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IDAHO PUBLIC UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF PACIFICORP DBA UTAH POWER & LIGHT COMPANY FOR AUTHORITY TO DISCON-TINUE ITS RESIDENTIAL WEATHERIZATION PROGRAM. | )  )  )  )  )  )  )  ) | CASE NO. UPL-E-96-6  STAFF COMMENTS |

Comes now the Staff of the Idaho Public Utilities Commission by and through its Attorney of Record, Brad M. Purdy, Deputy Attorney General, and in response to the Application filed by PacifiCorp, dba Utah Power & Light (UP&L), for authority to discontinues its existing Residential Weatherization Program, submits the following comments.

On October 23, 1996, UP&L 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 wishes 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.

According to UP&L, 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 seeks to discontinue this service to existing residential customers.

Staff notes that as of November 26, 1996, the Commission had received only one set of comments in response to the Company’s proposal.  The person submitting those comments, Mr. Timothy D. Paul, is an energy conservation specialist with Eastern Idaho Special Services Agency in Idaho Falls.  Mr. Paul disputes the Company’s claims as to participation in the program and identified the low income projects in which his agency has participated.  Staff notes, however, that the Company’s proposal would not effect the Energy Conservation Service to Low Income Customers section of the tariff which is the program providing funding for the projects identified by Mr. Paul.  This assumption has been verified by UP&L.

Staff does not object to the termination of this program on the basis that the decline and participation reflects a saturation of the market.  Staff does not expect that participation would increase under any terms that would be considered cost effective in today’s energy market.  Those customers who are likely to participate in this program, Staff believes, have already done so.  To require the Company to maintain the infrastructure necessary for continued program operation at the low levels of participation that are expected, Staff concludes, is not reasonable.

In addition, Staff notes that the Idaho Department of Water Resource’s Low Interest Loan Program (currently 3%) is still available for those homes that may require additional weatherization.  Staff encourages the Company to ensure that its customer service representatives are familiar with this program and can refer any interested customers to this program.

DATED at Boise, Idaho this day of November 1996.

Brad M.  Purdy

Deputy Attorney General

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