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October 1, 2021

VIA ELECTRONIC FILING

Jan Noriyuki, Secretary
Idaho Public Utilities Commission
11331 West Chinden Blvd., Building 8
Suite 201-A
Boise, Idaho 83714

Re: Case No. IPC-E-21-32
In the Matter of Idaho Power Company's Application for Approval to Modify Its
Demand Response Programs

Dear Ms. Noriyuki:

Attached for electronic filing, pursuant to Order No. 35058, is Idaho Power Company's Application in the above entitled matter.

Also attached is the Direct Testimony of Quentin Nesbitt and Jared Ellsworth filed in support of the Application. A Word version of the testimony is also attached for the court reporter.

If you have any questions about the attached documents, please do not hesitate to contact me.

Very truly yours,

Lisa D. Nordstrom

LDN:sg
Attachments

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S APPLICATION FOR) CASE NO. IPC-E-21-32
APPROVAL TO MODIFY ITS DEMAND)
RESPONSE PROGRAMS.) APPLICATION
_____)

To ensure Idaho Power ("Idaho Power" or "Company") has a portfolio of cost-effective demand response ("DR") programs available to reduce summer peak-hour electricity demand, the Company proposes several DR program modifications to address changes in system need and operations that have occurred since the Commission's last holistic DR review in 2013. Idaho Power respectfully applies to the Idaho Public Utilities Commission ("Commission") pursuant to *Idaho Code* §§ 61-501 and -502 for authority to: 1) modify its DR programs, 2) implement associated revised tariff schedules, and 3) establish a revised cost-effectiveness methodology to evaluate DR. If approved, the proposed changes are intended to supersede the terms of settlement agreement

approved by Commission Order No. 32923¹ (“Settlement Agreement”) in 2013 in its entirety.

In support of this Application, Idaho Power represents as follows:

I. IDAHO POWER’S DEMAND RESPONSE PORTFOLIO

1. Idaho Power is a public utility supplying retail electric service to more than 590,000 customers in southern Idaho and eastern Oregon. Idaho Power is subject to the jurisdiction of this Commission in Idaho and to the jurisdiction of the Public Utility Commission of Oregon.

2. Purpose of DR. To minimize or delay the need to build new supply-side resources the Company’s DR programs are designed to be available to meet potential peak-hour system capacity deficits that typically occur during low hydro generation and high load events on Idaho Power’s system. Because the deficits are expected to be relatively large in magnitude but short in duration, it can be cost-effective to utilize DR programs rather than building a supply-side resource that would only be required to operate for a small number of hours.

3. DR Programs Offered. Idaho Power offers three DR programs; one available to each of the three major customer classes. These programs represent approximately 10 percent of Idaho Power’s system peak and comprise one of the largest utility DR portfolios in the nation proportionate to its peak demand.

- **The residential Air Conditioner (“A/C”) Cool Credit Program** was started as a pilot in 2002 and was fully implemented in 2003. Customers’ A/C units, or heat

¹ *In the Matter of the Continuation of Idaho Power Company’s A/C Cool Credit, Irrigation Peak Rewards, and FlexPeak Demand Response Programs for 2014 and Beyond*, Case No. IPC-E-13-14, Order No. 32923 (Nov 12, 2013).

pumps, are controlled using switches that communicate via powerline carrier, and the units are cycled by the Company during an event to reduce load.

- **The Commercial & Industrial (“C&I”) Flex Peak Program (“Flex Peak”)** began in 2009 and was originally managed by a third-party contractor until Idaho Power took over full administration of the program in 2015. Eligible C&I customers that can offer load reduction of at least 20 kilowatts (“kW”) manually reduce their nominated load when Idaho Power calls an event without use of direct load control devices.
- **The Irrigation Peak Rewards Program** is offered to Schedule 24, Agricultural Irrigation Service, customers in the Company’s service area. It is Idaho Power’s largest DR program in terms of capacity. Customers can participate with either a manual or automatic dispatch option based on the configuration of their equipment when the Company interrupts irrigation pumps during a called event.

4. DR Portfolio Capacity. Idaho Power’s DR portfolio capacity and costs for the last five summer seasons are found in Table 1 below. As reported in the Demand-Side Management (“DSM”) Annual Reports since 2016, the individual DR programs and the overall DR portfolio have been cost-effective each year.

Table 1: 5-Year Summary of Demand Response Load Reduction, Capacity and Cost by Jurisdiction

Year	System Max Load Reduction (MW)	Idaho Capacity (MW)	Oregon Capacity (MW)	System Capacity (MW)	Idaho Total Cost	Oregon Total Cost	Total System Cost
2020	336	346	20	366	\$7,296,376	\$418,536	\$7,714,912
2019	333	376	21	397	\$7,808,979	\$467,217	\$8,276,196
2018	359	367	16	383	\$7,887,176	\$282,243	\$8,169,419
2017	383	374	20	394	\$8,339,892	\$477,637	\$8,817,529
2016	378	372	20	392	\$8,960,263	\$511,104	\$9,471,367

5. Current DR Program Requirements. Prompted by the lack of potential near-term peak-hour deficits identified in the load and resource balance analysis prepared for the 2013 IRP, Idaho Power filed a request in Idaho (Case No. IPC-E-12-29) for authority to temporarily suspend two of its three DR programs (“A/C Cool Credit and Irrigation Peak Rewards”) in December 2012.²

6. During the programs’ suspension, the Company worked with stakeholders through a collaborative workshop process to evaluate and identify the best long-term solution for either continuation or discontinuation of all three of Idaho Power’s DR programs. This process resulted in settlement agreements being reached in both states.^{3,4}

7. Most notably, the Settlement Agreement includes several program specific requirements, including marketing limitations, the method for determining cost-effectiveness, and the Term of the Stipulation, as outlined below.⁵

² The Flex Peak program (previously called FlexPeak Management) was not impacted by the Company’s request because it was under contract with a third-party administrator at the time.

³ Case No. IPC-E-13-14, Order No. 32923.

⁴ *In the Matter of Idaho Power Company, Staff Evaluation of the Demand Response Programs*, Docket No: UM 1653, Order No. 13-482 (Dec 19, 2013).

⁵ Case No. IPC-E-13-14, Motion to Approve Settlement Agreement, Attachment 2, pp. 2-3 (Oct 2, 2013).

This Agreement shall be in effect beginning on the date it is approved by the Commission and shall apply to Idaho Power's DR Programs for 2014 and beyond until a change occurs in Idaho Power's system operations or cost-effectiveness of a DR Program that would warrant reevaluation of the Agreement's terms. In such event Idaho Power will consult its Energy Efficiency Advisory Group ("EEAG") and then make an appropriate filing at the Commission. Similarly, a party to this Agreement, may petition the Commission to open a docket to reevaluate the terms of this Agreement if Idaho Power experiences a change in system operations or the cost-effectiveness of a DR Program so warrants.

As more fully described in Company witness Jared Ellsworth's pre-filed direct testimony, the Company has experienced a change in system need and operations since the Settlement Agreement was approved in 2013 and requests approval to modify the DR programs.

II. 2021 IRP CAPACITY VALUATION

8. Current Valuation. Historically, the Company has evaluated the maximum operation potential of its existing DR resources to meet the peak demand hour (peak load) during the summer months of June through August throughout the 20-year Integrated Resource Plan ("IRP") planning horizon. This is consistent with how traditional supply-side resources have been evaluated. When determining the capacity value of the Company's DR portfolio in the 2019 IRP, the calculation was based on the DR portfolio's ability to be utilized during the top one-hundred system load hours given the program parameters.⁶

9. Proposed Valuation Using ELCC. The Company has adopted a risk-based methodology, known as Effective Load Carrying Capability ("ELCC"), to evaluate the capacity contribution of the Company's existing resources, expected future resources

⁶ Idaho Power Second Amended 2019 IRP, Case No. IPC-E-19-19, pp. 48-9.

(including variable resources), and DR. This method evaluates the Company's load and resource balance at the time of the highest-risk hours, rather than only analyzing a resource's ability to meet peak load. The ELCC method still considers DR's ability to contribute capacity given the program parameters, but the hours of need are identified using probabilistic and statistical methods as opposed to utilizing the top one-hundred system load hours. As described in greater detail in Mr. Ellsworth's testimony, the ELCC calculation captures an individual generator's contribution to the overall system reliability and is primarily driven by the timing of high-risk Loss-Of-Load Probability ("LOLP") hours.

10. LOLP. The primary hours of need for additional resources, or the highest-risk LOLP hours, are no longer expected to align with the hours of Idaho Power's system peak load due to the increased penetration of solar, wind, and other variable resources connected to the system. The LOLP is the statistical likelihood of system demand exceeding the available generating capacity during a given time period, typically an hour.

11. In the preliminary 2021 IRP analyses, the highest LOLP hours have been shown to shift to later in the day when solar sees an output reduction. As more solar generation interconnects to the Company's system, the Company expects the LOLP of the evening solar-ramping-hours to increase and drive the need for additional resources later in the day. While the time of the Company's system peak load has historically occurred between 5:00pm and 8:00pm, the highest-risk hours are expected to occur between 7:00pm and 10:00pm, with some medium-risk hours leading up to 7:00pm and from 10:00pm to 11:00pm, over the 2021 IRP planning horizon.

12. LOLE. As part of the ELCC calculation of a resource's capacity contribution, Idaho Power uses a Loss-of-Load Expectation ("LOLE") of 0.05 days per year with all

market purchases set equal to zero. An LOLE of 0.05 days per year represents the statistical probability that the Company's available generation capacity is only insufficient to serve demand one time in the span of 20 years. The Company ultimately chose to plan for a 0.05 days per year LOLE threshold due to its dependence on hydroelectric resources with variable water conditions and the more frequent occurrence of weather extremes.

13. When evaluating its existing DR programs utilizing the ELCC method, Idaho Power determined that the existing DR programs, as structured, are not effective at meeting system needs over the 20-year planning horizon. As described below, certain parameters of the existing programs, specifically the current dispatch hours and program season, limited the effectiveness of DR as a resource.

III. DEMAND RESPONSE PORTFOLIO OPERATING PARAMETERS

14. ELCC of Current DR Programs. Idaho Power conducted the ELCC analysis on the current DR programs using an algorithm to identify how effectively the existing programs meet future high-risk LOLP hours. As more fully described in Mr. Ellsworth's testimony, the ELCC of DR is obtained by first determining the perfect generation needed to achieve an LOLE of 0.05 days per year without any DR on the Company's system. Next, the DR load shape is added to the system and the perfect generation is calculated again. The ELCC of DR is then derived by taking the difference between the two perfect generation values and dividing it by the DR portfolio's nameplate capacity.

15. Using the current program parameters, the ELCC of a 380 MW DR portfolio is estimated to be approximately 17 percent. That is, of the total 380 MW DR portfolio capacity, only 65 MW can be relied upon to meet the highest-risk LOLP hours.

16. Sensitivity Analyses. Recognizing that the existing program parameters may limit the effectiveness of DR, the Company conducted several sensitivity analyses to determine the parameter adjustments needed to more effectively meet high-risk LOLP hours. These analyses were performed by modifying several program criteria and evaluating the impact to the ELCC of the DR portfolio. The program criteria studied for each program included events per week, events per season, time available, length of program season, and total hours dispatched per week.

