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IDAHO PUBLIC
UTILITIES COMMISSION

MEGAN GOICOECHEA ALLEN
Corporate Counsel
mgoicoecheaallen@idahopower.com

October 2, 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-23-24
Application for Modifications to the Company's Commercial & Industrial
Demand Response Program, Schedule 82

Dear Ms. Noriyuki:

Attached for electronic filing is Idaho Power Company's Application in the above-entitled matter.

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

Sincerely,

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

Megan Goicoechea Allen

MGA:cd
Enclosures

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) 388-2664
 Facsimile: (208) 388-6936
mgoicoecheaallen@idahopower.com
lnordstrom@idahopower.com

Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)	
COMPANY'S APPLICATION FOR)	CASE NO. IPC-E-23-24
MODIFICATIONS TO THE COMPANY'S)	
COMMERCIAL & INDUSTRIAL DEMAND)	APPLICATION
RESPONSE PROGRAM, SCHEDULE 82)	
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Idaho Power ("Idaho Power" or "Company") respectfully applies to the Idaho Public Utilities Commission ("Commission") pursuant to *Idaho Code* §§ 61-503 and -507 and Commission Rule of Procedure¹ 52, for authority to modify Schedule 82, Flex Peak Program, of Idaho Power's I.P.U.C No. 29 Tariff No. 101 ("Schedule 82"). The Flex Peak Program ("Flex Peak" or "Program") is the Company's Commercial & Industrial ("C&I") demand response ("DR") program used to reduce summer electricity demand during times of system need. As more fully set forth below, in this application, Idaho Power proposes to (1) modify the incentive payment structure, (2) add a Performance Waiver

¹ Hereinafter cited as RP.

for customers participating in the Automatic Dispatch Option when a Load Control Device fails, (3) adjust the “Day of” Load Adjustment definition, and (4) implement an advance notification option for customers that participate with 3 megawatts (“MW”) or more of nominated load reduction. Each of the proposed changes are intended to incentivize customers to participate throughout the entire DR season, facilitate increased and/or retain participation, and ultimately provide additional cost-effective capacity that can be dispatched to meet system needs.

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

I. BACKGROUND

1. Idaho Power is a public utility supplying retail electric service to more than 610,000 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 in its Oregon service area.

2. Purpose of DR. To minimize or delay the need for new supply-side resources, the Company’s DR programs are designed to be available to meet potential system capacity deficits during high-risk time periods 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 acquiring a supply-side resource that would only be necessary for a small number of hours.

3. DR Programs Offered. Idaho Power’s DR portfolio has three optional programs with one available to each of the three major customer segments. These

programs represent approximately 8 percent of Idaho Power's system peak and comprise one of the largest utility DR portfolios in the nation proportionate to peak demand.

- **The residential Air Conditioner ("A/C") Cool Credit Program (Schedule 81)** was started as a pilot in 2002 and was fully implemented in 2003. Customers' A/C units, or heat pumps, are controlled using Load Control Devices that communicate via powerline carrier, and the A/C units are cycled by the Company during Load Control Events to reduce load.
- **The Commercial & Industrial Flex Peak Program (Schedule 82)** 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") can either manually reduce their nominated load when the Company calls Load Control Events or use Load Control Devices to automatically reduce their nominated load.
- **The Irrigation Peak Rewards Program (Schedule 23)** 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 to turn off irrigation pumps when the Company calls Load Control Events.

4. 2021 DR Program Modifications. In Case No. IPC-E-21-32, the Company proposed to modify all three of its DR programs to better meet system capacity needs through program parameter updates and to supersede the 2013 Settlement Agreement that had several program restrictions which the Company was operating the DR programs

under.² The Commission approved the modifications in Order No. 35336,³ and the 2022 DR season was the first season that the DR programs operated with the updated parameters.

5. 2022 Flex Peak Automatic Dispatch Option. On September 15, 2022, Idaho Power requested to add a voluntary Automatic Dispatch Option to the Flex Peak Program in Case No. IPC-E-22-24, similar to that of the A/C Cool Credit and Irrigation Peak Rewards programs. Like the other DR programs, the option involves installing a Load Control Device on-site either directly on the participating customer's equipment, connected to a customer's energy management or building management system, or possibly both. When a DR Load Control Event is called, the Company sends a signal to the device(s) at the start of the event to trigger load reduction protocols at the customer's facilities. The purpose of adding the Automatic Dispatch Option was to make it easier for customers to participate and increase Program capacity as short-term capacity deficits were identified starting in 2023 in the Company's 2021 Integrated Resource Plan ("IRP"). The proposal did not impact the availability of the Manual Dispatch Option, and current and potential customers are still able to participate in the Flex Peak Program manually if preferred. The Commission approved the Company's proposal in Order No. 35677 on February 3, 2023, and the Company had one customer sign up for the Automatic Dispatch Option ahead of the 2023 DR season. Idaho Power was also able to expand its own participation in the Flex Peak Program by utilizing a Load Control Device to control

² See *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).

