



Idaho Public Utilities Commission

P.O. Box 83720, Boise, ID 83720-0074

C.L. Butch Otter, Governor

Paul Kjellander, Commissioner
Mack A. Redford, Commissioner
Marsha H. Smith, Commissioner

Case No. AVU-E-14-07 and AVU-G-14-02, Order No. 33174

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www.puc.idaho.gov

Commission taking comments regarding Avista application for conservation program review

BOISE (Nov. 14, 2014) – The Idaho Public Utilities Commission will take comments through Dec. 3 on an application by Avista Utilities seeking a determination that \$7.63 million it spent during 2013 on electric and natural gas efficiency programs was prudently incurred.

Money spent on electric and gas conservation programs must be shown to be prudently incurred in order to be funded by the Energy Efficiency Rider paid by Avista's customers. Residential customers currently pay 0.245 cents per kilowatt-hour for the programs. The prudence review does not impact rates.

All three of Idaho's major investor-owned utilities have "efficiency riders" that pay for programs to incent either the efficient use of electricity or reduce demand on a utility's generation system. The programs must pass multiple cost efficiency tests that demonstrate that the savings realized are greater than the programs' costs. Further, the programs must benefit all customers, not just those who participate in them.

Avista claims its energy efficiency savings for 2013 were 25,899 megawatt-hours, well over its target of 19,009 MWh. Reduced demand on its system is 122 average megawatts. Company-sponsored conservation is reducing retail loads by 10.6%, Avista claims. Its gas savings are 51,722 terms.

About 64% of the \$7.63 million Avista spent on electric and gas conservation programs was paid out to customers in direct benefits, primarily for installation of electric or gas efficient appliances. Some of the energy efficiency programs include installation of high-efficiency heat pumps, ductless heat pumps and water heaters; ceiling, attic and floor insulation; compact-fluorescent lighting exchange programs, refrigerator and freezer recycling, home energy audits and low-income weatherization assistance.

Avista contracted with a third-party, Cadmus, to evaluate, measure and verify the utility's conservation programs.

Comments are accepted via e-mail through Dec. 3, 2014, by accessing the commission's Website at www.puc.idaho.gov and clicking on "Case Comment Form," under the "Consumers" heading. Fill in the case number (AVU-E-14-07 or AVU-G-14-02) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

To read documents related to this case, including Avista's 2013 Demand-Side Management Report, go to www.puc.idaho.gov and click on "Open Cases" under the Electric heading and scroll down to Case No. AVU-E-14-07. For the report, click on "Folsom Exhibit 1, DSM Report."

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