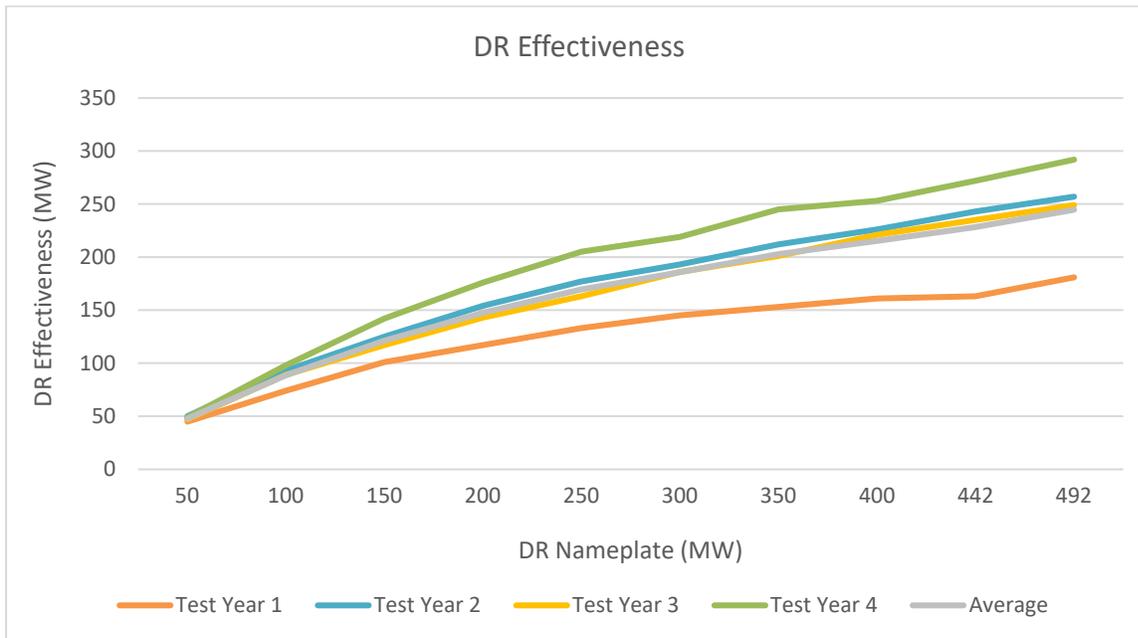
17. The sensitivity analyses concluded that the dispatch times available and the length of program season were the two parameters that had the highest impact on the ELCC of DR. Therefore, the proposed parameters that more effectively meet future high-risk LOLP hours were determined as outlined in Table 2 below.

Table 2. Current and Proposed Demand Response Program Parameters

Parameter	Current Parameters	Proposed Parameters
Events per Week	15 hours	16 hours
Events per Season	60 hours	60 hours
Time Available	1:00pm to 9:00pm	3:00pm to 11:00pm
Season Dates	June 15 th to August 15 th	June 15 th to September 15 th
Holidays	No holidays	No holidays

18. DR Effectiveness vs. Nameplate Capacity. The Company also analyzed the effectiveness of DR capacity in 50 MW increments. As depicted in Chart 1, DR effectiveness, and therefore ELCC, diminishes as DR nameplate capacity increases.

Chart 1. DR Effectiveness vs DR Nameplate Capacity



While the nameplate of the proposed DR portfolio is still unknown, the Company estimates the approximate ELCC of a DR portfolio with the proposed parameters to be 56 percent with a 380 MW nameplate capacity. This would improve the portfolio's effectiveness by approximately 40 percent over the current DR program parameters.

IV. PROPOSED DEMAND RESPONSE PROGRAM MODIFICATIONS

19. As informed by the LOLE and ELCC analyses, the proposed changes to the DR program parameters are designed to more effectively meet high-risk hours. Table 3 below summarizes the primary program components and highlights the overall proposed parameter changes to the Company's three DR programs that are more fully described in Mr. Nesbitt's testimony. The available event days and available event times vary slightly between individual programs, but the table includes the full windows for all programs combined.

Table 3: General Summary of Proposed DR Program Parameter Changes

Parameter	Current Program	Proposed Program	Change
Season	June 15 th to August 15 th	June 15 th to September 15 th	Season end date extended 1 month to September 15 th
Available Event Days	Weekdays and Saturdays No Sundays or Holidays (July 4 th)	Weekdays and Saturdays No Sundays or Holidays (July 4 th & Labor Day)	No Change Includes the additional Labor Day Holiday under the expanded season
Available Event Times	1:00pm to 9:00pm	3:00pm to 11:00pm	Shifted start and end times by 2 hours
Event Maximum	Maximum 4 Hours per Day	Maximum 4 Hours per Day	No Change
Weekly Maximum	No More than 15 Hours in a Week	No More than 16 Hours in a Week	Increased weekly maximum by 1 hour
Minimum Season Events	3 Events	3 Events	No Change
Season Maximum	Maximum 60 Hours for Program Season	Maximum 60 Hours for Program Season	No Change

20. The ELCC analysis indicated that the program season and the available event times were the variables that had the largest impact on increasing the effectiveness of the DR programs. Therefore, Idaho Power requests to extend the program season one month from August 15th to September 15th to capture high-risk hours later in the summer, and shift the available event times by two hours to capture the highest-risk hours occurring later in the evening as renewable resources are added to the system.

21. Idaho Power seeks to adjust the weekly maximum hours the DR programs are available by one hour (from fifteen hours per week to sixteen hours per week) to increase effectiveness and to better align with the event duration maximum of four hours. This change maximizes the availability of weekly DR dispatch that Idaho Power's Load Serving Operations ("LSO") group can utilize. The available event days, the event

maximum, the minimum season events, and the season maximum remain unchanged as modifying these parameters were found to have a minimal impact on increasing the ELCC of DR.

22. Stakeholder Engagement. As discussed in Company witness Quentin Nesbitt's pre-filed direct testimony, the Company held 10 formal touchpoints, with Commission Staff, the EEAG, the Integrated Resource Plan Advisory Council ("IRPAC"), and customer groups, plus several informal conversations with stakeholders to solicit feedback on the proposed DR programs. The Company also conducted a customer survey with current and potential DR program participants.

23. Expected Program Participation. The results of this outreach indicated that current and prospective participants may be less willing or able to participate as the time period requested shifts into the later hours of the day. The most dramatic decrease came from the Irrigation Peak Rewards participants as only 30 percent of survey respondents said they were able to participate between 7:00pm and 11:00pm. While the Company anticipates there will be an impact to DR participation as a result of the parameter changes, it is difficult to quantify the exact capacity impact the updates will have on the DR programs at this time.

24. Participant Compensation. To help minimize a potential decrease in customer participation, Idaho Power proposes to increase participant compensation under the proposed programs as compared to the current program parameters and incentives. Table 4 below shows the proposed changes for each of the three programs.

Table 4: Summary of Proposed Demand Response Program Design Changes

		Event Duration	Event Window	Min. # of Events	Event Notification	Fixed Incentive	Variable Incentive	Incentive Adjustment
Flex Peak	Existing	2-4 hours	2:00 to 8:00pm	3 events	2 hours prior to event	\$3.25 per kW per week = \$29.25 per kW per season	\$0.16 per kWh after 3 rd event	\$2.00 per kW not achieved/event & \$0.25 after 3 rd event
	Proposed Option	2-4 hours	3:00 to 10:00pm	3 events	4 hours prior to event	\$3.25 per kW per week = \$42.25 per kW per season	\$0.20 per kWh after 4th event	\$2.00 per kW not achieved per event
A/C Cool Credit	Existing	Up to 4 hours	Not defined	3 events	None	\$5.00 per month = \$15.00 per season	None	None
	Proposed Option	Up to 4 hours	Not defined	3 events	None	\$5.00 per month = \$20.00 per season	None	None
Irrigation Peak Rewards	Existing	Up to 4 hours	1:00 to 9:00pm	3 events	4 hours prior to event	\$5.00 per kW & 0.76¢ per kWh, 2 months = \$16.00 per kW per season	\$0.148 per kWh after 3 rd event & \$0.198 for 9:00pm option	\$5.00 per kW per opt out & \$1.00 per kW after 3 rd event
	Proposed Option	Up to 4 hours	3:00 to 11:00PM	3 events	4 hours prior to event	\$5.25 per kW & 0.80¢ per kWh, 3 months = \$25.20 per kW per season	\$0.18 per kWh after 4th event & \$0.25 for 11:00pm option	\$6.25 per kW per opt out

25. Recognizing it may be more difficult for some customers to participate in the later evening hours, the Company is proposing an increase in the variable incentive after four events for the Flex Peak program. Because the Flex Peak program pays its participants weekly based on nominated kW regardless of whether an event is called, participants will see an increase in the overall fixed incentive they receive due to the proposed program being extended by one month.

26. Under the Company’s proposal, A/C Cool Credit program participants will receive an additional fixed incentive payment with the extension of the program to September 15th with no change to the monthly incentive amount.

27. For the Irrigation Peak Rewards program, the Company is proposing a higher monthly fixed incentive credit along with an increased variable incentive after the fourth event, again recognizing it may be harder for customers to participate in the later evening hours.

28. Number of Events. The Company proposes to keep the requirement of three minimum events. As previously approved by the Commission, the three minimum events per season help the Company test and improve program operations and execution to ensure reliable capacity reduction is achieved when DR is called upon.⁷ However, the Company seeks to increase the threshold for the variable incentive payment for the Flex Peak and Irrigation Peak Rewards programs from after three events to after four events to align with the extension of the season and the overall increase in fixed incentives customers will receive.

29. Removal of Program Marketing Limitations. The programs were previously limited from growing during a time when the IRP analysis showed no near-term capacity deficits, and the Settlement Agreement approved in 2013 dictated specific marketing constraints on each of the DR programs.⁸ To allow Idaho Power to market and recruit sufficient DR program participants to meet high-risk hours identified in the 2021 IRP analysis, Idaho Power requests the Commission approve removal of the current marketing limitation that is found in Schedule 23.

30. Adjusted Flex Peak Program Baseline kW Calculations. As more fully described in Mr. Nesbitt's testimony, the current Adjusted Baseline kW calculation for the Flex Peak program is the sum of the Original Baseline kW and the Day of Load

⁷ Case No. IPC-E-13-14, Motion to Approve Settlement Agreement, Attachment 2, pp. 6-8.

⁸ *Id.*, pp. 5-7.

Adjustment (“DOA”). The DOA is the difference between the Original Baseline kW demand and the actual metered kW prior to an event. The DOA is used to account for a customer using more or less energy than their Original Baseline kW on a given event day. The Company’s current DOA takes the difference between the Original Baseline kW and subtracts or adds the actual metered kW two hours before an event with a maximum adjustment cap of 20 percent. This difference is then added or subtracted to each hour’s Original Baseline kW to arrive at a participant’s Adjusted Baseline kW.

31. While the proposed Adjusted Baseline kW calculation will still incorporate the Original Baseline kW and a DOA, the Company proposes a change to how the DOA portion is applied to the Original Baseline kW. The proposed adjustment to the DOA uses a scalar method given a four-hour advanced notification of an event. The Original Baseline kW for each event hour will be divided by the Original Baseline kW for the hour preceding the advanced notification to arrive at a scalar, or multiplier, for each individual hour. Each hour’s scalar is then multiplied by the actual kW registered during the hour preceding the event notification to calculate a participant’s Adjusted Baseline kW. The Company believes this method is more accurate in calculating a customer’s baseline, and therefore, results in more accurate calculations of customer demand reduction and compensation.

32. Advance Notice of Program Events. The Company is proposing to increase the two-hour advance notification period to four hours for the Flex Peak program based on feedback from customers and to align with the Irrigation Peak Rewards program, which will streamline the dispatch process for the LSO.