³ *In the Matter of Idaho Power Company's Application for Approval to Modify its Demand Response Programs*, Case No. IPC-E-21-32, Order No. 35336 (Mar. 4, 2022).

multiple facilities during Load Control Events.

6. Flex Peak Program Capacity. As described above, certain parameters of the Flex Peak Program were modified in Case Nos. IPC-E-21-32 and IPC-E-22-24 with the changes going into effect ahead of the 2022 and 2023 DR seasons, respectively. It is not uncommon for the Flex Peak Program to gain or lose a few participants each year, and at the end of 2022, there were 159 participating sites and 30 MW enrolled on Idaho Power's system as compared to 139 sites and 36 MW enrolled at the end of 2021.⁴ At the start of the 2023 DR season, 271 participating sites were enrolled with approximately 40 MW of capacity. Idaho Power looks to increase participation/capacity with the proposed Program updates presented in this case.

7. 2023 Flex Peak Season Performance. The Program's results are reported annually in a program-specific end-of-season report contained in Supplement 2 of the Demand-Side Management ("DSM") Annual Report. The end-of-season report contains load reduction performance by event, realization rates, participant counts, etc. During the Program's 2023 season, the Company called three (3) Flex Peak DR events with an estimated actual maximum load reduction of 35 MW. The full 2023 Program season results will be published in March of 2024 when the Company files its 2023 DSM Annual Report.

8. Incentive Adjustment Penalty. Currently, customers that participate in the Flex Peak Program nominate on a weekly basis the load they are willing to reduce if a Load Control Event is called, and their performance based on achieving their nominated load reduction is factored into their incentive payments. Customers receive a fixed

⁴ DSM 2022 Annual Report at 133.

incentive payment of \$3.25 per kW of weekly nominated load and an Incentive Adjustment penalty of \$2.00 per kW per hour is applied to the kW of nomination a customer did not meet. For example, if a customer nominates 100 kW and their actual performance is 80 kW per hour for a 4 hour event, the customer would receive a fixed incentive of \$325 (100 kW x \$3.25) for that week, the Incentive Adjustment penalty of \$160 (20 kW x \$2.00 x 4 hours) would be subtracted from their fixed incentive payment as a result of not meeting the nominated load. As demonstrated by the example, under the current structure, a customer earns about 51 percent of their fixed incentive based on an actual performance level of 80 percent of their nomination. This Incentive Adjustment penalty structure was originally designed as a punitive measure to incentivize customers to provide reliable load reduction based on their nominations. However, as explained in more detail below, the current structure can eliminate a customer's entire incentive payment even if a customer performs well in several Load Control Events but has poor performance in others during the DR season. Therefore, the Company proposes to replace the Incentive Adjustment penalty structure with a tiered Fixed Capacity Payment Rate structure that pays customers based on their average season performance when Load Control Events are called. If a customer provides load reduction, they will be compensated for their load reduction based on the average percentage level in which they met their nominations during Load Control Events throughout the entire DR season.

II. TIERED FIXED CAPACITY PAYMENT RATE STRUCTURE

9. Proposed Tiered Fixed Capacity Payment Rate. Idaho Power proposes to remove the Incentive Adjustment penalty that is currently in Schedule 82 and instead

modify the Fixed Capacity Payment Rate to have a tiered structure based on a customer's Average Season Performance Percentage, as outlined in Table 1 below.

Table 1: Tiered Fixed Capacity Payment Rate Structure

<i>Average Season Performance Percentage</i>	<i>Fixed Capacity Payment Rate per kW</i>
75% - 120%	\$3.25
50% - 74.99%	\$2.44
25% - 49.99%	\$1.63
Greater than 0% - 24.99%	\$0.81

Instead of being penalized with a \$2.00 per kW per hour Incentive Adjustment, the Company proposes to reduce the Fixed Capacity Payment Rate by the percentage of non-performance in each tier. If a customer performs on average between 75 and 120 percent of their Nominated kW during event weeks, the customer earns the full Fixed Capacity Payment Rate of \$3.25 per kW per week. If a customer performs on average between 50 and 74.99 percent of their Nominated kW during event weeks, the full Fixed Capacity Payment rate of \$3.25 is reduced by 25 percent to \$2.44 per kW. With the 25 to 49.99 percent tier seeing a 50 percent reduction to \$1.63 per kW, and the Greater than 0 to 24.99 percent tier seeing a reduction of the full rate by 75 percent to \$0.81 per kW per week. Whichever tier the customer falls into, that rate is then multiplied by their Average Actual kW Reduction and the total number of weeks in the DR season to get the final Fixed Capacity Payment (Average Actual kW Reduction x Fixed Capacity Payment Rate x Number of Weeks in Program Season = Fixed Capacity Payment).

10. Key Objectives of the Tiered Approach. The Company believes that the proposed tiered approach accomplishes four key objectives.

1) The tiers allow for customer performance flexibility. Most customers participate in the Manual Dispatch Option, and based on their unique individual business

operations/equipment configurations, it can be difficult for a customer to meet their exact nomination for the entirety of each event. The current Incentive Adjustment is applied even if a customer misses their nomination by 1 kW where the proposal pays an incentive based on a range of performance.

