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IDAHO PUBLIC
UTILITIES COMMISSION

JAYME B. SULLIVAN
BOISE CITY ATTORNEY

Ed Jewell ISB No. 10446
Deputy City Attorney
BOISE CITY ATTORNEY'S OFFICE
150 N. Capitol Blvd.
P.O. Box 500
Boise, ID 83701-0500
Telephone: (208) 608-7950S
Facsimile: (208) 384-4454
Email: BoiseCityAttorney@cityofboise.org
ejewell@cityofboise.org

Attorney for Intervenor

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF IDAHO POWER
COMPANY'S APPLICATION FOR A
DETERMINATION OF 2021 DEMAND-SIDE
MANAGEMENT EXPENSES AS PRUDENTLY
INCURRED

Case No. IPC-E-22-08

**CITY OF BOISE CITY'S
FORMAL COMMENTS**

The city of Boise City ("Boise City") submits these formal comments on the application submitted by Idaho Power Company ("Company") for a prudence determination of its 2021 demand-side management expenses. Boise City, pursuant to Rule 203 of the Commission's Rules of Procedure, IDAPA 31.01.01.203, and pursuant to the Notice of Modified Procedure, Order No. 35404, issued on May 13, 2022, hereby submits its formal written comments and states as follows:

1. Boise City commends Idaho Power Company ("Company") on their 2021 demand-side management programs ("DSM"), achieving more than 140,000 MWh of energy savings and 312 MW of non-coincident load reduction from demand response. Boise City recommends the Commission find the Company's 2021 DSM expenses prudently incurred and supports the

Commission's continued direction to ensure the Company pursues all cost-effective energy efficiency and demand response measures across customer classes.

2. Boise City notes testimony concerning the negative ending balance of the Idaho Energy Efficiency Rider on December 31, 2021. Goralski, Di Testimony at 19. The continued negative balance year-over-year should be carefully considered by the Company and the Commission to ensure all cost-effective energy efficiency opportunities are able to be pursued. Boise City supports efforts to resolve the ongoing negative rider balance, including increasing the existing Idaho Energy Efficiency Rider percentage authorized in Commission Order No. 34871.

3. Boise City recommends the Company, in collaboration with the Energy Efficiency Advisory Group ("EEAG"), work to specifically implement strategies to increase participation and ensure the benefits of energy efficiency reach residential customers. As noted in Boise City's comments on the Company's 2020 DSM expenses, COVID-19 energy efficiency program suspensions disproportionately impacted residential customers. The City of Boise looks forward to seeing the impact of Energy House Calls, Home Energy Audits, Multifamily Energy Savings, and Weatherization programs operating at full capacity in 2022. While continued disruptions due to COVID-19 and associated supply chain constraints are outside of the Company's control, these impacts, coupled with a 40% decrease in MWhs saved by residential customers from 2020 to 2021, necessitate additional effort by the Company and the EEAG to modify existing programs or implement new measures to ensure energy savings from the residential sector are captured. Boise City is also concerned with the reduction in the overall share of customers participating in energy efficiency programs from 45% in 2020 to 35% in 2021. While Boise City recognizes the Company's success maintaining an overall cost-effective energy efficiency portfolio in a challenging environment, there is opportunity to achieve increased savings going forward if the

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waitlists and backlog of demand for suspended residential programs can be efficiently met alongside the development of innovative new offerings.

4. In reviewing individual energy efficiency programs implemented by the Company in 2021, Boise City offers the following comments:

- a. Boise City strongly supports the Company's efforts to design the new retail lighting buy-down program, specifically working to ensure customers shopping at neighborhood dollar stores and other markets currently unreached by the market transformation in LED lighting can purchase the most efficient lighting at affordable prices. Boise City recommends the Company use this as a model to continue to develop programs or specific, targeted outreach that addresses unique market gaps and access to energy-efficient products and appliances.
- b. Boise City recognizes the challenges and continued efforts by the Company to design a cost-effective residential new construction incentive that is attractive and accessible to home builders. While the UCT increase in 2021 is encouraging, the decreased participation from 248 participants in 2020 to 90 in 2021 is concerning. Boise City views this as a critically important program to ensure the rapid growth in new construction across the Company's service area is as efficient as possible. Boise City notes the impact evaluation planned for 2023 and recommends the Company consider expanding the planned evaluation to include elements of a process evaluation, specifically customer satisfaction and review of similar program best practices. Boise City continues to support the Company's implementation and development of this pilot program and looks forward to supporting future marketing efforts.