33. Opting Out of Program Events. The Company proposes to add a provision in the Irrigation Peak Rewards program where opt-out fees can be waived in limited circumstances when unplanned or planned outages of at least three hours in duration occur up to twenty-four (24) hours before an irrigation DR event or there is a multiday outage within seventy-two hours of an event. The Company believes adding this clause provides additional flexibility in the execution of the program, implements a tool to mitigate program attrition, and will help build and maintain positive relationships with customers. The Company also proposes adding tariff language that allows it to charge an opt-out fee to customers who override the dispatch command on their device.

34. Irrigation Small Pump Installation Fee. Because the Company is proposing to open the Irrigation Peak Rewards program to all irrigation customers, the Company seeks to add an installation fee for new participants that have smaller measured horsepower pumps (therefore less load reduction) in the Irrigation Peak Rewards Program to maintain program cost-effectiveness.

35. Irrigation Out-of-Demand Season Energy Credit. An Out-of-Demand Season Energy Credit would apply to the portion of Irrigation Peak Rewards participants whose billing cycles do not align with the proposed DR season end date of September 15th. The irrigation season, as defined in Schedule 24, begins with the meter read date of the May billing period and ends with meter read date for the September billing period. Further, the irrigation season (in-season) has a demand charge per kW of billing demand where out-of-season does not. Therefore, some customer's billing demand could end before September 15th based on their billing cycle, and they would not receive a demand credit as part of the fixed incentive for their participation in the Irrigation Peak Rewards

program.

36. The addition of an Out-of-Demand Season Energy Credit would appropriately compensate these participants and is structured so the demand portion of the fixed incentive is paid using a dollar per kWh value. The proposed Out-of-Demand Season Energy Credit is calculated to be equivalent between customers who will receive a demand credit, because their in-season billing cycles end on or after September 15th, and the customers whose out-of-season billing cycles start before September 15th.

37. Program Use During System Emergencies. Idaho Power requests to modify the emergency use tariff language for the three DR programs to clarify that if an emergency were to occur, the programs would be dispatched in accordance with NERC standards and/or Idaho Power's Rule J (Continuity, Curtailment and Interruption of Electric Service).

38. Miscellaneous Tariff Changes. Because the last major revisions to the tariffs occurred in 2013 as part of the Settlement Agreement, the Company proposes to modify language or provide additional details in certain sections of the DR tariff schedules based on its experience implementing the program provisions and answering participant questions.

39. Proposed Tariff Schedules. The proposed tariffs for the Irrigation Peak Rewards, Residential Air Condition Cycling Program, and Flex Peak Program (Schedules 23, 81, and 82 respectively) are included in clean and legislative versions as Attachment 1 to the Application.

V. DEMAND RESPONSE COST-EFFECTIVENESS

40. Current Method. Cost-effectiveness of the three DR programs is currently determined based on the method outlined in the Settlement Agreement. The existing method establishes the avoided cost for the three programs by calculating the avoided capacity cost of a single 170 MW Simple Cycle Combustion Turbine (“SCCT”) multiplied by an ELCC,⁹ levelized over 20 years, plus the corresponding deferred energy savings for 60 program hours. The avoided capacity cost is updated with every IRP planning cycle. If the total annual cost of operating the Company’s three DR programs is less than the avoided cost outlined in the Settlement Agreement, the programs are considered cost-effective during the annual DSM prudence review.

41. Proposed Method. The Company proposes to modify the avoided cost calculation such that the DR programs are compared to an equivalent alternative resource on a cost per kW per year basis to determine cost-effectiveness. Mr. Ellsworth’s testimony outlines the components of the proposed alternate cost calculation as the levelized capacity fixed costs of a proxy resource, the additional system benefits of the proxy resource, and the ELCC of the annual DR nameplate capacity compared to a proxy resource, where:

$$\begin{aligned} & \text{(Levelized Fixed Cost – Additional Benefits) x} \\ & \text{ELCC of Annual DR Capacity Compared to Proxy Resource} \\ & = \$ \text{ per kW year DR Avoided Cost} \end{aligned}$$

⁹ At the time the ELCC was developed in 2013, the Company studied the top 100 hours of peak demand of each year over the prior five years. Of those top 100 hours, approximately 7 percent occurred outside of program hours. As a result, an ELCC of 93 percent is currently applied to determine the value of demand portion of the avoided capacity calculation. The purpose of the ELCC is to reflect the ability the ability of a peaking resource, such as a SCCT, to be used year-round where the DR programs can only be dispatched during certain hours between June 15th and August 15th each year.

42. The Company proposes to evaluate cost-effectiveness at both the individual program and portfolio levels. A dollar per kW cost would be calculated annually for each of the Company's DR programs and the overall portfolio, assuming the maximum 60 hours of operation. The per kW costs would then be compared to the avoided cost value. Under Idaho Power's proposed methodology, a program and a portfolio would be considered cost-effective as long as their dollar per kW costs are less than the avoided cost value.

43. Using 492 MW of traditional DR potential calculated from the Northwest Power and Conservation Council assessment,¹⁰ the Company anticipates that the cost of each modified program and the overall DR portfolio will be cost-effective at less than \$51.42 per kW per year. The Company also recognizes that near-term DR capacity will most likely be less than the 492 MW. A lower capacity results in a higher ELCC, and a higher ELCC value increases the \$ per kW per year avoided cost in the proposed equation.

44. DR Evaluation Timing. Although the Company intends to evaluate all three components with every IRP planning cycle to establish baselines, it proposes to update the values used in the cost-effectiveness calculation with every DSM annual reporting cycle. All three components and cost-effectiveness will be reported in the annual DSM report, and a request for a prudence determination on program costs will be sought in each year's DSM prudence case.

¹⁰ 2021 Northwest Power Plan Supporting Material – Demand Response, Council Document 21-5 (September 2021) at https://www.nwcouncil.org/2021powerplan_demand-response.

VI. COMMUNICATONS

45. Communications and service of pleadings, with reference to this Application should be sent to the following:

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VII. MODIFIED PROCEDURE

46. Idaho Power believes that it would be appropriate to process this case by means of Modified Procedure (i.e., by written submissions rather than by hearing) in accordance with the provisions of RP 201-210 *et seq.* However, if the Commission prefers another procedure for processing, the Company has pre-filed the direct testimony of Company witnesses Jared Ellsworth and Quentin Nesbitt.

VIII. REQUEST FOR RELIEF

47. Idaho Power seeks to implement the changes described above for the 2022 demand response season that begins on June 15, 2022. Idaho Power anticipates that it will need some lead time to finalize program marketing materials, engage with customers on modified program parameters, conduct program workshops, and enroll customers in preparation for the 2022 DR season. A Commission order received by February 15, 2022 would position the Company to best meet these timeframes.

48. For the reasons set forth above and in the supporting testimony, Idaho Power respectfully requests that the Commission authorize Idaho Power to: (1) modify its DR programs, 2) implement associated revised tariff schedules, and 3) establish a

revised cost-effectiveness methodology to evaluate DR as described above to supersede the Settlement Agreement approved by Commission Order No. 32923 in its entirety.

DATED at Boise, Idaho, this 1st day of October 2021.



LISA D. NORDSTROM
Attorney for Idaho Power Company

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-21-32**

IDAHO POWER COMPANY

**ATTACHMENT 1
PROPOSED SCHEDULES 23, 81, and 82
(Clean and Legislative Formats)**

CLEAN FORMAT

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)

PURPOSE

The Irrigation Peak Rewards Program (the Program) is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off specific irrigation pumps with the use of one or more Load Control Devices. In exchange for allowing the Company to turn off specified irrigation pumps, participating Customers will receive a financial incentive for load reductions during the calendar months of June, July, August, and September for each metered service point (Metered Service Point) enrolled in the Program.

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage.

The Company shall have the right to select and reject Program participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Rewards Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to maintain one or more Load Control Devices on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled in this Program and to allow the Company or its representative reasonable access to the Load Control Device(s). By entering into the Agreement, each Customer also agrees to not increase for the sole purpose of participating in the Program the capacity, horsepower (HP) or size of the irrigation system served by the Company.

PROGRAM DESCRIPTION

Service under this optional, supplementary Program permits the Company to turn off specified irrigation pumps for a limited number of hours during the period of June 15 through September 15 (Program Season). The Company will utilize dispatchable Load Control Devices to turn off specific irrigation pumps during Load Control Events. In limited applications, a select group of eligible Customers will be permitted to manually interrupt electric service to participating irrigation pumps during Load Control Events (See Manual Dispatch Option). In exchange for allowing the Company to interrupt service to specified irrigation pumps, participating Customers will receive a financial incentive for usage that occurs during the calendar months of June, July, August, and September for each Metered Service Point enrolled in the Program.

DEFINITIONS

Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, a notification of acceptance into the Program will

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

DEFINITIONS (Continued)

be mailed to participants, which will include a listing of the Metered Service Point(s) that have been enrolled.

Load Control Device. Load Control Device refers to any technology, device, or system utilized under the Program to enable the Company to initiate the Load Control Event.

Load Control Event. Refers to an event under the Program where the Company requests or calls for interruption of specific irrigation pumps either manually or with the use of one or more Load Control Devices.

Program Season. The Program Season is the period June 15 through September 15 of each year.

Program kW. The Program kW is the demand amount, as measured at the Customer's meter in kilowatts (kW) associated with the applicable billing period, that is multiplied by the applicable incentive amount to determine the Demand Credit under the Automatic Dispatch Interruption Option. Under the Manual Dispatch Interruption Option, the Program kW will be based upon the maximum measured interval kW during the 24-hour period preceding 8:00 A.M. MDT the day of the announcement of a Load Control Event, minus the average interval kW during an event.

Nominated Demand. Nominated Demand is the amount of demand that participants under the Manual Dispatch Option must declare as planned to be available during Load Control Events.

Program kWh. The Program kWh is the energy amount, as measured at the Customer's meter in kilowatt-hours (kWh) associated with the applicable billing period, that is multiplied by the applicable incentive amount to determine the Energy Credit under each Interruption Option.

Variable Program kWh. The Variable Program kWh is the demand amount for the associated billing period, as measured at the Customer's meter in kilowatts (kW) multiplied by the hours of interruption for the Metered Service Point for each Load Control Event. The Variable Program kWh is multiplied by the applicable variable incentive payment to determine the Variable Energy Credit under each Interruption Option.

Variable Program kWh = Program kW x hours of interruption for each Load Control Event

Bill Credit. The Bill Credit is the sum of the Demand Credit and the Energy Credit applied to the Customer's monthly bills for usage that occurs during the calendar months of June, July, August, and September of each calendar year. This amount may be prorated for the number of days during the months of June, July, August, and September that fall in the Customer's billing cycle to correspond with the Program Season. The Bill Credit amount may be applied directly to participating Customers' bills or provided in the form of a check.

Demand Credit. The Demand Credit is a demand-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Demand Credit is calculated by multiplying the Program kW by the demand-related incentive amount for the Interruption Option selected by the Customer. The Demand Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, August, and September of each year. This amount may be prorated for the number of days during the months of June, July, August, and September that fall in the Customer's billing cycle to correspond with the Program Season.