2) Incentivizes customers to provide load reduction throughout the entire DR season. The current Incentive Adjustment has the ability to reduce a customer's total incentive to zero even if a customer performs well during some events but poorly in others as shown in the actual customer examples included in Attachment 1. As shown in Customer Example D in Attachment 1, the customer earned nothing even though their Average Season Performance Percentage was 64 percent. Under the proposal, the same customer would have earned \$646.50, which is about 38 percent of the maximum incentive the customer would have earned if they performed at the 100 percent level for the entire DR season. Under the current structure, if a customer performs poorly early on in the season, they are no longer incentivized to participate, because they may be unable to make up the Incentive Adjustment penalty, or the value of the total incentive after they make up the Incentive Adjustment penalty may be too low to make it worth their effort. The proposal will pay an incentive for any load reduction achieved, which incentivizes customers to perform throughout the entire DR season.

3) More accurately compensates customers based on their actual performance when consistently performing close to their Nominated kW. As shown in Customer Example A in Attachment 1, the customer would earn 95 percent of their maximum incentive for an Average Season Performance Percentage of 96 percent as

opposed to only earning 89 percent under the current Incentive Adjustment structure.

4) Increases customer understandability of the overall compensation structure. As highlighted in the third key objective, it is easier for a customer to understand that they will earn approximately 95 percent of their maximum incentive if they have a 95 percent average performance level. For customers that have Average Season Performance Percentages in the lower tiers, below 75 percent, they will receive an incentive for any load reduction they provide. This is an important program design consideration, given customers that reduce load are disrupting their normal operations. This proposal ensures customers are compensated even if the load reduction is minimal.

III. OTHER SCHEDULE 82 UPDATES

11. Proposed Schedule 82 Changes. Attachment 2 to this Application includes both the clean and legislative versions of the proposed Schedule 82.

12. Performance Waiver. Currently customers participating in the Automatic Dispatch Option can have the Incentive Adjustment waived if a Load Control Device on their equipment fails to operate. With the proposed removal of the Incentive Adjustment, the Company proposes to replace the Incentive Adjustment Waiver with a Performance Waiver for Automatic Dispatch Option participants where if Load Control Device fails to operate, the Company has the ability to waive the customer's weekly participation requirement. That way a customer's Fixed Capacity Payment is not affected if a device fails when the Company calls a Load Control Event. For example, if a Participant's Load Control Device fails during an event, the Participant receives a Performance waiver for

that event, and there were a total of five Load Control Events during the Program Season, the calculations for Average Actual kW Reduction, Average Season Performance Percentage, Event Average Nomination, and ultimately the Fixed Capacity payment will be based on the four Load Control Events where the Performance Waiver was not applied.

13. “Day of” Load Adjustment Outage Update. Idaho Power proposes to update to the “Day of” Load Adjustment definition to include a contingency when there is an outage during a day a Load Control Event is called. The proposed language is as follows: “The Company may adjust the Participant’s “Day of” Load Adjustment if a planned or unplanned outage occurs during the day of a Load Control Event.” While these situations do not occur frequently, the Company believes this provision is important and provides the Company flexibility to accurately calculate load reduction and customer incentives if this situation were to occur.

14. Advance Notification Option. The Company proposes to add a limited Advance Notification Option beyond the 4-hour notification limit currently outlined in Schedule 82 for customers that can nominate 3 MW or more of load reduction. Customers with this amount of load have the potential to nominate a large portion, or potentially all, of their operations during events. For customers that desire to pursue the Advance Notification Option, the Company will evaluate these potential large customers on a case by case basis to determine if their load profiles and/or operations would warrant advance notification.

15. The Company is aware that event cancellations may have a negative impact on a customer’s Program experience and it endeavors to minimize event cancellations

and keep customers informed. The Company continues to believe the 4-hour notice adequately balances customers' interest in flexibility with the operational considerations of the Company's Load Servicing Operations ("LSO"), who are often making decisions in real-time about system needs, and therefore remains appropriate for the general operation of the Program. However, the company believes having the limited ability to offer additional Load Control Event notice to large load customers that elect and qualify for the Advance Notification Option may incentivize current participants to nominate more load and/or incentivize non-program participants to enroll in the Flex Peak Program.

16. Definitions and Other Schedule 82 Updates. The Company also proposes to add the definitions of Average Actual kW Reduction, Event Performance Percentage, Average Season Performance Percentage, Event Average Nomination, and Performance Waiver and remove the definitions of Nominated kW Incentive Adjustment and Weekly Effective kW Reduction as well as several other minor updates related to the proposed changes. These new definitions and updates add clarity to the schedule associated with the proposed changes in this filing.

