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IDAHO PUBLIC
UTILITIES COMMISSION

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March 15, 2023

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

Re: Case No. IPC-E-23-10
In the Matter of the Application of Idaho Power Company for a Determination
of 2022 Demand-Side Management Expenses as Prudently Incurred

Dear Ms. Noriyuki:

Attached for electronic filing is Idaho Power Company's Application and the Direct Testimony of Robert Z. Thompson in support of the Application in the above-entitled matter. Due to the voluminous nature of the attachments to the Application, the Company is posting the PDF files to the secure FTP site. The login information will be provided separately.

A Word version of the testimony will also be sent in a separate email for the convenience of the Reporter.

In addition, seven (7) copies of the Application, Direct Testimony, and the DSM 2022 Annual Report will be hand delivered to the Commission.

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

Sincerely,

Megan Goicoechea Allen

MGA:cd
Enclosures

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Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR A) CASE NO. IPC-E-23-10
DETERMINATION OF 2022 DEMAND-SIDE)
MANAGEMENT EXPENSES AS) APPLICATION
PRUDENTLY INCURRED.)
_____)

Idaho Power Company (“Idaho Power” or “Company”), in accordance with Commission Rule of Procedure¹ 52, *et. seq.*, and Order No. 29419,² submits its *Demand-Side Management 2022 Annual Report* (“DSM 2022 Annual Report”) and makes Application to the Idaho Public Utilities Commission (“Commission”) for an order designating Idaho Power’s expenditures of \$31,585,110 in Idaho Energy Efficiency Rider (“Rider”) funds and \$8,311,328 of demand response program incentives funded through base rates and tracked annually through the Power Cost Adjustment (“PCA”) mechanism,

¹ Hereinafter cited as RP.

² *In the Matter of the Petition Filed by Idaho Power Company for Modification to Two Prior Orders to Permit Consolidation of the Company’s Conservation and Demand Side Management (DSM) Reporting Requirement into a Single Consolidated Report*, Case No. IPC-E-03-19, Order No. 29419, p. 2 (Jan. 14, 2004).

for a total of \$39,896,437, as prudently incurred demand-side management (“DSM”) expenses.

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

I. INTRODUCTION

1. It is well-established that the Commission considers the promotion of cost-effective energy efficiency and demand-side management an integral part of least-cost electric service:³ “The Commission has consistently stated that cost-effective DSM programs are in the public interest and has admonished electric utilities operating in the state of Idaho to develop and implement DSM programs in order to promote energy efficiency.”⁴

2. Consistent with the Commission’s stance, Idaho Power considers energy efficiency and demand response to be an important and necessary part of a balanced approach to meeting system energy needs and endeavors to provide customers with programs and knowledge through its DSM programs to help them use electricity wisely. The Company’s energy efficiency portfolio includes a broad array of programs available to its customers in energy efficiency, demand response, and education.

3. Energy efficiency programs are available to all customer segments in Idaho Power’s service area and focus on reducing energy use by identifying homes, buildings, equipment, or components for which an energy-efficient design, replacement, or repair can achieve energy savings. Some energy efficiency programs include behavioral

³ *In the Matter of the Investigation of Financial Disincentives to Investment in Energy Efficiency by Idaho Power Company*, Case No. IPC-E-04-15, Order No. 30267, p. 13 (Mar. 12, 2007).

⁴ *In the Matter of the Idaho Power Company’s Application for an Order Designating the Energy Efficiency Rider Funds Spent by the Company During 2008-2009 as Prudently Incurred Expenses*, Case No. IPC-E-10-09, Order No. 32113, p. 8 (Nov. 16, 2010).

components. Savings from energy efficiency programs are measured on a kilowatt-hour (“kWh”) or megawatt-hour (“MWh”) basis.

4. The goal of Idaho Power’s demand response programs is to minimize or delay the need to build new supply-side peaking resources, and the demand response portfolio currently has a capacity of more than 8 percent of its all-time system peak load available to respond to a system peak load event during the summer. In 2022, the Company utilized all or portions of its three demand response programs: A/C Cool Credit, Flex Peak Program, and Irrigation Peak Rewards. Demand response is measured both by the actual demand reduction in megawatts (“MW”) achieved during events, as well as the potential demand reduction if all programs were used at full capacity.