Demand Credit = Program kW x demand-related incentive amount

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

DEFINITIONS (Continued)

Energy Credit. The Energy Credit is an energy-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Energy Credit is calculated by multiplying the Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. Customers identified to have an out-of-demand season billing cycle will receive only an out-of-demand season energy credit for the applicable billing period. The Energy Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, August, and September of each year. This amount may be prorated for the number of days during the months of June, July, August, and September that fall in the Customer's billing cycle to correspond with the Program Season.

$$\text{Energy Credit} = \text{Program kWh} \times \text{energy-related incentive amount}$$

Variable Energy Credit. The Variable Energy Credit is an energy-based financial incentive provided for the Metered Service Point enrolled in the Program. The Variable Energy Credit is calculated by multiplying Variable Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. The Variable Energy Credit is paid in the form of a check no later than 70 days after the Program Season. The Variable Energy Credit does not apply to the first four Load Control Events.

$$\text{Variable Energy Credit} = \text{Variable Program kWh} \times \text{variable energy-related incentive amount}$$

INTERRUPTION OPTIONS

Under the Interruption Options, the Company will dispatch remotely service interruptions to specified irrigation pumps any Monday through Saturday during the Program Season between the hours of 3:00 P.M. and 10:00 P.M. Mountain Daylight Time (MDT), excluding holidays (Standard Interruption). Customers may elect to participate until 11:00 P.M. MDT (Extended Interruption) and will receive a larger Variable Energy Credit. Service interruptions may last up to 4 hours per day and will not exceed 16 hours per calendar week and 60 hours per Program Season. During each Program Season the Company will conduct a minimum of three Load Control Events. Customers participating in the Automatic Dispatch Option may not receive advance notification of a Load Control Event, but will be notified after the Load Control Event begins. Customers participating in the Manual Dispatch Option will receive advance notification at least 4 hours prior to a Load Control Event. The Company will provide notice of a Load Control Event via the following communication technologies: telephone, e-mail and/or text message. If prior notice of a pending Load Control Event has been sent, the Company may choose to revoke the Load Control Event and will provide notice to Customers up to 30 minutes prior to the Load Control Event.

Customers who elect to participate in the Program may be eligible for one of the following Interruption Options:

Automatic Dispatch Option. A dispatchable Load Control Device will be connected to the electrical panel(s) serving the irrigation pumps associated with the Metered Service Points enrolled in the Program. The Load Control Device utilized under the Automatic Dispatch Option

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

INTERRUPTION OPTIONS (Continued)

will provide the Company the ability to send a signal that will interrupt operation or not allow the associated irrigation pumps to operate during dispatched Load Control Events. This option requires that all pumps at the Metered Service Point be controlled.

Under the Automatic Dispatch Option, the Program kW will be based upon the monthly Billing Demand, as measured in kW, for the associated Billing Period. The Program kWh under this option will be based upon the monthly energy usage, as measured in kWh, for the associated Billing Period.

Each time a customer chooses to opt-out of one of the Load Control Events a fee of \$6.25 per kW will be assessed based upon the current Billing Period's kW. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season or after the applicable billing cycle closes. Opt-out fees may be waived for circumstances involving planned or unplanned outages of 3 hours or more occurring within 24 hours of a Load Control Event or a multiday outage within 72 hours of an event. At its discretion, the Company may assess an opt-out fee should it be determined the participant overrode the command to the dispatch device thereby allowing the pump to run during the load control event.

Manual Dispatch Option. Customers are eligible to manually control Metered Service Points of at least 1,000 cumulative HP, or Metered Service Points that have been determined by the Company to be limited by load control device communication technology or installation configuration. Under the Manual Dispatch Option, eligible Customers have the flexibility to choose which irrigation pumps at a Metered Service Point will be interrupted during each dispatched Load Control Event. Customers electing this option must notify the Company of their Nominated Demand during the enrollment period prior to June 1 of each year.

Customers participating in the Manual Dispatch Option are required to provide no less than their Nominated Demand during each Load Control Event. Each time a customer chooses to provide less than their Nominated Demand during one of the Load Control Events, an opt-out fee of \$6.25 per kW will be assessed on the Nominated Demand not made available for interruption. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season or after the applicable billing cycle closes. Opt-out fees may be waived for circumstances involving planned or unplanned outages of 3 hours or more occurring within 24 hours of a Load Control Event or a multiday outage within 72 hours of an event.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

INTERRUPTION OPTIONS (Continued)

Under the Manual Dispatch Option, the Program kW will be based upon the maximum measured interval demand during the 24-hour period preceding 8:00 A.M. MDT the day of the announcement of a Load Control Event, minus the average demand during an event, as measured in kW over applicable load profile metering intervals. This applies to each Load Control Event initiated during a Billing Period. If there are no Load Control Events during a Billing Period then the Program kW will be the Nominated Demand. The Program kWh under this option will be based upon a calculated value, as measured in kWh. The Program kWh will be calculated separately for each Billing Period by multiplying the monthly Program kW by the ratio of the monthly energy usage to the Billing Demand for the associated Billing Period.

INCENTIVE STRUCTURE

Incentive payments under the Interruption Options will be determined based on a fixed payment and a variable payment. The fixed portion of the incentive payment will be paid through a Bill Credit and the variable portion will be paid by check no more than 70 days after the end of the Program Season. The first four Load Control Events will not be subject to the Variable Energy Credit. The variable payment will be based on the number of hours a participant's pump is interrupted during the Program Season and their associated Program kW after the first four Load Control Events.

Fixed Incentive Payment		Variable Incentive Payment		
<u>Demand Credit</u> <u>(\$ per Program kW)</u>	<u>Energy Credit</u> <u>(\$ per Program kWh)</u>	<u>Energy Credit (\$</u> <u>per Program</u> <u>kWh) for Out-of-</u> <u>Demand</u> <u>Season Billing</u> <u>Cycles</u>	<u>Standard</u> <u>Interruption</u> <u>Variable Energy</u> <u>Credit</u> <u>(\$ per Variable</u> <u>Program kWh)</u>	<u>Extended</u> <u>Interruption</u> <u>Variable Energy</u> <u>Credit</u> <u>(\$ per Variable</u> <u>Program kWh)</u>
\$5.25	\$0.008	\$0.021	\$0.18	\$0.25

INSTALLATION FEES

An Installation Fee of \$500 will be required for any new participating Metered Service Point with measured horsepower of 30 or less. The Installation Fee is non-refundable except when a Customer elects early termination and prior to the installation of a load control device at their pump location.

TERM OF AGREEMENT AND TERMINATION

The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall automatically renew on March 15 of each calendar year unless notice of termination is given by either party to the other prior to the annual renewal date or unless otherwise terminated as follows:

1. A Customer may terminate the participation of a Metered Service Point and avoid the Termination Fee by notifying the Company or its representative before the Program Season.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

TERM OF AGREEMENT AND TERMINATION (Continued)

2. A Customer who terminates the participation of a Metered Service Point anytime between June 15 and September 15 of each calendar year shall pay the Company a Termination Fee. This fee will be included on the Customer's monthly bill following termination of participation. The Customer's Bill Credit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program. Upon terminating participation of a Metered Service Point under the provisions of item 2, the Customer may not re-enroll the Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.

Termination Fees:

Automatic Dispatch Option: \$500.00 per Metered Service Point terminated under item 2

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:

a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Load Control Device(s), including labor and other related costs.

b. An applicable Termination Fee, as provided under item 2, will be applied to the Customer's monthly bill following the termination of participation.

c. The Company will reverse any and all Demand Credits and/or Energy Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company utilizes a Load Control Device installed under this Program to interrupt the Customer's load for a system emergency in accordance with NERC standards, Idaho Power's Rule J, or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service, Energy or Demand Charges associated with a Customer's standard service schedule.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

Uniform Irrigation Peak Rewards Service
Application/Agreement

THIS AGREEMENT Made this ____ day of _____, _____ between _____ hereinafter called Customer, whose billing address is _____, and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho Street, Boise, Idaho, hereinafter called Company. This Agreement shall automatically renew on March 15 of each calendar year unless notice of termination is given by either party to the other prior to the annual renewal date. This Agreement is for the Metered Service Point(s) identified on the attached worksheet (Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: _____

Phone: _____ Cell Phone: _____

Email: _____

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Rewards Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified on the Worksheet.
2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Bill Credit amounts are estimates based on the previous year's billing history for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient billing history will be provided an estimated Bill Credit based on the stated cumulative horsepower at the Metered Service Point. The Bill Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the Interruption Option selected for each specified Metered Service Point. For Metered Service Points enrolled in the Manual Dispatch Option the Customer must notify the Company of Nominated Demand amounts by June 1 of each year.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)
Uniform Irrigation Peak Rewards Service
Application/Agreement
(Continued)

3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Load Control Device(s) on the electrical panel that services the Customer's irrigation pumps. The Load Control Device(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.
4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt the specified irrigation pumps at the Metered Service Point(s) enrolled in the Program according to the provisions of the Interruption Option selected. The Company retains the sole right to determine the criteria under which a Load Control Event is scheduled for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption simultaneously, excluding Metered Service Points participating in the Program under the Manual Dispatch Option.
5. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit and/or Energy Credit corresponding to the Interruption Option selected by the Customer. The Bill Credit included on the Worksheet is based upon the billing history for the Metered Service Point(s) specified on the Worksheet, for the months of June, July, August, and September of the prior year. The Bill Credit will be paid in the form of a credit on the Customer's monthly bill or provided in the form of a check. The Demand Credit may be prorated for the months of June, July, August, and September depending on the Customer's billing cycle.

Metered Service Points participating under the Manual Dispatch Option, will receive a Bill Credit from the Company within 30 days of billing due to the extensive data analysis required to process interval metering data. Any applicable Variable Energy Credits will be paid by check no more than 70 days after the end of the Program Season.
6. If the Customer terminates this Agreement anytime between June 15 and September 15 of the current calendar year while the Metered Service Point(s) are still connected for service the Customer may not re-enroll that Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.

SCHEDULE 81
RESIDENTIAL AIR CONDITIONER
CYCLING PROGRAM
(OPTIONAL)

PURPOSE

The Residential Air Conditioner Cycling Program is an optional, supplemental service that permits participating residential Customers an opportunity to voluntarily allow the Company to cycle their central air conditioners with the use of a direct load control Device installed at their residence. Customers will receive a monetary incentive for successfully participating in the Program during the Air Conditioning Season.

DEFINITIONS

AC Cycling is the effect of the Company sending a signal to a Device installed at the Customer's residence and instructing it to cycle the Central Air Conditioning compressor for a specified length of time.

Air Conditioning Season is the period that commences on June 15 and continues through September 15 of each calendar year.

Central Air Conditioning is a home cooling system that is controlled by one or more centrally located thermostats that controls one or more refrigerated air-cooling units located outside the Customer's residence.

Cycling Event is a period during which the Company sends a signal to the Device installed at the Customer's residence, which instructs the Device to begin AC Cycling.

Device is a direct load control device installed at a Customer's residence that enables the Company to conduct AC Cycling.

Notification refers to the Customer's indication of intent to initiate or terminate participation in the Program by either contacting the Company's Customer Service Center, providing written notice or submitting an electronic Application via the Company's website.

Opt Out is the term used to describe the two times each Air Conditioning Season in which the Customer may choose to temporarily not participate in AC Cycling by providing advanced Notification to the Company.

Program Operation Area describes the area in which the Program will be offered to Customers and is comprised of the Company's service territory within the State of Idaho where the infrastructure required to support AC Cycling has been installed and is operational.