IV. COST-EFFECTIVENESS & STAKEHOLDER ENGAGEMENT

17. Based on estimated 2022 DR season costs of \$44 per kW per year and the \$51.42⁵ cost-effectiveness threshold calculated in the Company's filing in IPC-E-21-32, Idaho Power is confident the proposed changes will not impact the cost-effectiveness of the Flex Peak Program. None of the changes will allow customers to earn more than the estimated maximum \$44 per kW per year threshold because the maximum incentive amounts are not changing (\$3.25 per kW Fixed Capacity Payment Rate). In 2022, Idaho

⁵ Case No. IPC-E-21-32, Nesbitt Direct (Oct. 1, 2021) at 33.

Power incurred costs of \$23.34 per kW per year⁶ for the Flex Peak Program, and this was largely due to the Incentive Adjustment penalties customers incurred. Under the proposed structure, costs would have been approximately \$37 per kW per year. Customers would have been compensated for their actual load reduction, and the Company believes customers would have had an overall better experience further incentivizing them to participate and stay in the Program.

18. Stakeholder Engagement. At the August 17, 2023 Energy Efficiency Advisory Group (“EEAG”) meeting, the Company presented its Tiered Fixed Capacity Rate proposal to EEAG. One EEAG member suggested applying the tiered methodology on a per event basis rather than using the Average Actual kW Reduction when calculating final incentive payments. Prior to finalizing its recommendation in this case, the Company evaluated the member’s suggestion to determine the feasibility of implementing the alternative application of the methodology. As shown in Attachment 3, and using the same Customer Examples from Attachment 1, applying the Tiered Fixed Capacity Rate on a per event basis does not materially change a customer’s event week Fixed Capacity Payment for customers with consistently high levels of performance but isn’t as punitive as the proposed calculation in the lower tiers below a 75 percent Average Season Performance Percentage. The Company believes that using the Average Actual kW Reduction to calculate the final incentive payment incentivizes customers to provide reliable load reduction throughout the entire demand response season so that their Average Season Performance Percentage, and therefore their Fixed Capacity Payment Rate, is the highest it can possibly be. Idaho Power also believes its proposal incentivizes

⁶ DSM 2022 Annual Report at 135.

customers to participate when events are called later in the season. Beyond the aforementioned feedback, EEAG stakeholders were supportive of the Company's Tiered Fixed Capacity Rate proposal.

19. Increased Participation. As part of the 2023 IRP, the Company identified approximately 160 MW of new DR potential with 20 MW identified by 2029.⁷ Idaho Power believes the Flex Peak Program updates proposed in this case will help increase customer participation/capacity in the Program to assist in meeting the needs identified in the IRP.

V. COMMUNICATIONS

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

Megan Goicoechea Allen
Lisa Nordstrom
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707

mgoicoecheaallen@idahopower.com
lnordstrom@idahopower.com
dockets@idahopower.com

Connie Aschenbrenner
Zack Thompson
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707

caschenbrenner@idahopower.com
zthompson@idahopower.com

VI. MODIFIED PROCEDURE

21. 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.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to prepare and present its testimony in such hearing.

⁷ *In the Matter of Idaho Power Company's 2023 Integrated Resource Plan*, Case No. IPC-E-23-23, IRP 2023 (Sept. 29, 2023) at 6.

VII. REQUEST FOR RELIEF

22. Idaho Power seeks to implement the updates described above for the 2024 demand response season that begins on June 15, 2024. A Commission order received by April 15, 2024, along with a revised Schedule 82 effective coincident with a Commission order, would best position the Company to implement and market the proposed changes ahead of the 2024 demand response season.

23. For the reasons set forth above, Idaho Power respectfully requests that the Commission approve the proposed updates to the Flex Peak Program and the associated modifications to Schedule 82.

DATED at Boise, Idaho, this 2nd day of October 2023.



MEGAN GOICOECHEA ALLEN
Attorney for Idaho Power Company

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-23-24

IDAHO POWER COMPANY

ATTACHMENT 1

SEE ATTACHED EXCEL SPREADSHEET

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-23-24**

IDAHO POWER COMPANY

ATTACHMENT 2

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 Load Control Events or to allow the Company to send a signal to automatically initiate a Load Control Event with the use of one or more Load Control Devices. 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, amount of capacity provided at a Facility Site, availability of Program equipment, facility system configuration, or electric system configuration.

To participate in the Program, a Customer must sign and return the Program Application/Agreement and worksheet provided by the Company specifying the Facility Site(s), the preferred Interruption Option, and the initial Nominated kW for each Facility Site 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 the Aggregated Option is requested, this should be specified on the Program Application/Agreement. 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/Agreement. Notification of Program Acceptance will include a listing of the Facility Sites that have been enrolled.

PROGRAM DESCRIPTION

The Company will initiate Load Control Events for a maximum of 60 hours during June, July, August, and September. During Load Control Events, Participants will be expected to reduce load at their Facility Site(s), and load reduction may be initiated manually or automatically depending on the Interruption Option designated for the 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 Load Control 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. In instances where a Facility Site's actual hourly usage exceeds the Adjusted Baseline kW, the hourly reduction will be treated as 0 kW. Actual kW Reduction cannot exceed 120% of Nominated kW per Load Control Event.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

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.

