

## **Idaho Public Utilities Commission**

Case No. PAC-E-13-10, Order No. 32834

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### **Rocky Mountain Power seeks changes to irrigation program**

The Idaho Public Utilities Commission is taking comment through July 15 on an application by Rocky Mountain Power to make changes to a tariff for its irrigation customers.

The utility seeks to suspend two portions of an Agricultural Energy Services program: 1) an exchange under which participants turn in worn nozzles, gaskets or drains for equivalent new equipment at no cost to the customer and 2) financial incentives to irrigators when they make pivot and linear equipment improvements.

Rocky Mountain hired a third party, Navigant Consulting, to determine whether the programs were cost-effective for the utility and its customers. Navigant reported that while there is uncertainty regarding the analysis, “it appears that the Nozzle Exchange and prescriptive pivot and linear system upgrades are not cost-effective based on the information available.”

The utility proposes instead a “custom analysis” on a site-by-site basis that would include pre-installation measurements to develop savings estimates and a post-installation verification of savings.

The Idaho commission requires that before the cost of energy efficiency programs can be included in customer rates they must meet cost-effectiveness tests to ensure the cost of the programs do not exceed the savings realized for all the company’s customers, not just those who participate in the program.

According to the Navigant study, the nozzle exchange and financial incentive for pivot and linear equipment improvements fails all the cost-effectiveness tests but one.

Some of the cost tests include:

- a utility cost test that measures whether the program causes the utility’s revenue requirement to increase. (These programs passed that test.)
- a participant cost test, which demonstrates that those who participate in the program benefit over the life of the program.

- a ratepayer impact measure that determines whether the program causes utility rates to increase
- a total resource cost test that measures whether the total costs in the utility service territory decrease as a result of the programs.

By eliminating the two programs and converting them into a custom program, the program passes all the cost-effectiveness tests, Rocky Mountain claims.

The commission is taking comment on the company's proposal through July 15. Comments are accepted via e-mail by accessing the commission's homepage at [www.puc.idaho.gov](http://www.puc.idaho.gov) and clicking on "Case Comment or Question Form," under the "Consumers" heading. Fill in the case number (PAC-E-13-10) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

A full text of the commission's order, along with other documents related to this case, is available on the commission's Web site. Click on "Electric" and then on "Open Cases" and scroll down to the above case number.