SCHEDULE 81
RESIDENTIAL AIR CONDITIONER
CYCLING PROGRAM
(OPTIONAL)
(Continued)

PROGRAM DESCRIPTION

1. At the Company's expense, the Company or its representative will install a Device at the Customer's residence.

2. A financial incentive of \$5.00 per month for each of the four months of June, July, August, and September will be paid to each Customer who successfully participates in the Program. This incentive will be paid in the form of a credit on the Customer's monthly bill for each month that the Customer successfully participates in the Program, beginning with the July bill and ending with the October bill. Incentive payments are limited to one controlled Central Air Conditioning unit per metered service point. Customers who have more than one Central Air Conditioning unit at a metered service point may participate in the Program. A Device must be installed at each Central Air Conditioning unit. However, no additional incentive will be paid.

3. The Company will send a signal to the Device to initiate a Cycling Event. A Cycling Event may be up to four hours per day on any weekday during the Air Conditioning Season, excluding holidays. A Cycling Event may occur over a continuous 4-hour period or may be segmented throughout the day at the Company's discretion in order to optimize available resources. Cycling Events may occur up to 16 hours each week and will not exceed a total of 60 hours per Air Conditioning Season. During each Air Conditioning Season, the Company will conduct at least three Cycling Events. Mass memory meters or end-use meters may be installed on some Customers' residences or Central Air Conditioning units for program evaluation purposes. The residences or Central Air Conditioning units selected for installation of the meter shall be at the Company's sole discretion.

SPECIAL CONDITIONS

The Company is not responsible for any consequential, incidental, punitive, exemplary or indirect damage to the participating Customer or third parties that results from AC Cycling, from the Customer's participation in the Program, or of Customer's efforts to reduce peak energy use while participating in the Program.

The Company makes no warranty of merchantability or fitness for a particular purpose with respect to the Device and any and all implied warranties are disclaimed.

The Company shall have the right to select the AC Cycling schedule and the percentage of Customers' Central Air Conditioning systems to cycle at any one time, up to 100%, at its sole discretion.

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency in accordance with NERC standards, Idaho Power's Rule J, or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service or Energy Charges associated with a Customer's standard service schedule.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

PURPOSE

The Flex Peak Program (the Program) is a voluntary program that motivates Participants to reduce their load during Company initiated demand response events. A participating Customer will be eligible to receive a financial incentive in exchange for being available to reduce their load during the calendar months of June, July, August, and September.

AVAILABILITY

The Program is available to Commercial and Industrial Customers receiving service under Schedules 9, 19, or a Special Contract Schedule.

The Company shall have the right to accept Participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, total Program capacity, a Facility Site location, or amount of capacity provided at a Facility Site.

To participate in the Program, a Customer must sign and return the Program Application and worksheet provided by the Company specifying the Facility Site(s) to be enrolled in the Program. To enroll in the Program, Customers must be capable of providing a minimum load reduction of 20 kW per Facility Site or an aggregate reduction of 35 kW if participating under the Aggregated Option. If a Facility Site is accepted for participation in the Program, a Notification of Program Acceptance will be mailed to the Participant within 10 business days of the Company receiving the Program Application. Notification of Program Acceptance will include a listing of the Facility Sites that have been enrolled.

PROGRAM DESCRIPTION

The Company will initiate Program Events for a maximum of 60 hours during June, July, August, and September. During Program Events, Participants will be expected to reduce load at their Facility Site(s). Participants will be eligible to receive a financial incentive in exchange for their reduction in load.

DEFINITIONS

Actual kW Reduction. The kilowatt (kW) reduction during a Program Event, which is the difference between a Participant's hourly average kW measured at the Facility Site's meter and the corresponding hour of the Adjusted Baseline kW.

Adjusted Baseline kW. The Original Baseline kW plus or minus the "Day of" Load Adjustment amount.

Aggregated Option. Multiple Facility Sites belonging to a single Participant that are grouped together per the customer's request with a single Nominated kW for participation in the Program. Under this option, the Company will sum the individual performance data from each enrolled Facility Site before calculating any incentive amounts.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

Business Days. Any day Monday through Friday, excluding holidays. For the purposes of this Program, Independence Day and Labor Day are the only holidays during the Program Season. If Independence Day falls on Saturday, the preceding Friday will be designated the holiday. If Independence Day falls on Sunday, the following Monday will be designated the holiday.

"Day of" Load Adjustment. The difference between the Original Baseline kW and the actual metered kW during the hour prior to the Participant receiving notification of an event. Scalar values will be calculated by dividing the Original Baseline kW for each Program Event hour by the Baseline kW of the hour preceding the event notification time. The scalars are multiplied by the actual event day kW for the hour preceding the event notification time to create the Adjusted Baseline kW from which load reduction is measured. The Adjusted Baseline kW for each hour cannot exceed the maximum kW amount for any hour from the Highest Energy Use Days or the hours during the event day prior to event notification.

Event Availability Time. Between 3:00 p.m. and 10:00 p.m. Mountain Daylight Time (MDT) each Business Day.

Facility Site(s). All or any part of a Participant's facility or equipment that is metered from a single service location that a Participant has enrolled in the Program. For those Participants who have enrolled under the Aggregated Option, Facility Site will refer to the combination of individual Facility Sites selected for inclusion under the Aggregated Option.

Fixed Capacity Payment. The Weekly Effective kW Reduction multiplied by the Fixed Capacity Payment rate (as described in the Incentive Structure section). Participants are paid based on the average event kilowatt reduction.

Highest Energy Usage Days. The three days out of the immediate past 10 non-event Business Days that have the highest sum total kW as measured across the Event Availability Time.

Hours of Event. The timeframe when the Program Event is called and Nominated kW is expected to be reduced. The Hours of Event will not be less than two hours and will not exceed four hours.

Nominated kW. The amount of load expressed in kW that a Facility Site commits to reduce during a Program Event.

Nominated kW Incentive Adjustment. An adjustment made when a Facility Site does not achieve its Nominated kW for a given hour during a Program Event. The adjustment will be made for each hour the Nominated kW is not achieved. The total Nominated kW Incentive Adjustment will not exceed the total incentive amount for the Program Season (as described in the Incentive Structure section).

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

Notification of Program Acceptance. Written confirmation from the Company to the Participant. The Notification of Program Acceptance will confirm each Facility Site enrolled in the Program, as well as the Nominated kW amount for each Facility Site.

Original Baseline kW. The arithmetic mean (average) kW of the Highest Energy Usage Days during the Event Availability Time, calculated for each Facility Site for each hour.

The following table provides an example of the calculation of the Original Baseline kW between hours of 3:00 p.m. and 10:00 p.m. using the (3) Highest Energy Usage Days of 5, 7, and 9.

Day	3-4 PM (kW)	4-5 PM (kW)	5-6 PM (kW)	6-7 PM (kW)	7-8 PM (kW)	8-9 PM (kW)	9-10 PM (kW)	Sum Total (kW)
1	3000	3100	3000	3200	3000	3200	3150	21650
2	3200	3100	3200	3200	3100	3300	3300	22400
3	3100	3200	3100	3100	3200	3100	3200	22000
4	3250	3400	3300	3400	3300	3400	3200	23250
5	3300	3400	3300	3400	3400	3500	3400	23700
6	3100	3000	3200	3100	3100	3200	3300	22000
7	3400	3300	3400	3300	3400	3300	3200	23300
8	3300	3200	3300	3300	3300	3200	3100	22700
9	3400	3500	3350	3400	3500	3400	3350	23900
10	3250	3300	3300	3200	3200	3200	3300	22750
Original Baseline (kW)	3367	3400	3350	3367	3433	3400	3317	

Participant. Any Customer who has a Facility Site that has been accepted into the Program.

Program Application. Written form submitted by a Customer who requests to enroll a Facility Site in the Program.

Program Event. A time period when the Company requests or calls for reduction of the Nominated kW.

Program Season. June 15th through September 15th of each year.

Program Week. Monday through Friday.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

Variable Program kWh. The kWh savings amount calculated by multiplying the Actual kW Reduction by each of the Hours of Event for the Facility Site during each Program Event beyond the first four Program Events.

Variable Energy Payment. An energy-based financial incentive provided to the Participant. The payment is calculated by multiplying the Variable Program kWh by the Variable Energy Payment Rate (as described in the Incentive Structure section). The Variable Energy Payment does not apply to the first four Program Events.

Weekly Effective kW Reduction. The average of the Actual kW Reduction for all events in a Program Week or in the absence of a Program Event, the Weekly Effective kW Reduction will equal the Nominated kW for that Program Week.

PROGRAM EVENTS

The Company will dispatch Program Events on Business Days during the Program Season between the hours of 3:00 p.m. and 10:00 p.m. MDT. Program Events will last between two to four hours per day and will not exceed 16 hours per calendar week and 60 hours per Program Season. During each Program Season the Company will conduct a minimum of three Program Events. Participating Customers will receive advance notification on or about four hours prior to the Program Event. The Company will provide notice of a Program Event via the following communication technologies: telephone, text message, and e-mail to the designated contact(s) submitted by the Participant in the Program Application. If prior notice of a pending Program Event has been sent, the Company may choose to revoke the Program Event initiation and will provide notice to Participants no less than 30 minutes prior to the Program Event.

REQUIREMENTS OF PARTICIPATING FACILITIES

Participants will have the flexibility to choose what equipment will be used to reduce the Nominated kW during each Program Event. Participants must notify the Company of their Nominated kW via the Program Application. Once the Program Season begins, the Participant must submit the nomination change request form online (located at www.idahopower.com/flexpeak) via email by Thursday at 10:00 a.m. MDT of the proceeding week to notify of any changes in Nominated kW. The Nominated kW may be raised or lowered each week without restriction any time before the third minimum Program Event is called. After the third Program Event is called, the Nominated kW may still be raised or lowered, but may not exceed the highest Nominated kW prior to the third Program Event being called.

INCENTIVE STRUCTURE

Incentive payments will be determined based on a Fixed Capacity Payment, a Variable Energy Payment, and any applicable Nominated kW Incentive Adjustment. Both the Fixed Capacity and Variable Energy Payments will be paid by check or bill credit no more than 45 days after the Program Season concludes on September 15th.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

INCENTIVE STRUCTURE (Continued)

When a Program Event is called and a Participant exceeds the Nominated kW, the Fixed Capacity Payment will be capped at 20 percent above original Nominated kW.

<u>Fixed Capacity Payment Rate*</u> (*to be prorated for partial weeks)	<u>Variable Energy Payment Rate*</u> (*does not apply to first four Program Events)
\$3.25 per Weekly Effective kW Reduction	\$0.20 per kWh

Participants are expected to reduce their load by the Nominated kW during each hour of each Program Event for the duration of the event. Each time a Participant fails to achieve a load reduction of up to the Nominated kW during a Program Event, a Nominated kW Incentive Adjustment will apply.

For Program Events, the Nominated kW Incentive Adjustment will be \$2.00 per kW for each hour the Nominated kW is not achieved during that interval. The total Nominated kW Incentive Adjustments will not exceed the total incentive amount for the Program Season.

TERMS OF PARTICIPATION

Participants must submit a Program Application initially, but are automatically re-enrolled each year thereafter. Participants will be notified prior to each Program Season of the automatic re-enrollment. This Program Application must include the Facility Site(s) they wish to enroll and the initial Nominated kW for each Facility Site. If a Participant requests the Aggregated Option they must specify this on the Program Application.

1. A Participant may terminate their participation in the Program at any time during or before the Program Season by notifying the Company in writing.
2. Upon terminating participation of a Facility Site, the Participant's incentive payment shall be prorated for the number of Business Days of participation in the Program. The Participant may not re-enroll the Facility Site into the Program until the following calendar year.