Average Actual kW Reduction. The average Actual kW Reduction for all Load Control Events in a Program Season.

Average Season Performance Percentage. The average of the Event Performance Percentages during the Program Season.

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 Load Control Event hour by the Original 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 Usage Days or the hours during the event day prior to event notification. The Company may adjust the Participant’s “Day of” Load Adjustment if a planned or unplanned outage occurs during the day of a Load Control Event.

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

Event Average Nomination. The average Nominated kW for a Participant during weeks Load Control Events are called.

Event Performance Percentage. The Actual kW Reduction divided by the Nominated kW for a Load Control Event.

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.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

Fixed Capacity Payment. The Average Actual kW Reduction multiplied by the Fixed Capacity Payment Rate determined by the Average Season Performance Percentage (as described in the Incentive Structure section) and then multiplied by the number of weeks in a Program Season. *Average Actual kW Reduction x Fixed Capacity Payment Rate x Number of Weeks in a Program Season = Fixed Capacity Payment.*

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 Load Control 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.

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 loads either manually or with the use of one or more Load Control Devices.

Nominated kW. The amount of load expressed in kW that a Facility Site commits to reduce for a Load Control Event. Customers can adjust their Nominated kW on a weekly basis.

Notification of Program Acceptance. Written confirmation from the Company to the Participant based on the Program Application Agreement submitted by the Customer. The Notification of Program Acceptance will confirm each Facility Site enrolled in the Program, the initial Nominated kW amount for each Facility Site, and the Interruption Option 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.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

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.

Performance Waiver. The ability for the Company to remove a Participant's performance during a Load Control Event as to not affect the calculation of a Participant's Fixed Capacity Payment.

Program Application/Agreement. Written form submitted by a Customer who requests to enroll a Facility Site in the Program that is signed by the Customer or a duly authorized representative certifying agreement with the Program's terms and conditions.

Program Season. June 15th through September 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 Load Control Event beyond the first four Load Control 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 Load Control Events.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

LOAD CONTROL EVENTS

The Company will dispatch Load Control Events on Business Days during the Program Season between the hours of 3:00 p.m. and 10:00 p.m. MDT. Load Control 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 Load Control Events. Participating Customers will receive notification on or about four hours prior to the Load Control Event. The Company will provide notice of a Load Control 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/Agreement. If prior notice of a pending Load Control Event has been sent, the Company may choose to revoke the Load Control Event initiation and will provide notice to Participants no less than 30 minutes prior to the Load Control Event.

INTERRUPTION OPTIONS

At the Participant's election, and subject to Company discretion, participation in the Program may occur via one of the following Interruption Options:

Manual Dispatch Option. Customers are eligible to manually control their Facility Site(s). Under the Manual Dispatch Option customers have the flexibility to choose which loads will be interrupted during each dispatched Load Control Event.

Automatic Dispatch Option. A dispatchable Load Control Device, provided and installed by the Company or its representative, will be connected to the electrical panel(s) serving the loads associated with the Facility Site(s) enrolled in the Program. The Load Control Device utilized under the Automatic Dispatch Option will provide the Company the ability to send a signal intended to interrupt operation of a particular load or service during dispatched Load Control Events. In lieu of the Company or its representative installing the Load Control Device at the Company's expense, the Participant may elect to hire a licensed electrician, at the Participant's expense, to install the Load Control Device in accordance with the National Electrical Code ("NEC") and any Idaho Power or manufacturer specifications or requirements.

REQUIREMENTS OF PARTICIPATING FACILITIES

Participants will have the flexibility to choose what equipment will be used to reduce the Nominated kW during each Load Control Event. Participants must notify the Company of their Nominated kW via the Program Application/Agreement. Once the Program Season begins, the Participant must submit the nomination change request form online (located at www.idahopower.com/flexpeak) via email by Monday at 10:00 a.m. MDT to notify of any changes in Nominated kW. The Nominated kW may be raised or lowered each week without restriction.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

INCENTIVE STRUCTURE

Incentive payments will be determined based on a Fixed Capacity Payment, and a Variable Energy Payment, t. 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.

The Fixed Capacity Payment Rate will be determined by the Average Season Performance Percentage during the Program Season. For example, if a Participant's Average Season Performance Percentage is 65 percent, then their Fixed Capacity Payment Rate is \$2.44 per kW.

<u>Average Season Performance Percentage</u>	<u>Fixed Capacity Payment Rate per kW*</u> (*to be prorated for partial weeks)
75% - 120%	\$3.25
50% - 74.99%	\$2.44
25% - 49.99%	\$1.63
Greater than 0% - 24.99%	\$0.81

<u>Variable Energy Payment Rate*</u> (*does not apply to first four Load Control Events)
\$0.20 per kWh

At its discretion, the Company may apply a Performance Waiver should it be determined that, at no fault of the Participant, the Load Control Device utilized for the Automatic Dispatch Option did not work during a Load Control Event.