5. The Company strives to ensure it offers DSM programs that offer value to its customers and increase the DSM savings available to it. The 2022 total savings, including savings from the Northwest Energy Efficiency Alliance (“NEEA”), was 169,889 MWh, which represents enough energy to power approximately 14,900 average homes in Idaho Power’s service area for one year. Direct Testimony of Robert Z. Thompson (“Thompson Testimony”) at 6-8. From its three demand response programs, Idaho Power achieved a total non-coincident demand reduction of 200 MW from an available capacity of 312 MW during the 2022 program season. Thompson Testimony at 10.

6. In addition to the education customers get through participation in specific incentive programs for energy efficiency, Idaho Power educates customers on energy efficiency in many other ways including presentations, trainings, workshops, trade shows, and through its distribution of an annual *Energy Efficiency Guide* that includes information on energy efficiency equipment and ways to use energy wisely. DSM 2022 Annual Report

at 16-19. The Company sponsors significant customer educational outreach and awareness activities, promotes codes and standards, and focuses marketing efforts on saving energy—none of which are quantified or claimed as part of Idaho Power’s annual DSM savings, but are likely to result in energy savings that accrue to Idaho Power’s electrical system over time. Thompson Testimony at 9.

7. As the Commission previously noted, “DSM benefits depend on constantly evaluating opportunities and identifying ways to improve available programs.”⁵ To this end, Idaho Power devotes significant resources to maintain and improve its energy efficiency and demand response programs and actively works to both improve the cost effectiveness of existing DSM programs and explore the addition of new DSM offerings for customers.

8. Idaho Power strives to ensure that DSM funds collected from customers are utilized to support the pursuit of cost-effective energy efficiency and demand response programs, with the limited exception of certain policy considerations. This goal is achieved by applying a multi-step process. Prior to the actual implementation of energy efficiency or demand response programs, Idaho Power performs a preliminary cost-effectiveness analysis to assess whether a potential program design or measure will be cost-effective from the perspective of customers as well as the Company. Idaho Power measures cost-effectiveness under three tests: the Utility Cost Test (“UCT”), the Total Resource Cost (“TRC”) test, and the Participant Cost Test (“PCT”). A review of each test allows for an economic assessment of the life-cycle costs and benefits of a DSM investment from the perspective of DSM program participants, Idaho Power, and non-participating customers.

⁵ *In the Matter of the Application of Idaho Power Company for a Determination of 2020 Demand-Side Management Expenses as Prudently Incurred*, Case No. IPC-E-21-04, Order No. 35270, p. 8 (Dec. 27, 2021).

Thompson Testimony at 16-17.

II. CONTENTS OF THE DSM 2022 ANNUAL REPORT

9. Idaho Power's DSM 2022 Annual Report is included as Attachment 1 to this Application. The DSM 2022 Annual Report satisfies the DSM reporting obligation set forth in Commission Order No. 29419 in Case No. IPC-E-03-19. The Company's actions, as detailed in the DSM 2022 Annual Report, demonstrate the conscientious work Idaho Power undertook to expend funds wisely to further DSM activities.

10. The DSM 2022 Annual Report consists of the main document (with appendices) and two supplements. The main report provides details for each of the Company's DSM programs including program descriptions, 2022 performance results, program activities, expenditures and cost-effectiveness ratios, marketing efforts, customer satisfaction, and evaluation results if applicable. *Supplement 1: Cost-Effectiveness* ("Supplement 1") to the DSM 2022 Annual Report provides detailed cost-effectiveness data for each program and includes a table that reports expenses by funding source and cost category. *Supplement 2: Evaluation* ("Supplement 2") to the DSM 2022 Annual Report contains copies of Idaho Power's program evaluations, customer surveys, reports, and research conducted in 2022. Each of these evaluations reflects Idaho Power's continued commitment to review and evaluate program value and cost effectiveness on an ongoing basis.

III. 2022 DSM PROGRAM PERFORMANCE

11. In 2022, Idaho Power offered its customers a broad portfolio of energy efficiency and demand response programs, participated in market transformation efforts through NEEA, and offered several educational initiatives and other activities. Table 1 on page 6 of the DSM 2022 Annual Report contains a list of Idaho Power's DSM programs

by sector, operational type, and location. The table illustrates the broad suite of programs that Idaho Power offers to its customers in energy efficiency, demand response, and education.

12. As explained in more detail in the Thompson Testimony filed contemporaneously with this Application, Idaho Power's annual energy savings combined with NEEA estimated annual energy savings resulted in an incremental energy efficiency savings of 19.4 average megawatt-hours ("aMW"), exceeding the economic technical achievable potential included in Idaho Power's 2021 Integrated Resource Plan ("IRP") of 16 aMW. Thompson Testimony at 7-8.

