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IDAHO PUBLIC
UTILITIES COMMISSION

1407 W. North Temple, Suite 330
Salt Lake City, Utah 84116

November 20, 2015

OVERNIGHT DELIVERY

Jean D. Jewell
Commission Secretary
Idaho Public Utilities Commission
472 W. Washington
Boise, ID 83702-5983

**Re: CASE NO. PAC-E-15-14
IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER
FOR AUTHORITY TO CANCEL ELECTRIC SERVICE SCHEDULE NO. 71
ENERGY EXCHANGE PROGRAM**

Dear Ms. Jewell:

Please find enclosed for filing seven (7) copies of Rocky Mountain Power's Application for authority to cancel Electric Service Schedule No. 71, Energy Exchange Program. Included as Attachment A to this filing are cancelled Electric Service Schedule No. 71 tariff sheets.

Informal inquiries may be directed to Ted Weston, Idaho Regulatory Affairs Manager, at (801) 220-2963.

Sincerely,

A handwritten signature in black ink that reads "Jeffrey K. Larsen".

Jeffrey K. Larsen
Vice President, Regulation

Enclosure

Yvonne R. Hogle (ISB#8930)
1407 W. North Temple
Salt Lake City UT 84116
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Attorney for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)	
APPLICATION OF ROCKY)	
MOUNTAIN POWER FOR)	CASE NO. PAC-E-15-14
AUTHORITY TO CANCEL)	
SCHEDULE NO. 71 ENERGY)	APPLICATION
EXCHANGE PROGRAM)	

COMES NOW, Rocky Mountain Power, a division of PacifiCorp (the “Company”), and in accordance with RP 052 and RP 201, *et. seq.*, hereby respectfully makes application to the Idaho Public Utilities Commission (the “Commission”) for authorization to cancel Electric Service Schedule No. 71, Energy Exchange Program.

In support of this Application, Rocky Mountain Power represents as follows:

1. Rocky Mountain Power does business as a public utility in the state of Idaho and is subject to the jurisdiction of the Commission with regard to its public utility operations.

2. This Application is filed pursuant to *Idaho Code* §§ 61-301, 61-307, 61-622, and 61-623. In particular, *Idaho Code* § 61-623 empowers the Commission to determine the propriety of proposed rate schedules, §§ 61-307 and 61-622 require Commission approval prior to any increase in rates, and § 61-301 requires Idaho retail electric rates to be just and reasonable.

BACKGROUND

3. Electric Service Schedule No. 71, Energy Exchange Program, was initially offered by the Company to its customers in 2001 during the energy crisis. This product was introduced to reduce energy usage as quickly as possible. This optional program allowed customers to voluntarily reduce their electricity usage in exchange for a payment at times and prices determined by the Company. To participate in this program a customer had to execute an energy exchange customer agreement with the Company.

4. The Company notified customers who had executed an energy exchange agreement of an exchange event when market prices were such that it was economic for the Company to encourage customers to reduce energy usage. Customers who chose to participate in an exchange event had to maintain their electricity usage below the customer's baseline service for the duration of the specified event.

5. The energy exchange program was only available to customers with a monthly demand exceeding 1,000 kilowatts at least once during the last twelve-month billing period. If any portion of the customer's load was billed on a daily price option it was not eligible to participate in the program.

6. To be eligible to participate in the program customers had to have a meter which was provided by the Company capable of recording usage intervals no less than 15 minutes and be willing to pay for the costs associated with any load monitoring and communication equipment. These costs were waived if customers participated in the exchange program.

7. Participation in the exchange program was always very limited: in 2001 there were only eight customers who signed up for Schedule No. 71; four in Utah, two in

Oregon, and one each in Washington and Idaho. After 2001 no customers participated in the program until 2005 through 2008 when two customers in Utah signed up. Since 2008 there have been no customers who have elected to participate in the program. Additionally, there have been no curtailment events offered since 2010.

TARIFF CANCELLATION

8. The Company offers an Energy Profiler Online (“EPO”) energy management product to our larger commercial and industrial customers to help them monitor and more efficiently utilize their energy usage. One component of the EPO energy management product that the Company purchased in the past was the load curtailment module. The load curtailment module was included in order to be able to offer Schedule No. 71 in the event it was needed. The current EPO contract expires at the end of 2015 in preparation to replace this contract the Company completed a request for proposal (“RFP”) process. Schneider Electric, who is the current EPO provider, was selected to continue to provide the EPO energy management product. Due to the lack of customer interest and in an effort to reduce the cost of the EPO program, which benefits all customers, the Company is proposing to stop purchasing the load curtailment module with the new contract beginning in 2016.

9. Customer participation in Schedule No. 71 has always been very low, but since 2008 there have been no customers who have accepted an energy exchange curtailment offer, and since 2010 there have been no curtailment events offered. Due to low customer participation, the expiration of the current EPO contract and an opportunity to reduce costs the Company is requesting authorization to cancel Electric Service Schedule No. 71- Energy Exchange Program.