TERMS AND CONDITIONS

Upon acceptance into the Program, Participants agree to the provisions of this Schedule and to the following terms and conditions:

1. Once accepted into the Program, Participants will automatically be re-enrolled each year thereafter unless notice of termination is given by the other party.
2. Both the Company and the Participant may terminate participation in the Program at any time by notifying the other party in writing.
3. 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. If Program participation is terminated, the Participant may not re-enroll the Facility Site(s) into the Program until the following calendar year.
4. The Company retains the sole right to determine the criteria under which a Load Control Event is called and the decision of whether to call for, initiate, or cancel a Load Control Event shall be at the Company's sole discretion.

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

TERMS AND CONDITIONS (Continued)

5. 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, amount of capacity provided at a Facility Site, availability of Program equipment, facility system configuration, or electric system configuration.
6. Participants that choose to participate in the Program under the Automatic Dispatch Option grant the Company or its representative permission, on reasonable notice, to enter the Customer's enrolled Facility Site(s) to install, service, maintain, and/or remove Load Control Device(s) on the electrical panel that services the anticipated load reduction. The Company retains the sole right for its employees and its representatives to install or not install Load Control Devices on the Customer's electrical panel at the time of installation depending on, but not limited to, safety, reliability, or other issues that may not be in the best interest of the Company, its employees, or its representatives.
7. If there is evidence of the Participant altering, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event, the Customer's participation in the Program will be terminated, and the Customer will be required to reimburse the Company for all costs for replacement or repair of the Load Control Device(s) or other Program equipment, including labor and other related costs, and the Company will reverse any and all incentive payments made during the previous twelve months as a result of the Customer's participation in the Program.

SPECIAL CONDITIONS

The Company is not responsible for any direct, indirect, consequential, incidental, punitive, or exemplary damage to the Participant or third parties as a result of the Program or the Customer's voluntary participation in the Program.

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

Advance Notification Option. The Company reserves the right to use flexibility on the timing of event notification for eligible customers nominating 3 MW or more.

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.

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 Load Control Events or to allow the Company to send a signal to automatically initiate a Load Control Event with the use of one or more Load Control Devices. 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, amount of capacity provided at a Facility Site, availability of Program equipment, facility system configuration, or electric system configuration.

To participate in the Program, a Customer must sign and return the Program Application/Agreement and worksheet provided by the Company specifying the Facility Site(s), the preferred Interruption Option, and the initial Nominated kW for each Facility Site 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 the Aggregated Option is requested, this should be specified on the Program Application/Agreement. 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/Agreement. Notification of Program Acceptance will include a listing of the Facility Sites that have been enrolled.

PROGRAM DESCRIPTION

The Company will initiate Load Control Events for a maximum of 60 hours during June, July, August, and September. During Load Control Events, Participants will be expected to reduce load at their Facility Site(s), and load reduction may be initiated manually or automatically depending on the Interruption Option designated for the 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 Load Control 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. In instances where a Facility Site's actual hourly usage exceeds the Adjusted Baseline kW, the hourly reduction will be treated as 0 kW. Actual kW Reduction cannot exceed 120% of Nominated kW per Load Control Event.

Idaho Power Company ~~Third-Fourth~~ Revised Sheet No. 82-1
Cancels

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

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

IDAHO

Issued per Order No. ~~35677~~

Timothy E. Tatum, Vice President, Regulatory Affairs

Effective ~~February 3, 2023~~

Issued by IDAHO POWER COMPANY

1221 West Idaho Street, Boise, Idaho

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

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.

Average Actual kW Reduction. The average Actual kW Reduction for all Load Control Events in a Program Season.

Average Season Performance Percentage. The average of the Event Performance Percentages during the Program Season.

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 Load Control Event hour by the Original 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 age Days or the hours during the event day prior to event notification. The Company may adjust the Participant’s “Day of” Load Adjustment if a planned or unplanned outage occurs during the day of a Load Control Event.

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

Event Average Nomination. The average Nominated kW for a Participant during weeks Load Control Events are called.

Event Performance Percentage. The Actual kW Reduction divided by the Nominated kW for a Load Control Event.

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 Load Control 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.~~

~~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 loads either manually or with the use of one or more Load Control Devices.~~

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

DEFINITIONS (Continued)

~~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.~~ The Average Actual kW Reduction multiplied by the Fixed Capacity Payment Rate determined by the Average Season Performance Percentage (as described in the Incentive Structure section) and then multiplied by the number of weeks in a Program Season. Average Actual kW Reduction x Fixed Capacity Payment Rate x Number of Weeks in a Program Season = Fixed Capacity Payment.

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 Load Control 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.

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 loads either manually or with the use of one or more Load Control Devices.

Nominated kW. The amount of load expressed in kW that a Facility Site commits to reduce during for a Load Control Event. Customers can adjust their Nominated kW on a weekly basis.

~~Nominated kW Incentive Adjustment. An adjustment made when a Facility Site does not achieve its Nominated kW for a given hour during a Load Control 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 based on the Program Application Agreement submitted by the Customer. The Notification of Program Acceptance will confirm each Facility Site enrolled in the Program, the initial Nominated kW amount for each Facility Site, and the Interruption Option 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.