SPECIAL CONDITIONS

The provisions of this Program do not apply for any time period that the Company requests a load reduction during a system emergency in accordance with NERC standards, Idaho Power's Rule J, or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this Program will not affect the calculation or rate of the regular Service, Energy, or Demand Charges associated with a Participant's standard service schedule.

LEGISLATIVE FORMAT

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)

PURPOSE

The Irrigation Peak Rewards Program (the Program) is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off specific irrigation pumps with the use of one or more Load Control Devices. In exchange for allowing the Company to turn off specified irrigation pumps, participating Customers will receive a financial incentive for load reductions during the calendar months of June, July, ~~and~~ August, and September for each metered service point (Metered Service Point) enrolled in the Program.

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. ~~The Program is only available to Customers that have an existing dispatchable Load Control Device installed on their equipment and existing participants under the Manual Dispatch Option.~~

The Company shall have the right to select and reject Program participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Rewards Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to maintain one or more Load Control Devices on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled in this Program and to allow the Company or its representative reasonable access to the Load Control Device(s). By entering into the Agreement, each Customer also agrees to not increase for the sole purpose of participating in the Program the capacity, horsepower (HP) or size of the irrigation system served by the Company.

PROGRAM DESCRIPTION

Service under this optional, supplementary Program permits the Company to turn off specified irrigation pumps for a limited number of hours during the period of June 15 through ~~August~~ September 15 (Program Season). The Company will utilize dispatchable Load Control Devices to turn off specific irrigation pumps during Load Control Events. In limited applications, a select group of eligible Customers will be permitted to manually interrupt electric service to participating irrigation pumps during Load Control Events (See Manual Dispatch Option). In exchange for allowing the Company to interrupt service to specified irrigation pumps, participating Customers will receive a financial incentive for usage that occurs during the calendar months of June, July, ~~and~~ August, and September for each Metered Service Point enrolled in the Program.

DEFINITIONS

IDAHO

Issued by IDAHO POWER COMPANY

Issued per Order No. – December 30, 2015

Gregory W. SaidTimothy E. Tatum, Vice President, Regulatory Affairs

Effective – February 15, 2016February 15, 2022

1221 West Idaho Street, Boise, Idaho

~~Advice No. 15-16~~

Idaho Power Company ~~Seventh~~Eighth Revised Sheet No. 23-1
Cancels

I.P.U.C. No. 29, Tariff No. 101~~Sixth~~Seventh Revised Sheet No. 23-1

Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, a notification of acceptance into the Program will

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Issued by IDAHO POWER COMPANY

1221 West Idaho Street, Boise, Idaho

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

DEFINITIONS (Continued)

DEFINITIONS

~~Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, a notification of acceptance into the Program will be mailed to participants, which will include a listing of the Metered Service Point(s) that have been enrolled.~~

Load Control Device. Load Control Device refers to any technology, device, or system utilized under the Program to enable the Company to initiate the Load Control Event.

Load Control Event. Refers to an event under the Program where the Company requests or calls for interruption of specific irrigation pumps either manually or with the use of one or more Load Control Devices.

Program Season. The Program Season is the period June 15 through ~~August~~September 15 of each year.

Program kW. The Program kW is the demand amount, as measured at the Customer's meter in kilowatts (kW) ~~associated with~~during the applicable billing period~~Program Season~~, that is multiplied by the applicable incentive amount to determine the Demand Credit under ~~the Automatic Dispatch~~each Interruption Option. Under the Manual Dispatch Interruption Option, the Program kW will be based upon the maximum measured interval kW during the 24-hour period preceding 8:00 A.M. MDT the day of the announcement of a Load Control Event, minus the average interval kW during an event.

Nominated Demand. Nominated Demand is the amount of demand that participants under the Manual Dispatch Option must declare as ~~available~~planned to be available ~~for dispatch~~ during Load Control Events.

Program kWh. The Program kWh is the energy amount, as measured at the Customer's meter in kilowatt-hours (kWh) ~~associated with the applicable billing period, during the Program Season~~, that is multiplied by the applicable incentive amount to determine the Energy Credit under each Interruption Option.

Variable Program kWh. The Variable Program kWh is the demand amount for the associated billing period, as measured at the Customer's meter in kilowatts (kW) multiplied by the hours of interruption for the Metered Service Point for each Load Control Event~~during the Program Season~~. The Variable Program kWh is multiplied by the applicable variable incentive payment to determine the Variable Energy Credit under each Interruption Option.

Variable Program kWh = ~~metered~~Program kW- x hours of interruption for each Load Control Event~~during Program Season~~

Bill Credit. The Bill Credit is the sum of the Demand Credit and the Energy Credit applied to the Customer's monthly bills for usage that occurs during the calendar months of June, July, ~~and August~~, and September of each calendar year. This amount may be prorated for the number of days during the months of June, July, ~~and August~~, and September that fall in the Customer's billing cycle to correspond with the Program Season. The Bill Credit amount may be applied directly to participating Customers' bills or provided in the form of a check.

Demand Credit. The Demand Credit is a demand-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Demand Credit is calculated by multiplying the Program kW by the demand-related incentive amount for the Interruption Option selected by the Customer. The Demand Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, ~~and August~~, and September of each year. This amount may be prorated for the number of days during the months of June, July, ~~and August~~, and September that fall in the Customer's billing cycle to correspond with the Program Season.

Demand Credit = Program kW x demand-related incentive amount

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

DEFINITIONS (Continued)

Energy Credit. The Energy Credit is an energy-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Energy Credit is calculated by multiplying the Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. ~~Customers identified to have an out-of-demand season billing cycle will receive only an out-of-demand season energy credit for the applicable billing period.~~ The Energy Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, ~~and August,~~ and September of each year. This amount may be prorated for the number of days during the months of June, July, ~~and August,~~ and September that fall in the Customer's billing cycle to correspond with the Program Season.

$$\text{Energy Credit} = \text{Program kWh} \times \text{energy-related incentive amount}$$

Variable Energy Credit. The Variable Energy Credit is an energy-based financial incentive provided for the Metered Service Point enrolled in the Program. The Variable Energy Credit is calculated by multiplying Variable Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. The Variable Energy Credit is paid in the form of a check no later than ~~45~~70 days after the Program Season. ~~This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.~~ The Variable Energy Credit does not apply to the first ~~four~~three Load Control Events.

$$\text{Variable Energy Credit} = \text{Variable Program kWh} \times \text{variable energy-related incentive amount}$$

INTERRUPTION OPTIONS

Under the Interruption Options, the Company will dispatch remotely service interruptions to specified irrigation pumps any Monday through Saturday during the Program Season between the hours of ~~13:00~~8:00 P.M. and ~~8~~10:00 P.M. Mountain Daylight Time (MDT), excluding holidays (Standard Interruption). Customers may elect to participate until ~~9~~11:00 P.M. MDT (Extended Interruption) and will receive a larger Variable Energy Credit. Service interruptions may last up to 4 hours per day and will not exceed ~~15~~6 hours per calendar week and 60 hours per Program Season. During each Program Season the Company will conduct a minimum of three Load Control Events. Customers participating in the Automatic Dispatch Option may not receive advance notification of a Load Control Event, but will be notified after the Load Control Event begins. Customers participating in the Manual Dispatch Option will receive advance notification at least 4 hours prior to a Load Control Event. The Company will provide notice of a Load Control Event via the following communication technologies: telephone, e-mail and/or text message. If prior notice of a pending Load Control Event has been sent, the Company may choose to revoke the Load Control Event and will provide notice to Customers up to 30 minutes prior to the Load Control Event.

Customers who elect to participate in the Program may be eligible for one of the following Interruption Options:

~~INTERRUPTION OPTIONS (Continued)~~

Idaho Power Company ~~Seventh~~Eighth Revised Sheet No. 23-3
Cancels

I.P.U.C. No. 29, Tariff No. 101~~Sixth~~Seventh Revised Sheet No. 23-3

Automatic Dispatch Option. A dispatchable Load Control Device will be connected to the electrical panel(s) serving the irrigation pumps associated with the Metered Service Points enrolled in the Program. The Load Control Device utilized under the Automatic Dispatch Option

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Regulatory Affairs

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Issued by IDAHO POWER COMPANY

1221 West Idaho Street, Boise, Idaho

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

INTERRUPTION OPTIONS (Continued)

~~INTERRUPTION OPTIONS (Continued)~~

~~Automatic Dispatch Option. A dispatchable Load Control Device will be connected to the electrical panel(s) serving the irrigation pumps associated with the Metered Service Points enrolled in the Program. The Load Control Device utilized under the Automatic Dispatch Option will provide the Company the ability to send a signal that will interrupt operation or not allow the associated irrigation pumps to operate during dispatched Load Control Events. This option requires that all pumps at the Metered Service Point be controlled.~~

Under the Automatic Dispatch Option, the Program kW will be based upon the monthly Billing Demand, as measured in kW, for the associated Billing Period. The Program kWh under this option will be based upon the monthly energy usage, as measured in kWh, for the associated Billing Period.

~~Customers selecting the Automatic Dispatch Option may opt-out of a Load Control Event up to five times per season prior to or during a Load Control Event. Each time a customer chooses to opt-out of one of the three minimum Load Control Events a fee of \$5,006.25 per kW will be assessed based upon the current Billing Period's kW. Each time a customer chooses to opt-out of a Load Control Event after the three minimum Load Control Events a fee of \$1.00 per kW will be assessed based upon the current Billing Period's kW. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season or after the applicable billing cycle closes. Opt-out fees may be waived for circumstances involving planned or unplanned outages of 3 hours or more occurring within 24 hours of a Load Control Event or a multiday outage within 72 hours of an event. At its discretion, the Company may assess an opt-out fee should it be determined the participant overrode the command to the dispatch device thereby allowing the pump to run during the load control event.~~

Manual Dispatch Option. Customers are eligible to manually control Metered Service Points of at least 1,000 cumulative HP, or Metered Service Points that have been determined by the Company to be limited by load control device communication technology or installation configuration, ~~are eligible for the Manual Dispatch Option.~~ Under the Manual Dispatch Option, eligible Customers have the flexibility to choose which irrigation pumps at a Metered Service Point will be interrupted during each dispatched Load Control Event. Customers electing this option must notify the Company of their Nominated Demand during the enrollment period prior to June 1 of each year.

Customers selecting participating in the Manual Dispatch Option are required to provide no less than their Nominated Demand during each Load Control Event. Each time a customer chooses to provide less than their Nominated Demand during one of the three minimum Load Control Events, an opt-out fee of \$5,006.25 per kW will be assessed on the Nominated Demand not made available for interruption. ~~Each time a customer chooses to provide less than their Nominated Demand during a Load Control Event, after the three minimum Load Control Events, an opt-out fee of \$1.00 per kW will be assessed on the Nominated Demand not made~~

~~available for interruption.~~—The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season or after the applicable billing cycle closes. Opt-out fees may be waived for circumstances involving planned or unplanned outages of 3 hours or more occurring within 24 hours of a Load Control Event or a multiday outage within 72 hours of an event.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
 (OPTIONAL)
 (Continued)

INTERRUPTION OPTIONS (Continued)

Under the Manual Dispatch Option, the Program kW will be based upon the maximum measured interval demand during the 24-hour period preceding 8:00 A.M. MDT the day of the announcement of a Load Control Event, minus the average demand during an event, as measured in kW over applicable load profile metering intervals. This applies to each Load Control Event initiated during a Billing Period. If there are no Load Control Events during a Billing Period then the Program kW will be the Nominated Demand. The Program kWh under this option will be based upon a calculated value, as measured in kWh. The Program kWh will be calculated separately for each Billing Period by multiplying the monthly Program kW by the ratio of the monthly energy usage to the Billing Demand for the associated Billing Period.

