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January 24, 2023

VIA ELECTRONIC FILING

Jan Noriyuki, Secretary Idaho Public Utilities Commission 11331 W. Chinden Blvd., Bldg 8, Suite 201-A (83714) PO Box 83720 Boise, Idaho 83720-0074

> Re: Case No. IPC-E-22-24 In the Matter of the Application for a Modification to Add an Automatic Dispatch Option to the Company's Commercial & Industrial Demand Response Program, Schedule 82

Dear Ms. Noriyuki:

Attached for electronic filing, please find Idaho Power Company's Reply Comments in the above matter.

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

Very truly yours,

Megan Joicoechea Allen

Megan Goicoechea Allen

MGA:sg Attachments MEGAN GOICOECHEA ALLEN (ISB No. 7623) LISA D. NORDSTROM (ISB No. 5733) Idaho Power Company 1221 West Idaho Street (83702) P.O. Box 70 Boise, Idaho 83707 Telephone: (208) 388-5825 Facsimile: (208) 388-6936 mgoicoecheaallen@idahopower.com Inordstrom@idahopower.com

Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR MODIFICATION TO ADD AN AUTOMATIC DISPATCH OPTION TO THE COMPANY'S COMMERCIAL & INDUSTRIAL DEMAND RESPONSE PROGRAM - SCHEDULE 82.

CASE NO. IPC-E-22-24

IDAHO POWER COMPANY'S REPLY COMMENTS

COMES NOW, Idaho Power Company ("Idaho Power" or "Company"), pursuant to Idaho Public Utilities Commission ("Commission") Rule of Procedure 203 and the Notice of Modified Procedure, Order No. 35551, respectfully submits the following Reply Comments in response to Comments filed by the Commission Staff ("Staff") on January 10, 2023.

I. <u>REPLY COMMENTS</u>

In its Comments, Staff recommends the Commission grant the Company authorization to implement the Voluntary Automatic Dispatch Option for the Flex Peak Program.¹ More specifically, Staff makes the following recommendations:

¹ Staff Comments at 2.

1. That the Commission authorize the Company to modify Schedule 82, Flex Peak Program, of Idaho Power's I.P.U.C. No. 29 Tariff No.101, as filed; and

2. That the Company document instances when a customer is denied participation in a Demand Response ("DR") program, and instances when Load Control Devices ("LCDs") fail to communicate during an event.

The Company agrees with Staff's recommendations and appreciates the opportunity to offer these Reply Comments to briefly address, and hopefully alleviate, concerns raised by Staff.

A. <u>Unilateral Discretion to Deny Participation</u>

Staff states that it "is concerned with the Company's unlimited discretion to accept or deny participants and that the Tariff does not provide constraints for denying a customer's participation."² Staff also acknowledges that the Tariff language has been in place for all three DR programs prior to the Company's Application, and the Tariff language has not caused any issues thus far.³ The Company would like to reaffirm that even though the Tariff language provides Company discretion, that discretion will continue to be used in the best interest of all customers so that reliable load reduction during DR events is achieved.

The Company would also like to highlight that application denials are a rare occurrence for any of its DR programs. Specifically, for the Flex Peak program, the Company has only denied one application over the last two years, due to the customer

² Staff Comments at 3.

³ *Id.* at 4.

not meeting the eligibility requirements contained within Schedule 82⁴. In the event it is determined that the Automatic Dispatch Option may not work for an otherwise qualifying customer, the Company will provide the customer with the option of participating using the current manual option.

As Staff notes, while the Company has experience with LCDs in its two other programs, the configurations for potential Flex Peak participants are expected to vary by customer as compared to Idaho Power's A/C Cool Credit and Irrigation Peak Rewards programs – that is, the installation is on a single piece of equipment, A/C units and irrigation pumps respectively. For the Flex Peak Automatic Dispatch Option, each customer's setup is expected to differ in terms of the software, systems, hardware, and the equipment that will need to be configured to provide load reduction during DR events. Therefore, detailed coordination will be required with each customer. These complexities could make the Automatic Dispatch Option not feasible for some customers.

As for program application documentation, the Company has an existing applicant documentation process in place for all three of its DR programs that notes whether an applicant was accepted or denied. Staff's recommendation aligns with the Company's existing practices, and the Company will ensure the same documentation practices are implemented for the Automatic Dispatch Option.

B. <u>LCD Failures</u>

Staff also states it is concerned that LCD failures may not be resolved in a timely manner, and therefore, "Staff recommends that the Company investigate when failures

⁴ Customers must be capable of providing a minimum load reduction of 20 kW per Facility or an aggregate reduction of 35 kW if participating under the Aggregated Option per Schedule 82 Page 82-1. The customer did not meet the minimum load reduction requirements.

occur and that the Company document such failures, the nature of the problem(s), and the efforts to remedy the problem."⁵ Staff's recommendation is in line with existing Company practices, as it already has LCD documentation and remediation practices in place for its automated residential and irrigation DR programs. The Company commits to implement these practices for the Commercial & Industrial ("C&I") Automatic Dispatch Option as well.

II. CONCLUSION

Idaho Power appreciates Staff's support and confidence in the Company implementing an Automatic Dispatch Option to the C&I Flex Peak Program. As noted in its Application, the Company will need lead time to communicate and engage with customers regarding the Automatic Dispatch Option, complete the appropriate device testing to ensure the technology is working correctly from both the Company's and customer's perspective, and enroll customers in preparation for the 2023 DR season. As a result, the Company respectfully requests a final Commission determination by February 15, 2023, so that it has sufficient time to complete the steps necessary for a successful rollout of the Automatic Dispatch Option.

Idaho Power requests that the Commission issue an Order modifying Schedule 82, Flex Peak Program, of Idaho Power's I.P.U.C. No. 29 Tariff No.101, as filed and validate the Company's plan to document both denials of Automatic Dispatch Option applicants as well as LCD failures and associated remediation efforts as described herein.

⁵ Staff Comments at 4.

DATED at Boise, Idaho, this 24th day of January 2023.

Megan Joicoechea Allen

MEGAN GOICOECHEA ALLEN Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 24th day of January 2023, I served a true and correct copy of Idaho Power Company's Reply Comments upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff

Chris Burdin 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 Hand Delivered U.S. Mail Overnight Mail FAX FTP Site X Email: <u>Chris.Burdin@puc.idaho.gov</u>

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Stacy Gust, Regulatory Administrative Assistant