13. On a system-wide basis, Idaho Power achieved 169,889 megawatt-hours of incremental annual energy efficiency savings in 2022, which includes 145,440 MWh from Idaho Power's energy efficiency programs and an estimated 24,448 MWh⁶ of energy efficiency market transformation savings through NEEA initiatives. Thompson Testimony at 6-7. The 2022 savings results consisted of 28,525 MWh from the residential sector, 109,960 MWh from the commercial/industrial sector, and 6,955 MWh from the irrigation sector. DSM 2022 Annual Report at 14, Table 2.

14. 2022 savings increased by 26,968 MWh compared to the 2021 savings. The main drivers of the increased savings were the Commercial & Industrial ("C&I") Energy Efficiency Custom Projects, New Construction, and Retrofits options, which combined drove 53 percent of the increase in annual incremental savings. Other notable drivers were increases in savings associated with Home Energy Reports, Energy Efficient

⁶ Because Idaho Power will not receive final 2022 savings from NEEA until the second quarter 2023, the NEEA-attributable savings is an estimate provided to Idaho Power by NEEA.

Lighting, and Educational Distributions. Thompson Testimony at 8-9. Appendix 3 of the DSM 2022 Annual Report contains a complete list of program and sector-level savings.

15. Idaho Power successfully operated all three of its demand response programs in 2022. These programs have a capacity of over 8 percent of its all-time system peak load available to respond to a system peak load event during the summer-. Idaho Power achieved a total non-coincident demand reduction of 200 MW from a total available capacity of 312 MW during the 2022 program season. Thompson Testimony at 10. The amount of capacity available for demand response varies based on weather, time of year, and how programs are used or managed. The maximum capacity (312 MW) is calculated using the total enrolled MW from participants with an expected maximum realization rate for those participants. DSM 2022 Annual Report at 12-13.

16. For 2022, Idaho Power's energy efficiency portfolio was also cost-effective, resulting in a 2.02 benefit/cost ratio when evaluated from a UCT perspective, a 1.43 benefit/cost ratio when evaluated from a TRC test perspective, and 2.01 benefit/cost ratio when evaluated from a PCT perspective. Thompson Testimony at 6.

IV. 2022 DSM EXPENSES AND ADJUSTMENTS

17. Funding for the Idaho DSM programs in 2022 came from several sources. The Idaho Rider funds are collected directly from customers on their monthly bills at 3.10 percent of their base rate revenues. Additionally, the Idaho demand response program incentives are included in base rates and tracked annually through the PCA. Energy efficiency and demand response-related expenses not funded through the Rider are included in Idaho Power's ongoing operations and maintenance ("O&M") costs.

18. In 2022, the Company's total system-wide expenditures on DSM-related activities totaled \$42,963,579. DSM 2022 Annual Report at 14-15, Tables 2-4. This figure

includes expenditures for Oregon and other O&M expenses that are not before the Commission as part of this prudence request. In this filing, Idaho Power seeks a determination that a total of \$39,896,437 were prudently incurred in 2022 (\$31,585,110 in Rider expenses and \$8,311,328 in demand response program incentives). Thompson Testimony at 11. This is an increase of \$3,662,770, or 13 percent, in Rider-funded expenses compared to the DSM expenses reviewed in last year's prudence case, and this is primarily due to the increase in large projects participating in the C&I Program Custom Projects, New Construction, and Retrofits options with total expenses in those three options amounting to \$16,301,141 or \$1,925,959 more compared to 2021. Thompson Testimony at 11-12. A summary of the 2022 program expenditures by program, customer sector, and funding source for which the Company is seeking a prudence determination is provided as Exhibit No. 1 to the Thompson Testimony.

19. As more fully explained in the Thompson Testimony and summarized below, Idaho Power made three prior-year and three current-year accounting adjustments that were necessary to accurately account for the total 2022 DSM expenses for purposes of the prudence determination in this case. Thompson Testimony at 12-14. Idaho Power has included each of these adjustments in Exhibit No. 1 to the Thompson Testimony.