INCENTIVE STRUCTURE

Incentive payments under the Interruption Options will be determined based on a fixed payment and a variable payment. The fixed portion of the incentive payment will be paid through a Bill Credit and the variable portion will be paid by check no more than 4570 days after the end of the Program Season. The first ~~four~~three Load Control Events will not be subject to the Variable Energy Credit. The variable payment will be based on the number of hours a participant's pump is interrupted during the Program Season and their associated Program kW after the first ~~four~~three Load Control Events.

		<u>Interruption Option</u>		
Fixed Incentive Payment		Variable Incentive Payment		
<u>Demand Credit</u> (\$ per Program kW)	<u>Energy Credit</u> (\$ per Program kWh)	<u>Energy Credit (\$</u> <u>per Program</u> <u>kWh) for Out-of-</u> <u>Demand</u> <u>Season Billing</u> <u>Cycles</u>	<u>Standard</u> <u>Interruption</u> <u>Variable Energy</u> <u>Credit</u> (\$ per Variable Program kWh)	<u>Extended</u> <u>Interruption</u> <u>Variable Energy</u> <u>Credit</u> (\$ per Variable Program kWh)
\$5.00 <u>25</u>	\$0.00 <u>768</u>	\$0.02 <u>1</u>	\$0.148	\$0.49 <u>25</u>

INSTALLATION FEES

An Installation Fee of \$500 will be required for any new participating Metered Service Point with measured horsepower of 30 or less. The Installation Fee is non-refundable except when a Customer elects early termination and prior to the installation of a load control device at their pump location.

TERM OF AGREEMENT AND TERMINATION

The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall automatically renew on March 15 of each calendar year unless notice of termination is given by either party to the other prior to the annual renewal date or unless otherwise terminated as follows:

1. A Customer may terminate the participation of a Metered Service Point and avoid the Termination Fee by notifying the Company or its representative before the Program Season.

TERM OF AGREEMENT AND TERMINATION

~~The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall automatically renew on March 15 of each calendar year unless notice of termination is given by either party to the other prior to the annual renewal date or unless otherwise terminated as follows:~~

~~1. A Customer may terminate the participation of a Metered Service Point and avoid the Termination Fee by notifying the Company or its representative before the Program Season.~~

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

TERM OF AGREEMENT AND TERMINATION (Continued)

2. A Customer who terminates the participation of a Metered Service Point anytime between June 15 and ~~August~~September 15 of each calendar year shall pay the Company a Termination Fee. ~~This fee, which sum~~ will be included on the Customer's monthly bill following termination of participation. The Customer's Bill Credit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program. Upon terminating participation of a Metered Service Point under the provisions of item 2, the Customer may not re-enroll the Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.

Termination Fees:

Automatic Dispatch Option: \$500.00 per Metered Service Point terminated under item 2

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:

a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Load Control Device(s), including labor and other related costs.

b. An applicable Termination Fee, as provided under item 2, will be applied to the Customer's monthly bill following the termination of participation.

c. The Company will reverse any and all Demand Credits and/or Energy Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company utilizes a Load Control Device installed under this Program to interrupt the Customer's load for a system emergency in accordance with NERC standards, Idaho Power's Rule J, or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service, Energy or Demand Charges associated with a Customer's standard service schedule.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)

Uniform Irrigation Peak Rewards Service
Application/Agreement

THIS AGREEMENT Made this ____ day of _____, _____
between _____ hereinafter called
Customer, whose billing address is _____,
and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho Street,
Boise, Idaho, hereinafter called Company. This Agreement shall automatically renew on March 15 of
each calendar year unless notice of termination is given by either party to the other prior to the annual
renewal date. This Agreement is for the Metered Service Point(s) identified on the attached worksheet
(Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: _____

Phone: _____ Cell Phone: _____

~~Fax: _____~~

Email: _____

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Rewards Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified on the Worksheet.
2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Bill Credit amounts are estimates based on the previous year's billing history for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient billing history will be provided an estimated Bill Credit based on the stated cumulative horsepower at the Metered Service Point. The Bill Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the Interruption Option selected for each specified Metered Service Point. For Metered Service Points enrolled in the Manual Dispatch Option the Customer must notify the Company of Nominated Demand amounts by June 1 of each year.

SCHEDULE 23
IRRIGATION PEAK REWARDS PROGRAM
(OPTIONAL)
(Continued)
Uniform Irrigation Peak Rewards Service
Application/Agreement
(Continued)

3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Load Control Device(s) on the electrical panel that services the Customer's irrigation pumps. The Load Control Device(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.
4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt the specified irrigation pumps at the Metered Service Point(s) enrolled in the Program according to the provisions of the Interruption Option selected. The Company retains the sole right to determine the criteria under which a Load Control Event is scheduled for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption simultaneously, excluding Metered Service Points participating in the Program under the Manual Dispatch Option.
5. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit and/or Energy Credit corresponding to the Interruption Option selected by the Customer. The Bill Credit included on the Worksheet is based upon the billing history for the Metered Service Point(s) specified on the Worksheet, for the months of June, July, ~~and~~ August, and September of the prior year. The Bill Credit will be paid in the form of a credit on the Customer's monthly bill or provided in the form of a check. The Demand Credit may be prorated for the months of June, July, ~~and~~ August, and September depending on the Customer's billing cycle.

Metered Service Points participating under the Manual Dispatch Option, will receive a Bill Credit from the Company within 30 days of billing due to the extensive data analysis required to process interval metering data. Any applicable Variable Energy Credits will be paid by check no more than 70 days after the end of the Program Season.

6. If the Customer terminates this Agreement anytime between June 15 and ~~September~~August 15 of the current calendar year while the Metered Service Point(s) are still connected for service the Customer may not re-enroll that Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.

SCHEDULE 81
RESIDENTIAL AIR CONDITIONER
CYCLING PROGRAM
(OPTIONAL)

PURPOSE

The Residential Air Conditioner Cycling Program is an optional, supplemental service that permits participating residential Customers an opportunity to voluntarily allow the Company to cycle their central air conditioners with the use of a direct load control Device installed at their residence. Customers will receive a monetary incentive for successfully participating in the Program during the Air Conditioning Season.

DEFINITIONS

AC Cycling is the effect of the Company sending a signal to a Device installed at the Customer's residence and instructing it to cycle the Central Air Conditioning compressor for a specified length of time.

Air Conditioning Season is the period that commences on June 15 and continues through ~~August~~ September 15 of each calendar year.

Central Air Conditioning is a home cooling system that is controlled by one or more centrally located thermostats that controls one or more refrigerated air-cooling units located outside the Customer's residence.

Cycling Event is a period during which the Company sends a signal to the Device installed at the Customer's residence, which instructs the Device to begin AC Cycling.

Device is a direct load control device installed at a Customer's residence that enables the Company to conduct AC Cycling.

Notification refers to the Customer's indication of intent to initiate or terminate participation in the Program by either contacting the Company's Customer Service Center, providing written notice or submitting an electronic Application via the Company's website.

Opt Out is the term used to describe the two times each Air Conditioning Season in which the Customer may choose to temporarily not participate in AC Cycling by providing advanced Notification to the Company.

Program Operation Area describes the area in which the Program will be offered to Customers and is comprised of the Company's service territory within the State of Idaho where the infrastructure required to support AC Cycling has been installed and is operational.

SCHEDULE 81
RESIDENTIAL AIR CONDITIONER
CYCLING PROGRAM
(OPTIONAL)
(Continued)

PROGRAM DESCRIPTION

1. At the Company's expense, the Company or its representative will install a Device at the Customer's residence.

2. A financial incentive of \$5.00 per month for each of the ~~four~~three months of June, July, ~~and August, and September~~ will be paid to each Customer who successfully participates in the Program. This incentive will be paid in the form of a credit on the Customer's monthly bill for each month that the Customer successfully participates in the Program, beginning with the July bill and ending with the ~~October~~September bill. Incentive payments are limited to one controlled Central Air Conditioning unit per metered service point. Customers who have more than one Central Air Conditioning unit at a metered service point may participate in the Program. A Device must be installed at each Central Air Conditioning unit. However, no additional incentive will be paid.

3. The Company will send a signal to the Device to initiate a Cycling Event. A Cycling Event may be up to four hours per day on any weekday during the Air Conditioning Season, excluding holidays. A Cycling Event may occur over a continuous 4-hour period or may be segmented throughout the day at the Company's discretion in order to optimize available resources. Cycling Events may occur up to ~~156~~ hours each week and will not exceed a total of 60 hours per Air Conditioning Season. During each Air Conditioning Season, the Company will conduct at least three Cycling Events. Mass memory meters or end-use meters may be installed on some Customers' residences or Central Air Conditioning units for program evaluation purposes. The residences or Central Air Conditioning units selected for installation of the meter shall be at the Company's sole discretion.

SPECIAL CONDITIONS

The Company is not responsible for any consequential, incidental, punitive, exemplary or indirect damage to the participating Customer or third parties that results from AC Cycling, from the Customer's participation in the Program, or of Customer's efforts to reduce peak energy use while participating in the Program.

The Company makes no warranty of merchantability or fitness for a particular purpose with respect to the Device and any and all implied warranties are disclaimed.

The Company shall have the right to select the AC Cycling schedule and the percentage of Customers' Central Air Conditioning systems to cycle at any one time, up to 100%, at its sole discretion.

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency in accordance with NERC standards, Idaho Power's Rule J, or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service or Energy Charges associated with a Customer's standard service schedule.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

PURPOSE

The Flex Peak Program (the Program) is a voluntary program that motivates Participants to reduce their load during Company initiated demand response events. A participating Customer will be eligible to receive a financial incentive in exchange for being available to reduce their load during the calendar months of June, July, ~~and August~~, and September.

AVAILABILITY

The Program is available to Commercial and Industrial Customers receiving service under Schedules 9, 19, or a Special Contract Schedule.

The Company shall have the right to accept Participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, total Program capacity, a Facility Site location, or amount of capacity provided at a Facility Site.

To participate in the Program, a Customer must sign and return the Program Application and worksheet provided by the Company specifying the Facility Site(s) to be enrolled in the Program. To enroll in the Program, Customers must be capable of providing a minimum load reduction of 20 kW per Facility Site or an aggregate reduction of 35 kW if participating under the Aggregated Option. If a Facility Site is accepted for participation in the Program, a Notification of Program Acceptance will be mailed to the Participant within 10 business days of the Company receiving the Program Application. Notification of Program Acceptance will include a listing of the Facility Sites that have been enrolled.

PROGRAM DESCRIPTION

The Company will initiate Program Events for a maximum of 60 hours during June, July, ~~and August~~, and September. ~~During these Program Events,~~ Participants will be expected to reduce load at their Facility Site(s). Participants will be eligible to receive a financial incentive in exchange for their reduction in load.

DEFINITIONS

Actual kW Reduction. The kilowatt (kW) reduction during a Program Event, which is the difference between a Participant's hourly average kW measured at the Facility Site's meter and the corresponding hour of the Adjusted Baseline kW.

Adjusted Baseline kW. The Original Baseline kW plus or minus the "Day of" Load Adjustment amount.

Aggregated Option. Multiple Facility Sites belonging to a single Participant that are grouped together per the customer's request with a single Nominated kW for participation in the Program. Under this option, the Company will sum the individual performance data from each enrolled Facility Site before calculating any incentive amounts.

