DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

WAYNE HART

GARY RICHARDSON

WORKING FILE

FROM:BRAD PURDY

DATE:OCTOBER 30, 1996

RE:CASE NO.  UPL-E-96-6

APPLICATION OF UP&L FOR AUTHORITY TO DISCONTINUE ITS RESIDENTIAL WEATHERIZATION PROGRAM

On October 23, 1996, PacifiCorp, dba Utah Power & Light Company, filed an Application for authority to discontinue its existing residential weatherization program set forth in the Company’s Schedule 21.  This program provides a home energy audit and assistance in the form of a 70% grant on the cost effective amount for qualifying energy efficiency measures not to exceed 70% of the actual cost of the weatherization work.  The Company requests to discontinue this program due to low participation.  Only eight customers took  advantage of the program in 1994 and seven customers in 1995.  Three households have completed the program this year through September 30, 1996.  The average rebate to UP&L customers during the period January 1, 1994 through September 30, 1996, was $561.

UP&L states that the weatherization program costs are high.  The administration and field work which includes the audit, analysis and inspection after the weatherization work has been completed, are estimated to be approximately $440 per home.  Based on the program’s low participation rate, along with its cost inefficiency, UP&L is requesting to discontinue this service to existing residential customers.  The Company requests an effective date of November 22, 1996.  Staff has conducted an initial review of the Company’s Application and does not believe that this matter will be controversial enough to require a formal hearing.  Staff recommends that the matter be processed under Modified Procedure and that an Order be issued suspending the November 22nd effective date until such time as the Commission can review the comments submitted and issue an Order resolving this Application.

Commission Decision

Does the Commission wish to process this matter under Modified Procedure and issue an Order suspending the proposed November 22nd effective date?

Brad Purdy

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