20. The first prior-year adjustment of \$1,044 was associated with the Commercial & Industrial program where an expense should have been charged to the Oregon Rider instead of the Idaho Rider in 2021; this amount must be added back to avoid understating the 2022 prudence request. The second prior-year adjustment of \$1,356 is associated with Idaho activity for the Residential New Construction Program that was incorrectly charged to the Oregon Energy Efficiency Rider in 2021. The

correction adding the expense to the Idaho Rider was made in 2022 and that amount therefore needs to be subtracted from the 2022 prudence request because it was already deemed prudent by the Commission in the 2021 request. The final adjustment of \$7,260 was associated with correcting a duplicate transaction. An amount of \$7,260 of Idaho Small Business Direct Install (“SBDI”) expenses had originally been charged to the Oregon Rider. When this was discovered in 2021, the Company transferred the amount to the Idaho Rider, but the transaction was duplicated adding the amount twice. The duplicate transaction was identified and reversed in 2022, and therefore, \$7,260 needs to be added back to avoid understating the 2022 prudence request. See Thompson Testimony at 13-14.

21. Three current year-end accounting adjustments to the Rider for 2022 were identified through Idaho Power’s review of end of year expenses and the corrections were made after the 2022 year-end financial books were closed. The first current-year adjustment results in a reduction of \$6,998, which was related to expenses associated with Commercial & Industrial Overheads that should have been charged to O&M, rather than the Idaho Rider. The second adjustment requires inclusion of \$1,289 associated with the Residential Energy Efficiency Education that was initially charged to O&M instead of the Idaho Rider. Finally, a reduction of \$89,680 was necessary to remove a program administration fee the Company paid in 2022 that was refunded in 2023 due to services not being rendered. See Thompson Testimony at 14.

22. When issuing its determination on the appropriate level of DSM-labor funded through the Rider in the 2019 DSM prudence evaluation, the Commission stated that Idaho Power “shall apply the 2 percent cap to actual average wages per [full-time

employee] going forward. The baseline for the 2 percent cap shall be the prior year's actual average wages per [full-time employee]."⁷ Idaho Power's Rider-funded DSM employee labor expense in 2022 totaled \$3,392,286. Thompson Testimony at 14-15. The Company is requesting \$3,381,085 in 2022 DSM labor expense be collected through the Rider. This amount is appropriately recovered through the Rider as it is the Commission's authorized labor cost cap; the actual 2022 DSM labor expense was \$11,201 over the cap as detailed in Table 2 of the Thompson Testimony.

V. DSM PROGRAM COST-EFFECTIVENESS AND EVALUATIONS

23. The DSM 2022 Annual Report and accompanying Thompson Testimony provides a sufficient basis for the Commission to determine whether Idaho Power's DSM expenses were prudently incurred.

24. Idaho Power reviews the cost-effectiveness results for each program and measure on an annual basis to determine whether a program should continue or be modified so it remains cost-effective on an ongoing basis.

25. To calculate cost-effectiveness, the DSM 2022 Annual Report uses benefit/cost methodologies used in previous DSM annual reports, including the UCT, the TRC test, and the PCT. A review of each test allows for an economic assessment of the lifecycle costs and benefits of a DSM investment from the perspective of Idaho Power, DSM program participants, and non-participating customers. Idaho Power calculates cost-effectiveness from the TRC test, UCT, and PCT perspectives at the program level except for those programs with no customer costs, in which case the PCT is not

⁷ *In the Matter of Idaho Power Company's Application for a Determination of 2019 Demand-Side Management Expenses as Prudently Incurred*, Case No. IPC-E-20-15, Order No. 34874, p. 5 (Dec. 18, 2020).

applicable. When an existing program or measure is not cost-effective, Idaho Power works with its Energy Efficiency Advisory Group (“EEAG”) to obtain input before making its determination on continuing, discontinuing, or modifying an offering. Thompson Testimony at 16-17. Cost-effective test methodologies are described in more detail in Supplement 1 to the DSM 2022 Annual Report.

26. While the Commission continues to assess the prudence of DSM investments under “the totality of the circumstances,” the Commission also believes that public utilities may “emphasize the UCT—and that test’s focus on Company-controlled benefits and costs—to argue whether programs were cost-effective.”⁸ Thompson Testimony at 18. Thus, the Company continues to conduct all three benefit/cost methodologies while using the UCT perspective as its primary test for evaluating program cost-effectiveness.

