingly, even the suspended Agricultural Energy Services measures will continue to be available for incentives through the custom option. Custom analysis is based on pre-installation measurements to develop savings estimates and post-installation verification of savings on a siteby-site basis and should enable a more accurate assessment of project savings. YOU ARE FURTHER NOTIFIED that Attachment C of Rocky Mountain's Application, Idaho Agricultural Energy Efficiency Program Cost Effectiveness - Memo, states that removing the Nozzle Exchange and Pivot and Linear Irrigation system upgrades and allowing the measures in the custom program, will improve the economic performance of the Program in 2013. The Program passes the PTRC, TRC, UCT and PCT cost-effectiveness tests for the 2014-2016 period.

YOU ARE FURTHER NOTIFIED that Rocky Mountain states that all 2013 Idaho Agricultural Energy Services program incentive applications received with an equipment purchase date prior to the effective date of the new Program tariff will be eligible for incentives based on the current Program if the application is submitted within 90 days of the new tariff effective date. For equipment purchased after the effective date of the new Program tariff, eligibility will be based on the new Program tariff, and incentives for all measures will be available through the custom analysis. Customers must contact the Company prior to making any equipment changes.

YOU ARE FURTHER NOTIFIED that Rocky Mountain asserts that it will not reinstate prescriptive incentives until greater savings confidence can be achieved. The evaluation plan will be revised to reflect the suspension of the flow reduction measures. An engineering approach will be used rather than a billing analysis for the impact evaluation methodology. The Company plans to evaluate the 2012-2013 Program years in 2014.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **no later than July 15, 2013**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and Rocky Mountain Power at the addresses reflected below:

Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074	Ted Weston Idaho Regulatory Affairs Manager Rocky Mountain Power 201 S. Main Street, Suite 2300
Street Address for Express Mail:	Salt Lake City, UT 84111 E-mail: ted.weston@pacificorp.com
472 W. Washington Street Boise, ID 83702-5918	Daniel E. Solander Senior Counsel Rocky Mountain Power 201 S. Main Street, Suite 2300 Salt Lake City, UT 84111 E-mail: <u>daniel.solander@pacificorp.com</u>

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at <u>www.puc.idaho.gov</u>. Click the "Consumers" tab, scroll down and click on "Utility Case Comment or Question Form," and then complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Company at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that Rocky Mountain's 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 <u>www.puc.idaho.gov</u>. Click on the "File Room" tab at the top of the page, scroll down to "Open Electric Cases," and then click on the case number shown on the first page of this document.

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. 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 intervene in Case No. PAC-E-13-10 for the purpose of becoming a party, i.e., to present evidence, to acquire rights of cross-examination, to participate in settlement or negotiation conferences, and to make and argue motions must file a Petition to Intervene with the Commission pursuant to Rules 72 and 73 of the Commission's Rules of Procedure, IDAPA 31.01.01.072 and .073. Persons desiring to acquire intervenor rights of participation **must file a Petition to Intervene within seven (7) days of the service date of this Order**. Persons desiring intervenor status shall also provide the Commission Secretary with their electronic mail address to facilitate future communications in this matter.

ORDER

IT IS HEREBY ORDERED that Rocky Mountain's Application will be processed under Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure should do so no later than July 15, 2013.

IT IS FURTHER ORDERED that persons desiring to intervene in this case shall file a Petition to Intervene with the Commission no later than seven days from the service date of this Order.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 20^{+4} day of June 2013.

PAUL KJELLANDER, PRESIDENT

MACK A. REDFORD, COMM **IONER**

MARSHA H. SMITH, COMMISSIONER

ATTEST:

Jean D. Jewell Commission Secretary

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