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

Idaho Power Company ~~Second-Third~~ Revised Sheet No. 82-3
Cancels

I.P.U.C. No. 29, Tariff No. 101 ~~First-Second~~ Revised Sheet No. 82-3

~~Program Application/Agreement. Written form submitted by a Customer who requests to enroll a Facility Site in the Program that is signed by the Customer or a duly authorized representative certifying agreement with the Program's terms and conditions.~~

SCHEDULE 82
FLEX PEAK
PROGRAM
 (OPTIONAL)

DEFINITIONS (Continued)

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.

Performance Waiver. The ability for the Company to remove a Participant's performance during a Load Control Event as to not affect the calculation of a Participant's Fixed Capacity Payment.

Program Application/Agreement. Written form submitted by a Customer who requests to enroll a Facility Site in the Program that is signed by the Customer or a duly authorized representative certifying agreement with the Program's terms and conditions.

Program Season. June 15th through September 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 Load Control Event beyond the first four Load Control 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 Load Control 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 Load Control Event, the Weekly Effective kW Reduction will equal the Nominated kW for that Program Week.~~

~~LOAD CONTROL EVENTS~~

~~The Company will dispatch Load Control Events on Business Days during the Program Season between the hours of 3:00 p.m. and 10:00 p.m. MDT. Load Control 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 Load Control Events. Participating Customers will receive advance notification on or about four hours prior to the Load Control Event. The Company will provide notice of a Load Control 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/Agreement. If prior notice of a pending Load Control Event has been sent, the Company may choose to revoke the Load Control Event initiation and will provide notice to Participants no less than 30 minutes prior to the Load Control Event.~~

~~INTERRUPTION OPTIONS~~

~~At the Participant's election, and subject to Company discretion, participation in the Program may occur via one of the following Interruption Options:~~

~~Manual Dispatch Option. Customers are eligible to manually control their Facility Site(s). Under the Manual Dispatch Option customers have the flexibility to choose which loads will be interrupted during each dispatched Load Control Event.~~

~~Automatic Dispatch Option. A dispatchable Load Control Device, provided and installed by the Company or its representative, will be connected to the electrical panel(s) serving the loads associated with the Facility Site(s) enrolled in the Program. The Load Control Device utilized under the Automatic Dispatch Option will provide the Company the ability to send a signal intended to interrupt operation of a particular load or service during dispatched Load Control Events. In lieu of the Company or its representative installing the Load Control Device at the Company's expense, the Participant may elect to hire a licensed electrician, at the Participant's expense, to install the Load Control Device in accordance~~

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

INTERRUPTION OPTIONS (Continued)

LOAD CONTROL EVENTS

The Company will dispatch Load Control Events on Business Days during the Program Season between the hours of 3:00 p.m. and 10:00 p.m. MDT. Load Control 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 Load Control Events. Participating Customers will receive advance notification on or about four hours prior to the Load Control Event. The Company will provide notice of a Load Control 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/Agreement. If prior notice of a pending Load Control Event has been sent, the Company may choose to revoke the Load Control Event initiation and will provide notice to Participants no less than 30 minutes prior to the Load Control Event.

INTERRUPTION OPTIONS

At the Participant's election, and subject to Company discretion, participation in the Program may occur via one of the following Interruption Options:

Manual Dispatch Option. Customers are eligible to manually control their Facility Site(s). Under the Manual Dispatch Option customers have the flexibility to choose which loads will be interrupted during each dispatched Load Control Event.

Automatic Dispatch Option. A dispatchable Load Control Device, provided and installed by the Company or its representative, will be connected to the electrical panel(s) serving the loads associated with the Facility Site(s) enrolled in the Program. The Load Control Device utilized under the Automatic Dispatch Option will provide the Company the ability to send a signal intended to interrupt operation of a particular load or service during dispatched Load Control Events. In lieu of the Company or its representative installing the Load Control Device at the Company's expense, the Participant may elect to hire a licensed electrician, at the Participant's expense, to install the Load Control Device in accordance

with the National Electrical Code ("NEC") and any Idaho Power or manufacturer specifications or requirements.

REQUIREMENTS OF PARTICIPATING FACILITIES

Participants will have the flexibility to choose what equipment will be used to reduce the Nominated kW during each Load Control Event. Participants must notify the Company of their Nominated kW via the Program Application/Agreement. Once the Program Season begins, the Participant must submit the nomination change request form online (located at www.idahopower.com/flexpeak) via email by ~~Monday~~ 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 Load Control Event is called. After the third Load Control Event is called, the Nominated kW may still be raised or lowered, but may not exceed the highest Nominated kW prior to the third Load Control 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.~~

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

Fixed Capacity Payment Rate* (*to be prorated for partial weeks)	Variable Energy Payment Rate* (*does not apply to first four Load Control 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 Load Control 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 Load Control Event, a Nominated kW Incentive Adjustment will apply.~~

~~For Load Control 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. At its discretion, the Company may waive all or a portion of an Incentive Adjustment should it be determined that, at no fault of the customer, the Load Control Device utilized for the Automatic Dispatch Option did not work during a Load Control Event.~~

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

INCENTIVE STRUCTURE

Incentive payments will be determined based on a Fixed Capacity Payment, and 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.