- c. The most recent Energy Efficiency Potential Study identified behavior change programs, like the Company's Home Energy Reports, as having the highest potential energy savings in the residential sector. Boise City recommends the Company work to expand the Home Energy Reports program to reach at least 2020 participation levels or higher where practicable. Home Energy Reports, like the Home Energy Audit program, present a beneficial opportunity to educate customers on energy efficiency and encourage future program participation.
- d. Boise City appreciates the Company thoughtfully engaging the EEAG in development of the updated energy efficiency educational distribution welcome kits. The increased cost-effectiveness of the educational distribution kits, increasing to 2.39 from 1.45 in 2020, and broad reach to more than 45,000 customers should be built on in 2022.


5. While the Commission is asked to evaluate the prudence of 2021 DSM expenses, Boise City recognizes this proceeding as an important opportunity to engage the Commission, Company, and other interested stakeholders on the future of the Company's energy efficiency and demand response offerings. Boise City is encouraged by, and looks forward to, engaging with the EEAG on the program activities identified for 2022 and beyond. *See Demand Side Management 2021 Annual Report at 17.* Specifically, Boise City recommends the Company pursue the development of a multi-family new construction incentive to further transform the new construction market. Boise City also supports the development of the online marketplace, recognizing point of sale rebates and negotiated buy-downs can decrease up-front capital expenses for customers and improve access to energy-efficient products for households with low and

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moderate incomes. In addition to the new activities identified by the Company, Boise City recommends the Company evaluate the potential demand response opportunity presented by the increasing adoption of electric vehicles. While the existing time of use rate may effectively encourage some customers to avoid on-peak charging, a specific demand response incentive could help ensure electrification of vehicles produces grid benefits in addition to customer savings and emissions reductions. Lastly, while not a new program or measure, Boise City encourages the Company to consider evaluating opportunities, targeting outreach, and presenting achieved savings at a more local level. Integrating a more granular level of detail into energy efficiency reporting could support distribution system planning and provide greater insight into local demand use patterns, offering interesting insights for program implementation and development.

6. In summary, Boise City recommends the Commission find the Company's 2021 DSM program expenses prudently incurred and continues to support the Company's efforts to implement cost-effective DSM programs that respond to changing market dynamics, supply chain and workforce constraints, and ongoing impacts from COVID-19.

DATED this 2nd day of August 2022.



Ed Jewell
Deputy City Attorney

CERTIFICATE OF SERVICE

I hereby certify that I have on this 2nd day of August 2022, served the foregoing documents on all parties of counsel as follows:

Jan Noriyuki
Commission Secretary
11331 W. Chinden Blvd., Bldg No. 8
Suite 201-A (83714)
PO Box 83720
Boise, ID 83720-0074
jan.noriyuki@puc.idaho.gov

- U.S. Mail
- Personal Delivery
- Facsimile
- Electronic Means w/ Consent
- Other: _____

Riley Newton
Deputy Attorney General
Idaho Public Utilities Commission
11331 W. Chinden Blvd., Bldg No. 8
Suite 201-A (83714)
PO Box 83720
Boise, ID 83720-0074
riley.newton@puc.idaho.gov

- U.S. Mail
- Personal Delivery
- Facsimile
- Electronic Means w/ Consent
- Other: _____

Lisa Nordstrom
Idaho Power Company
PO Box 70
Boise, ID 83707
lnordstrom@idahopower.com
dockets@idahopower.com

- U.S. Mail
- Personal Delivery
- Facsimile
- Electronic Means w/ Consent
- Other: _____

Connie Aschenbrenner
Zack Thompson
Idaho Power Company
PO Box 70
Boise, ID 83707
caschenbrenner@idahopower.com
zthompson@idahopower.com

- U.S. Mail
- Personal Delivery
- Facsimile
- Electronic Means w/ Consent
- Other: _____



Michelle Steel,
Paralegal, City of Boise