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 INCREASE SCHEDULE 191 CUSTOMER EFFICIENCY SERVICES RATE

CASE NO. PAC-E-16-02 NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 33468

On January 19, 2016, PacifiCorp dba Rocky Mountain Power ("Rocky Mountain" or "the Company") submitted an Application to the Idaho Public Utilities Commission ("Commission"), pursuant to Rules 52 and 201, IDAPA 31.01.01.052, .201; *Idaho Code* §§ 61-301, 61-301, 61-307, 61-622, and 61-623, seeking authority to increase its Schedule 191 Customer Efficiency Services Rate to 2.70% in order to recover costs associated with acquiring and administering cost-effective demand-side management ("DSM") programs in its Idaho service territory.

On January 22, 2016, Idaho Conservation League ("ICL") filed a Petition to Intervene in this case. On February 3, 2016, the Commission granted ICL's petition. *See* Order No. 33461.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company's Application states that the Commission initially approved cost-recovery of DSM programs, through the Schedule 191 Customer Efficiency Services Rate, beginning May 1, 2006. The Schedule 191 rate was originally set by the Commission at 1.5%. Subsequently, the collection rate has fluctuated but is currently set at 2.10%.

YOU ARE FURTHER NOTIFIED that the Company asserts that its DSM expenditures have increased approximately 38% from \$3.2 million in 2014 to \$4.4 million in 2015.

YOU ARE FURTHER NOTIFIED that Rocky Mountain attributes this \$1.2 million increase to the wattsmart Business sectors. The Company claims that the increased expenditures produced a corresponding increase in kilowatt-hour savings.

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YOU ARE FURTHER NOTIFIED that Rocky Mountain estimates that Class 2 savings at site increased from 11,410 megawatt hours (MWh) in 2014 to approximately 15,440 MWh in 2015, a 36% increase.

YOU ARE FURTHER NOTIFIED that the Company's current forecast for DSM expenditures in 2016 and 2017 ranges from \$4.4 to \$5.0 million per year, included as Attachment B to Rocky Mountain's Application.

YOU ARE FURTHER NOTIFIED that the Company's Application provided calculations demonstrating that at the current level of 2.10% annual Schedule 191 revenues would be approximately \$3.947 million. See Attachment A.

YOU ARE FURTHER NOTIFIED that Attachment B to Rocky Mountain's Application summarizes the actual monthly DSM expenditures and Schedule 191 revenue collection through December 31, 2015, with a net receivable balance owed to the Company of \$0.7 million. Attachment B also shows that at the current Schedule 191 rate, the DSM balancing account will be under-collected by approximately \$1.2 million as of December 31, 2016.

YOU ARE FURTHER NOTIFIED that Attachment C contains the same balancing account analysis as Attachment B except the Schedule 191 rate is adjusted to 2.70%, effective April 1, 2016, as proposed in this Application. The Company projects that, assuming the 2.70% rate for Schedule 191 revenue with an April 1, 2016 effective date, the balance in the deferred account will be under-collected by approximately \$280,000 as of December 31, 2016.

YOU ARE FURTHER NOTIFIED that Attachment D contains a clean and legislative copy of the Company's revised tariff sheets for Schedule 191. The Company also provided copies of the press release and customer bill insert as Attachment E to its Application. The Company states that the bill inserts were included in customers' bills by January 26, 2016, and will continue through a full billing cycle.

YOU ARE FURTHER NOTIFIED that the Company estimates that its proposed 0.6% increase in the Schedule 191 rate will result in the collection of approximately \$5.1 million on an annual basis.

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

NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 33468 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 **March 16, 2016**. 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 the Applicant at the addresses reflected below:

> Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074 Street Address for Express Mail:

472 W. Washington Street Boise, ID 83702-5918 Ted Weston Michael Snow 1407 W. North Temple, Suite 330 Salt Lake City, UT 84116 E-mail: <u>ted.weston@pacificorp.com</u> <u>michael.snow@pacificorp.com</u>

Daniel E. Solander 1407 W. North Temple, Suite 320 Salt Lake City, UT 84116 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 "Utility Case Comment or Question Form" under the "Consumers" tab, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Rocky Mountain 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 and exhibits have been filed with the Commission and are available for

public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at <u>www.puc.idaho.gov</u> by clicking on the "File Room" tab at the top of the page, scroll down and click on "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*.

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 March 16, 2016.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this //** day of February 2016.

PAUL KJELLANDER, PRESIDENT

KRIŚTINE RAPER, COMMISSIONER

ERIC ANDERSON, COMMISSIONER

ATTEST:

Jéan D. Jewell/ Commission Secretary

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