The Fixed Capacity Payment Rate will be determined by the Average Season Performance Percentage during the Program Season. For example, if a Participant's Average Season Performance Percentage is 65 percent, then their Fixed Capacity Payment Rate is \$2.44 per kW.

When a Load Control 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>Average Season Performance Percentage</u>	<u>Fixed Capacity Payment Rate per kW*</u> <u>(*to be prorated for partial weeks)</u>
<u>75% - 120%</u>	<u>\$3.25</u>
<u>50% - 74.99%</u>	<u>\$2.44</u>
<u>25% - 49.99%</u>	<u>\$1.63</u>
<u>Greater than 0% - 24.99%</u>	<u>\$0.81</u>

Participants are by the Nominated kW during Control Event for the duration Participant fails to achieve a Nominated kW during a Load kW Incentive Adjustment will

Variable Energy Payment Rate*
(*does not apply to first four Load Control Events)

\$0.20 per kWh

expected to reduce their load each hour of each Load of the event. Each time a load reduction of up to the Control Event, a Nominated apply.

For Load Control 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. At its discretion, the Company may waive all or a portion of an Incentive Adjustment should it be determined that, at no fault of the customer, the Load Control Device utilized for the Automatic Dispatch Option did not work during a Load Control Event.

At its discretion, the Company may apply a Performance Waiver should it be determined that, at no fault of the Participant, the Load Control Device utilized for the Automatic Dispatch Option did not work during a Load Control Event.

TERMS AND CONDITIONS

Upon acceptance into the Program, Participants agree to the provisions of this Schedule and to the following terms and conditions:

1. Once accepted into the Program, Participants will automatically be re-enrolled each year thereafter unless notice of termination is given by the other party.
2. Both the Company and the Participant may terminate participation in the Program at any time by notifying the other party in writing.
3. 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. If Program participation is terminated, the Participant may not re-enroll the Facility Site(s) into the Program until the following calendar year.
4. The Company retains the sole right to determine the criteria under which a Load Control Event is called and the decision of whether to call for, initiate, or cancel a Load Control Event shall be at the Company's sole discretion.
- ~~5. 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, amount of capacity provided at a Facility Site, availability of Program equipment, facility system configuration, or electric system configuration.~~
- ~~6. Participants that choose to participate in the Program under the Automatic Dispatch Option grant the Company or its representative permission, on reasonable notice, to enter the Customer's enrolled Facility Site(s) to install, service, maintain, and/or remove Load Control Device(s) on the electrical panel that services the anticipated load reduction. The Company retains the sole right for its employees and its representatives to install or not install Load Control Devices on the Customer's electrical panel at the time of installation depending on, but not limited to, safety, reliability, or other issues that may not be in the best interest of the Company, its employees, or its representatives.~~
- ~~7. If there is evidence of the Participant altering, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event, the Customer's participation in the Program will be terminated, and the Customer will be required to reimburse the Company for all costs for replacement or repair of the Load Control Device(s) or other Program equipment, including labor and other related costs, and the Company will reverse any and all incentive payments made during the previous twelve months as a result of the Customer's participation in the Program.~~

SCHEDULE 82
FLEX PEAK
PROGRAM
(OPTIONAL)

TERMS AND CONDITIONS (Continued)

5. 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, amount of capacity provided at a Facility Site, availability of Program equipment, facility system configuration, or electric system configuration.
6. Participants that choose to participate in the Program under the Automatic Dispatch Option grant the Company or its representative permission, on reasonable notice, to enter the Customer's enrolled Facility Site(s) to install, service, maintain, and/or remove Load Control Device(s) on the electrical panel that services the anticipated load reduction. The Company retains the sole right for its employees and its representatives to install or not install Load Control Devices on the Customer's electrical panel at the time of installation depending on, but not limited to, safety, reliability, or other issues that may not be in the best interest of the Company, its employees, or its representatives.
7. If there is evidence of the Participant altering, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event, the Customer's participation in the Program will be terminated, and the Customer will be required to reimburse the Company for all costs for replacement or repair of the Load Control Device(s) or other Program equipment, including labor and other related costs, and the Company will reverse any and all incentive payments made during the previous twelve months as a result of the Customer's participation in the Program.

SPECIAL CONDITIONS

The Company is not responsible for any direct, indirect, consequential, incidental, punitive, or exemplary damage to the Participant or third parties as a result of the Program or the Customer's voluntary participation in the Program.

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

Advance Notification Option. The Company reserves the right to use flexibility on the timing of event notification for eligible customers nominating 3 MW or more.

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.

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-23-24

IDAHO POWER COMPANY

ATTACHMENT 3

SEE ATTACHED EXCEL SPREADSHEET