Idaho Power Company ~~First~~Second Revised Sheet No. 82-1
Cancels

I.P.U.C. No. 29, Tariff No. 101 ~~Original~~First Revised Sheet No. 82-1

IDAHO

Issued by IDAHO POWER COMPANY

Issued ~~December 16, 2016~~ per Order No.

Timothy E. Tatum, Vice President, Regulatory Affairs

Effective – ~~February 1, 2017~~ February 15, 2022

1221 West Idaho Street, Boise, Idaho

~~Advice No. 16-07~~

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

Business Days. — Any day Monday through Friday, excluding holidays. For the purposes of this Program, Independence Day and Labor Day are is the only holidays during the Program Season. If Independence Day falls on Saturday, the preceding Friday will be designated the holiday. If Independence Day falls on Sunday, the following Monday will be designated the holiday.

~~Capacity Payment. The Weekly Effective kW Reduction multiplied by the Capacity Payment rate (as described in the Incentive Structure section).~~

~~“Day of” Load Adjustment. The difference between the ~~average~~ Original Baseline kW and the ~~average~~ actual metered kW during the ~~two~~ hours prior to ~~the Participant receiving notification of the Participant receiving notification of~~ an event. ~~Scalar values will be calculated by dividing the Original Baseline kW for each Program Event hour by the Baseline kW of the hour preceding the event notification time. This adjustment is used to account for a customer using more or less load than their Original Baseline kW predicts on the day of the Program Event. “Day of” Load Adjustment will be applied to the Original Baseline kW for each Facility Site for each interval during the Program Event time when a Program Event is called. This adjustment will be capped at 20 percent below or above the Original Baseline kW. The scalars are multiplied by the actual event day kW for the hour preceding the event notification time to create the Adjusted Baseline kW from which load reduction is measured. The Adjusted Baseline kW for each hour cannot exceed the maximum kW amount for any hour from the Highest Energy Use Days or the hours during the event day prior to event notification.~~~~

~~Energy Payment. An energy-based financial incentive provided to the Participant. The payment is calculated by multiplying Variable Program kWh by the Energy Payment Rate (as described in the Incentive Structure section). The Energy Payment does not apply to the first three Program Events.~~

Event Availability Time. — Between ~~23~~:00 p.m. and ~~8~~10:00 p.m. Mountain Daylight Time (MDT) each Business Day.

Facility Site(s). -All or any part of a Participant’s facility or equipment that is metered from a single service location that a Participant has enrolled in the Program. For those Participants who have enrolled under the Aggregated Option, Facility Site will refer to the combination of individual Facility Sites selected for inclusion under the Aggregated Option.

~~Fixed Capacity Payment. The Weekly Effective kW Reduction multiplied by the Fixed Capacity Payment rate (as described in the Incentive Structure section). Participants are paid based on the average event kilowatt reduction.~~

Highest Energy Usage Days. The three days out of the immediate past 10 non-event Business Days that have the highest ~~average-sum total~~ kW as measured across the Event Availability Time.

Hours of Event. The timeframe when the Program Event is called and Nominated kW is expected to be reduced. The Hours of Event will not be less than two hours and will not exceed four hours.

Nominated kW. The amount of load expressed in kW that a Facility Site commits to reduce during a Program Event.

Nominated kW Incentive Adjustment. An adjustment made when a Facility Site does not achieve its Nominated kW for a given hour during a Program Event. The adjustment will be made for each hour the Nominated kW is not achieved. The total Nominated kW Incentive Adjustment will not exceed the total incentive amount for the Program Season (as described in the Incentive Structure section).

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

~~Nominated kW Incentive Adjustment. An adjustment made when a Facility Site does not achieve its Nominated kW for a given hour during a Program Event. The adjustment will be made for each hour the Nominated kW is not achieved. The total Nominated kW Incentive Adjustment will not exceed the total incentive amount for the Program Season (as described in the Incentive Structure section).~~

Notification of Program Acceptance. Written confirmation from the Company to the Participant. The Notification of Program Acceptance will confirm each Facility Site enrolled in the Program, as well as the Nominated kW amount for each Facility Site.

Original Baseline kW. The arithmetic mean (average) kW of the Highest Energy Usage Days during the Event Availability Time, calculated for each Facility Site for each hour.

The following table provides an example of the calculation of the Original Baseline kW between hours of 32:00 p.m. and 108:00 p.m. using the (3) Highest Energy Usage Days of 5, 7, and 9.

Day	<u>23-43 PM</u> (kW)	<u>34-45 PM</u> (kW)	<u>45-56 PM</u> (kW)	<u>56-67 PM</u> (kW)	<u>67-78 PM</u> (kW)	<u>78-89 PM</u> (kW)	<u>9-10 PM</u> (kW)	<u>Average UsageSum Total (kW)</u>
1	3000	3100	3000	3200	3000	3200	<u>3150</u>	<u>308321650</u>
2	3200	3100	3200	3200	3100	3300	<u>3300</u>	<u>318322400</u>
3	3100	3200	3100	3100	3200	3100	<u>3200</u>	<u>313322000</u>
4	3250	3400	3300	3400	3300	3400	<u>3200</u>	<u>334223250</u>
5	3300	3400	3300	3400	3400	3500	<u>3400</u>	<u>338323700</u>
6	3100	3000	3200	3100	3100	3200	<u>3300</u>	<u>311722000</u>
7	3400	3300	3400	3300	3400	3300	<u>3200</u>	<u>335023300</u>
8	3300	3200	3300	3300	3300	3200	<u>3100</u>	<u>326722700</u>
9	3400	3500	3350	3400	3500	3400	<u>3350</u>	<u>342523900</u>
10	3250	3300	3300	3200	3200	3200	<u>3300</u>	<u>324222750</u>
Original Baseline (kW)	3367	3400	3350	3367	3433	3400	<u>3317</u>	

Participant. Any Customer who has a Facility Site that has been accepted into the Program.

Program Application. Written form submitted by a Customer who requests to enroll a Facility Site in the Program.

Program Event. A time period when the Company requests or calls for reduction of the Nominated kW.

Program Season. June 15th through September 15th of each year.

Idaho Power Company

First Revised Sheet No. 82-3

Cancels

I.P.U.C. No. 29, Tariff No. 101

Original Sheet No. 82-3

Program Week. Monday through Friday.

IDAHO

Issued per Order No. ~~33292~~

~~Gregory W. Said~~ Timothy E. Tatum, Vice President, Regulatory Affairs

Effective – ~~May 7, 2015~~ February 15, 2022

Issued by IDAHO POWER COMPANY

1221 West Idaho Street, Boise, Idaho

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

~~Program Event. A time period when the Company requests or calls for reduction of the Nominated kW.~~

~~Program Season. June 15th through August 15th of each year.~~

~~Program Week. Monday through Friday.~~

Variable Program kWh. The kWh savings amount calculated by multiplying the Actual kW Reduction by each of the Hours of Event for the Facility Site during each Program Event beyond the first ~~three~~ four Program Events.

Variable Energy Payment. An energy-based financial incentive provided to the Participant. The payment is calculated by multiplying the Variable Program kWh by the Variable Energy Payment Rate (as described in the Incentive Structure section). The Variable Energy Payment does not apply to the first four Program Events.

Weekly Effective kW Reduction. The average of the Actual kW Reduction for all events in a Program Week or in the absence of a Program Event, the Weekly Effective kW Reduction will equal the Nominated kW for that Program Week.

PROGRAM EVENTS

The Company will dispatch Program Events on Business Days during the Program Season between the hours of ~~32:00~~ 3:00 p.m. and ~~108:00~~ 10:00 p.m. MDT. Program Events will last between two to four hours per day and will not exceed ~~156~~ 16 hours per calendar week and 60 hours per Program Season. During each Program Season the Company will conduct a minimum of three Program Events. Participating Customers will receive advance notification on or about ~~four~~ two hours prior to the Program Event. The Company will provide notice of a Program Event via the following communication technologies: telephone, text message, and e-mail to the designated contact(s) submitted by the Participant in the Program Application. If prior notice of a pending Program Event has been sent, the Company may choose to revoke the Program Event initiation and will provide notice to Participants no less than 30 minutes prior to the Program Event.

REQUIREMENTS OF PARTICIPATING FACILITIES

Participants will have the flexibility to choose what equipment will be used to reduce the Nominated kW during each Program Event. Participants must notify the Company of their Nominated kW via the Program Application. Once the Program Season begins, the Participant must submit the nomination change request form online (located at www.idahopower.com/flexpeak) via email by Thursday at 10:00 a.m. MDT of the proceeding week to notify of any changes in Nominated kW. The Nominated kW may be raised or lowered each week without restriction any time before the third ~~mandatory minimum~~ Program Event is called. After the third Program Event is called, the Nominated kW may still be raised or lowered, but may not exceed the highest Nominated kW prior to the third Program Event being called.

INCENTIVE STRUCTURE

Idaho Power Company ~~First~~Second Revised Sheet No. 82-4
Cancels

I.P.U.C. No. 29, Tariff No. 101 ~~Original~~First Revised Sheet No. 82-4

Incentive payments will be determined based on a Fixed Capacity Payment, a ~~n~~ Variable Energy Payment, and any applicable Nominated kW Incentive Adjustment. Both the Fixed Capacity and Variable Energy Payments will be paid by check or bill credit no more than ~~30~~45 days after the Program Season concludes on ~~August~~September 15th.

SCHEDULE 82
FLEX PEAK
PROGRAM
 (OPTIONAL)

INCENTIVE STRUCTURE (Continued)

When a Program Event is called and a Participant exceeds the Nominated kW, the Fixed Capacity Payment will be capped at 20 percent above original Nominated kW.

<u>Fixed Capacity Payment Rate*</u> (*to be prorated for partial weeks)	<u>Variable Energy Payment Rate*</u> (*does not apply to first three four Program Events)
\$3.25 per Weekly Effective kW Reduction	\$0. 16 <u>20</u> per kWh

Participants are expected to reduce their load by the Nominated kW during each hour of each Program Event for the duration of the event. Each time a Participant fails to achieve a load reduction of up to the Nominated kW during a Program Event, a Nominated kW Incentive Adjustment will apply.

For ~~the first three~~ Program Events, the Nominated kW Incentive Adjustment will be \$2.00 per kW for each hour the Nominated kW is not achieved during that interval. ~~After the first three Program Events, the Nominated kW Incentive Adjustment will be \$0.25 per kW for each hour the Nominated kW is not achieved during that interval.~~

_____The total Nominated kW Incentive Adjustments will not exceed the total incentive amount for the Program Season.

TERMS OF PARTICIPATION

Participants must submit a Program Application initially, but are automatically re-enrolled each year thereafter. Participants will be notified prior to each Program Season of the automatic re-enrollment. This Program Application must include the Facility Site(s) they wish to enroll and the initial Nominated kW for each Facility Site. If a Participant requests the Aggregated Option they must specify this on the Program Application.

1. A Participant may terminate their participation in the Program at any time during or before the Program Season by notifying the Company in writing.
2. Upon terminating participation of a Facility Site, the Participant's incentive payment shall be prorated for the number of Business Days of participation in the Program. The Participant may not re-enroll the Facility Site into the Program until the following calendar year.

SPECIAL CONDITIONS

The provisions of this Program do not apply for any time period that the Company requests a load reduction during a system emergency in accordance with NERC standards, Idaho Power's Rule J, or any other time that a Participant's Customer's service is interrupted by events outside the control of the Company. -The provisions of this Program will not affect the calculation or rate of the regular Service, Energy, or Demand Charges associated with a Participant's standard service schedule.