MODIFIED PROCEDURE

10. Rocky Mountain Power believes that consideration of the proposal contained in this Application does not require an evidentiary proceeding, and accordingly requests that this Application be processed under RP 201 allowing for consideration of issues under Modified Procedure, i.e., by written submissions rather than by an evidentiary hearing.

SERVICE OF PLEADINGS

11. Communications regarding this Application should be addressed to:

Ted Weston
Rocky Mountain Power
Manager, Idaho Regulatory Affairs
1407 W. North Temple, Suite 330
Salt Lake City UT 84116
Telephone: (801) 220-2963
Facsimile: (801) 220-2798
E-mail: ted.weston@pacificorp.com

Yvonne R. Hogle
Rocky Mountain Power
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Telephone: (801) 220-4050
Facsimile: (801) 220-3299
E-mail: yvonne.hogle@pacificorp.com

In addition, Rocky Mountain Power respectfully requests that all data requests regarding this matter be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail:
PacifiCorp
Data Request Response Center
825 NE Multnomah, Suite 2000
Portland, OR 97232

Informal inquires also may be directed to Ted Weston at (801) 220-2963.

CONCLUSION

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission issue an Order under Modified Procedure authorizing the Company to cancel Electric Service Schedule 71, Energy Exchange Program.

DATED this 20th day of November, 2015.

Respectfully submitted,

A handwritten signature in blue ink that reads "Yvonne R. Hogle". The signature is written in a cursive style and is positioned above a horizontal line.

Yvonne R. Hogle
Attorney for PacifiCorp



ROCKY MOUNTAIN POWER
ELECTRIC SERVICE SCHEDULE NO. 71

STATE OF IDAHO

ENERGY EXCHANGE PROGRAM RIDER

PURPOSE: This is an optional, supplemental service that allows participating Customers to voluntarily reduce their electricity usage in exchange for payment at times and at prices determined by the Company. The Company will notify participating Customers of the opportunity to exchange electricity. The Customer must execute an agreement prior to being allowed to receive service under this rider.

APPLICABLE: To qualifying Customers with Monthly Demand exceeding 1,000 kW at least once during the last 12-month period. Any portion of the Customer's load that is billed according to a daily price option is not eligible to participate in this program. Participating Customers must execute an Energy Exchange Customer Agreement with the Company.

ENERGY EXCHANGE VALUE

Market Price Signal: The Market Price Signal (MPS) is a price or prices quoted by the Company for a specified duration, subject to the following:

A Customer participating in an Exchange Event must maintain electricity usage below the Customer's Baseline Service Level for the duration specified by the MPS offer and accepted by the Customer (the Customer Pledge Period). Upon request the Customer also must provide the Company all documents necessary to demonstrate the Customer's planned operation level for the Pledge Period. Failure to provide detailed documentation upon request for a Customer participating in an Exchange

(continued)

ENERGY EXCHANGE VALUE *(continued)*

Market Price Signal *(continued)*

Event shall result in application of the second occurrence of noncompliance specified in Special Condition 10. The MPS shall specify the price for an exchange amount and the specified duration during which the quote applies (including days and hours applicable).

Hourly Credit Rate

Market Price Signal **minus** Customer's Rate Schedule Effective Energy Price
= Hourly Credit Rate (¢/kWh).

The Company will notify Customers of an Exchange Event when the Market Price Signal is such that it is economic for the Company to encourage Customers to reduce usage. The Hourly Credit Rate will be determined by subtracting the energy price the Customer would pay on their otherwise applicable rate schedule from the MPS. This calculation is performed for each hour during the Exchange Event.

Hourly Credit

Exchange Amount (kWh) X Hourly Credit Rate = Hourly Credit

The Hourly Credit is the amount owed to the Customer for each hour of curtailment pledged during the Exchange Event. The Hourly Credit is determined by multiplying the Exchange Amount by the Hourly Credit Rate. The Hourly Credit shall not be less than zero.

Exchange Credit: The Exchange Credit is the amount paid to the Customer for the Exchange Event and is the sum of each Hourly Credit during such event.

PAYMENTS: The Company will pay the Customer within 45 days of the Exchange Event. At Company's discretion, payment may be applied as a credit to the Customer's Monthly Billing.

(continued)

EXCHANGE AMOUNT: The Exchange Amount shall be the difference between the Customer's Baseline Service Level and Customer's measured load for each hour during the term of the Pledge Period. The Customer's Baseline Service Level shall be defined as the average usage for each hour during approximately fourteen typical operational days prior to the Pledge Period. Holidays and weekends will be excluded when determining the Baseline Service Level. The Company may utilize an alternate method to determine Baseline Service Level when the Customer's usage is highly variable or when a prior Exchange Amount has been implemented within the period used to establish a subsequent Baseline Service Level.

