



May 2, 2024

VIA ELECTRONIC DELIVERY

Idaho Public Utilities Commission
11331 W. Chinden Blvd.
Building 8 Suite 201A
Boise, ID 83714

Attn: Commission Secretary

**RE: CASE NO. PAC-E-24-02 – REPLY COMMENTS
IN THE MATTER OF THE APPLICATION OF ROCKY MOUNTAIN POWER
REQUESTING APPROVAL FOR ADJUSTMENTS TO THE IRRIGATION LOAD
CONTROL PROGRAM**

Please find enclosed Rocky Mountain Power's Reply Comments in the above referenced matter.

Informal questions related to this matter may be directed to Mark Alder at (801) 220-2313 or me at (801) 220-4214.

Sincerely,

A handwritten signature in blue ink that reads "Michael S. Snow".

Michael S. Snow
Manager, Regulatory Affairs

Enclosures

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Attorney for Rocky Mountain Power

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF ROCKY MOUNTAIN POWER)	CASE NO. PAC-E-24-02
REQUESTING APPROVAL FOR)	
ADJUSTMENTS TO THE IRRIGATION)	REPLY COMMENTS
LOAD CONTROL PROGRAM)	

COMES NOW, Rocky Mountain Power, a division of PacifiCorp (the “Company”), in accordance with RP 052 and RP 201, *et. seq.*, hereby respectfully submits reply comments to the Idaho Public Utilities Commission (the “Commission”) in the above-referenced matter.

BACKGROUND

1. On April 8, 2024, the Commission issued a Notice of Modified Procedure in Order No. 36128 for the above referenced matter, allowing parties to file comments by April 18, 2024, and reply comments by May 2, 2024. Comments were filed by Commission Staff (“Staff”) and Idaho Irrigation Pumpers Association, Inc. (“IIPA”) (collectively, the “Parties”), on April 18, 2024. The Parties generally support the continuation of the Irrigation Load Control (“ILC”) Program, with additional recommendations. The Company provides these reply comments in response to comments filed by the Parties.

REPLY COMMENTS

IIPA

2. IIPA’s comments support the Company’s overall changes to the ILC Program, but is concerned that the proposed incentive escalation rate of 2.5 percent per year may not be sufficient to account for inflation and the increase in general costs to irrigators to participate in

the ILC Program. In lieu of the Company's proposed 2.5 percent annual incentive increase, IIPA recommends that incentive rates be updated annually proportionately to changes in the Consumer Price Index over the prior 12 months.

COMMISSION STAFF

3. Staff recommended the Commission authorize the ILC Program with the following conditions:

- a) Approve the contract for the first five years pending an update implementing Staffs other recommendations.
- b) Order the Company to file another case for Commission approval in order to extend the contract beyond the initial five year term.
- c) Direct the Company to maintain a flat incentive structure based on the proposed 2024 Base and Bonus Incentive rates.
- d) Direct the Company to create a new tariff schedule for the ILC Program and file it in a compliance filing.

4. In response to conditions (a) and (b), the Company is agreeable to implement the ILC Program for the first five years and submitting a new case for Commission approval in order to extend the contract beyond the initial five year term.

5. In response to condition (d), the Company is also agreeable to creating a new tariff schedule for the ILC Program and will submit a proposed tariff in a compliance filing based on and pending the Commission's final order in this case.

6. In response to Staff's condition (c) and IIPA's recommendations for incentives, the Company believes the incentive structure proposed in its Application was set appropriately to retain and encourage new participation, account for irrigator's costs to participate, maintain cost effectiveness of the Program, and maintain continuity for both Idaho and Utah irrigators. The Company's proposed incentive structure was established in good faith after discussions with irrigators and negotiations with the ILC Program implementor, Enel X. The contract with Enel X ("Contract") was also negotiated such that administrative costs are tied to the proposed incentive structure. If the Commission approves an alternative incentive structure, it will

require an amendment to update the Contract, and may also result in updated Contract costs. The Company can file an updated Contract in a compliance filing pending the Commission's final order, however it may take months to renegotiate the Contract with Enel X based on the Commission's order. Accordingly, based on the Commission's order, the Company may submit multiple compliance filings, one for a new tariff schedule shortly after the Commission's Order is issued, and another when the Contract has been fully renegotiated with Enel X with the approved incentive structure and any other updated resultant costs.

REQUEST FOR RELIEF

WHEREFORE, Rocky Mountain Power respectfully requests that the Commission approve the Company's Application as discussed herein, with the Company's proposed incentive structure.

DATED this 2nd Day of May 2024.

Respectfully submitted,

By

A handwritten signature in blue ink, appearing to read "Joe Dallas", is written over a horizontal line.

Joseph M. Dallas
Attorney for Rocky Mountain Power