27. Supplement 1 to the DSM 2022 Annual Report includes detailed results of the cost-effectiveness tests by program and by measure. As shown in Supplement 1, the overall DSM portfolio achieved benefit/cost ratios greater than 1.0 from the perspective of all three cost-effectiveness tests. See *also* Thompson Testimony at Table 4 and Exhibit 2. Idaho Power’s cost-effectiveness test results for 2022 energy efficiency programs are summarized as follows:

Portfolio Basis. On a portfolio basis, Idaho Power’s energy efficiency programs are cost-effective, passing the UCT, TRC test, and PCT with ratios of 2.02, 1.43, and 2.01, respectively. The Company’s energy efficiency programs’ customer sector-level

⁸ *In the Matter of the Application of Idaho Power Company for a Determination of 2014 Demand-Side Management Expenditures as Prudently Incurred*, Case No. IPC-E-15-06, Order No. 33365, p. 9-10 (Aug. 28, 2015).

portfolios were also cost-effective from a UCT and PCT perspective with the Residential Sector having a TRC less than 1.0. Thompson Testimony at 19, Table 4.

Program Basis. On an individual program basis, 9 of the 17 energy efficiency programs offered in Idaho for which the Company calculates cost-effectiveness had benefit/cost ratios greater than 1.0 under the UCT. Thompson Testimony at 21. The following programs were not cost-effective under the UCT in 2022:

- *Energy House Calls:* As currently structured, it was determined that the Energy House Calls program would not be cost-effective going forward. After consultation with EEAG, Idaho Power decided to discontinue the Energy House Calls program, which it did on June 30, 2022. Thompson Testimony at 23-24.
- *Heating & Cooling Efficiency Program (H&CE):* In 2022, the program was just slightly under 1.0 from the UCT prospective, and this was primarily driven by the evaluation costs the program absorbed associated with the 2021 impact and process evaluation that was completed in 2022. If the evaluation costs are removed, the UCT ratio for the program would be 1.00, and additionally, the Company expects to make several program changes in 2023. Idaho Power believes the program will be cost-effective in the future but will continue to monitor the Heating and Cooling Efficiency Program's cost-effectiveness and will consult with EEAG prior to making any future program decisions. Thompson Testimony at 28.
- *Home Energy Reports:* The Home Energy Report program achieved a one-year UCT of 0.71 and a TRC of 0.79, which was an improvement from the 2021 one-year UCT and TRC ratios of 0.57 and 0.62 respectively. The Company also

calculated a life cycle cost-effectiveness for the program that results in a UCT of 1.17 and a TRC of 1.29. The life cycle cost-effectiveness uses savings generated through 2026. The Company believes the program will be cost effective in 2023 because of the additional capacity benefits that are included in the 2021 IRP avoided costs. Thompson Testimony at 26-28.

- *Multifamily Energy Savings*: As currently structured, it was determined that the Multifamily Energy Savings program would not be cost-effective going forward. After consultation with EEAG, the Company decided to discontinue this program, which it did on December 31, 2022. Idaho Power will continue to evaluate potential program structures with the objective of increasing the availability of cost-effective offerings to customers with manufactured homes and multifamily dwellings Thompson Testimony at 23-24.
- *WAQC and Solutions*: Two programs that scored less than 1.0 under the UCT were the Company's Weatherization Assistance for Qualified Customers ("WAQC") and Weatherization Solutions for Eligible Customers ("Solutions"). While these programs are not cost-effective under the UCT, Idaho Power will continue to offer these programs to its limited-income customers unless the Commission directs otherwise. Thompson Testimony at 22-23. Idaho Power will also continue to work with EEAG and weatherization managers to identify opportunities that might improve the cost-effectiveness of these programs.
- *Commercial Energy-Saving Kits ("CSKs")*: The Company will discontinue its CSKs in 2023 due to the decline in lighting savings caused by the Energy Independence and Security Act of 2007 lighting standards taking effect, at which point certain

lighting savings will no longer be claimed by utility programs. Therefore, the Company will be ending the CSK offering on June 30, 2023. Thompson Testimony at 25-26.

- *SBDI*: The SBDI program had a defined time-period in which the program was offered based on the contractual agreement with the third-party vendor completing the work. All of the program savings come from lighting measures, and the program was originally intended to be offered for a limited time from November 2019 to December 2022 (it was extended to March 2023 due to delays caused by COVID-19). The program was successfully utilized by customers throughout the entirety of the Company's service area. The Company does not expect a renewed contract with the existing vendor that would result in a cost-effective program, and as a result, it is not proposing to continue the offering at this time. Thompson Testimony at 24-25.

Measures Basis. In 2022, Idaho Power evaluated the benefits and costs of 300 measures. Thompson Testimony at 21. The results of these calculations, along with measure assumption details and source determination, can be found in Supplement 1 to the DSM 2022 Annual Report.