RATE SCHEDULE EFFECTIVE ENERGY PRICE: The Rate Schedule Effective Energy Price shall be the Energy Charge Effective Rate contained in the rate schedule under which the Customer is served. If the Customer is currently served under a special contract, Rate Schedule 9 shall be used for this purpose.

NOTIFICATIONS: The Company will utilize a secured Internet web site as the primary method to notify participants of Exchange Events. Other methods of notification may be utilized at the discretion of the Company. Customers must acquire and install any additional communication equipment necessary to receive notification of Exchange Events. The Customer will participate by operating below its Baseline Service Level per the Customer curtailment pledge for the length of the Pledge Period. The communication equipment must be operational as determined by periodic tests performed by the Company's designated agent.

The Company is not obligated to call an Exchange Event, and the Customer is not obligated to exchange energy upon being advised of an Exchange Event. The Company will not be liable for failure to advise a Customer of an Exchange Event.

Notification Options: The Company reserves the right to cancel an Exchange Event or a portion of an Exchange Event upon notification to the Customer. The Customer shall, at the time of enrollment, advise the Company how many hours' notification it requires prior to a Pledge Period by selecting one of the Notification Options below. Each Notification Option has a corresponding Minimum Hourly Credit Rate.

(continued)

NOTIFICATIONS: *(continued)*

Notification Options: *(continued)*

<u>Notification Required Prior to Cancellation</u>	<u>Minimum Hourly Credit Rate</u>
(Option 1) = 2 hours	7¢ per kWh
(Option 2) = 3 hours	5¢ per kWh
(Option 3) = 4 hours	3.5¢ per kWh

ENERGY EXCHANGE CUSTOMER AGREEMENT: The Customer and Company will execute an agreement for the Energy Exchange.

ADJUSTMENTS: Supplemental adjustment schedules are not applicable to this schedule unless approved by the Idaho Public Utilities Commission.

SPECIAL CONDITIONS:

1. **Metering.** The Customer must have a meter provided by the Company, which is capable of recording usage intervals no less than 15 minutes. The Customer shall provide telephone line access to the meter if requested by the Company. Participation in the Energy Exchange program is subject to meter availability.
2. **Communications Equipment.** The Customer is required to pay for costs associated with advanced monitoring and communications equipment necessary to participate in the Energy Exchange program. The Company will provide the Customer with access to a secured Internet web site necessary for Exchange Event notification and participation. These charges will be waived for all customers who have participated in an Exchange Event prior to October 1, 2001.
3. **Exchange Event and Pledge Period.** An Exchange Event may be for one or more consecutive hours, as determined by the Company. More than one Exchange Event may occur in one day. Pledge Period is the hours during an Exchange Event for which the Customer pledges to curtail electricity usage.

(continued)

SPECIAL CONDITIONS: *(continued)*

4. Notification. The Company is not responsible for any exchange that not been confirmed and acknowledged by the Company as an Exchange Event.
5. Liability. The Company is not responsible for any consequences to the participating Customer that result from an Exchange Event or the customer's effort to reduce electricity in response to an Exchange Event.
6. System Emergencies. Where the Company requests load interruptions for a system emergency, the terms of this schedule are not applicable.
7. The purchase of energy from Customers is not permitted under this program. Load from Public Utilities Regulatory Policies Act ("PURPA") qualifying facilities may not be included in this program.
8. Customers participating in this program may not shift load above normal operating levels (approximating the Baseline Service Level) to hours outside the curtailment hours in the Pledge, nor may they shift load to other facilities served by the Company or to dispatch replacement production from another facility served by the Company.
9. Third Party Management. The Company may utilize a third party to provide program management support for this schedule. The Company reserves the right to provide the Customer's energy consumption data to a third party for the purpose of managing this program.
10. Willful failure to Comply during an Exchange Event. The Company will take the following action if a Customer pledges, but does not reduce electricity usage per their curtailment pledge during an Exchange Event:

(continued)

SPECIAL CONDITIONS: *(continued)*

1st occurrence of noncompliance – The Customer shall provide the Company with a written explanation for noncompliance within 21 days at the conclusion of the Exchange Event.

2nd occurrence of noncompliance – The Company will limit the Customer's Baseline Service Level.

3rd occurrence of noncompliance – The Company will remove the Customer from the Energy Exchange program.

11. Early Termination. If the Customer is terminated from this program, the Customer shall be responsible for reimbursing the Company for setup costs associated with enrolling the Customer in this program. Setup costs include, but are not limited to, labor costs associated with enrolling the Customer in this program.

ELECTRIC SERVICE REGULATIONS: Service under this Schedule will be in accordance with the terms of the Electric Service Agreement between the Customer and the Company. The Electric Service Regulations of the Company on file with the approved by the Idaho Public Utilities Commission, including future applicable amendments, will be considered as forming a part of and incorporated in said Agreement.

CANCELLED