28. For 2022, Idaho Power determined the cost-effectiveness of its demand response programs based on the methodology approved in Order No. 35336 and more fully described in the Thompson Testimony at 29-31. In 2022, the system-wide cost of operating the three demand response programs was approximately \$9.9 million (\$8.7 million of incentives and \$1.2 million of other costs). The amounts attributable to the Idaho-only jurisdiction were \$9.4 million (\$8.3 million of incentives and \$1.1 million of

other costs). All of the Company's demand response programs, as well as the demand response portfolio, were under the 2022 threshold of \$82.91 and therefore cost-effective. Thompson Testimony at 30-31.

29. Program Evaluations. In addition to the annual cost-effectiveness analysis the Company conducts for each program, the results of which are included in Supplement 1 to the DSM 2022 Annual Report, Idaho Power solicits and contracts with independent third-party consultants to provide program evaluations. Idaho Power uses the results of these evaluations to improve its DSM programs, compare Company processes to industry best practices, and benchmark reported program savings. In 2022, Idaho Power contracted with several third-party evaluators to conduct impact and process evaluations as follows:

- Impact and process evaluations on Commercial Energy-Savings Kits, C&I New Construction, and C&I Retrofits programs; and
- Impact evaluation on Home Energy Reports.

In addition to these third-party evaluations, Idaho Power completed internal analyses of the Irrigation Peak Rewards, Flex Peak, and A/C Cool Credit demand response programs. Thompson Testimony at 32-33. The final reports for these evaluations are included in Supplement 2 to the DSM 2022 Annual Report.

30. As previously directed by the Commission, the Company has been working with Avista Corporation for purposes of conducting an independent Evaluation, Measurement, and Verification ("EM&V") of NEEA savings and cost-effectiveness.⁹ In part, the scope of the evaluation includes clarifying the savings NEEA claims, verifying

⁹ Case No IPC-E-21-04, Order No. 35270, p. 9.

the allocation of savings to NEEA member utilities, and determining the cost-effectiveness of the savings for the member utilities based on the utilities' DSM avoided cost. Because the report was not complete prior to the preparation of this case, Idaho Power anticipates filing a supplemental application by no later than the end of June 2023 to file the report with the Commission. At the time of the supplemental application, Idaho Power will identify its near-term plan associated with addressing any findings. Thompson Testimony at 34-35.

VI. STAKEHOLDER INPUT

31. Idaho Power relies on input from EEAG to provide a customer and public interest review of energy efficiency and demand response programs and expenses. EEAG provides input on enhancing existing DSM programs and on implementing new DSM programs. Currently, EEAG consists of members representing a cross-section of customers from the residential, industrial, commercial, and irrigation sectors, as well as representatives for low-income individuals, environmental organizations, state agencies, public utility commissions, and Idaho Power. Thompson Testimony at 35.

32. The EEAG generally meets quarterly in-person at Idaho Power's corporate offices and through webinars as needed. All EEAG meetings were held virtually in 2022, and the Company believes the member participation and input remained strong in the virtual format. Specifically, Idaho Power worked with EEAG on developing, designing, and promoting several projects related to energy efficient lighting, heating & cooling efficiency, and welcome kits. Thompson Testimony at 35-37.

VII. MODIFIED PROCEDURE

33. Idaho Power believes that a technical hearing is not necessary to consider

the issues presented herein and respectfully requests that this Application be processed under Modified Procedure, i.e., by written submissions rather than by hearing. RP 201, *et. seq.* Idaho Power has, however, contemporaneously filed the Thompson Testimony in support of this Application. The Company stands ready to present the testimony supporting this Application in a technical hearing if the Commission determines such a hearing is required.

VIII. COMMUNICATIONS AND SERVICE OF PLEADINGS

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

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IX. CONCLUSION

35. As described in greater detail above, in 2022, the Company believes that it was successful in achieving prudent cost-effective energy efficiency savings and providing useful and cost-effective demand response programs as determined by the IRP planning process. As such, Idaho Power respectfully requests that the Commission issue an order: (1) authorizing that this matter be processed by Modified Procedure and (2) designating Idaho Power's 2022 DSM expenses of \$39,896,437 as prudently incurred.

Respectfully submitted this 15th day of March 2023.

A handwritten signature in black ink that reads "Megan Goicoechea Allen". The signature is written in a cursive, flowing style.

MEGAN GOICOECHEA ALLEN
Attorney for Idaho Power Company