Gov. C.L. "Butch" Otter, Governor

Paul Kjellander, Commissioner Kristine Raper, Commissioner Eric Anderson, Commissioner

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Rocky Mountain Power seeks prudency finding for efficiency investments

BOISE (Sept. 6, 2018) – Rocky Mountain Power is asking the Idaho Public Utilities Commission to determine that approximately \$8.5 million of the company's investments in energy efficiency and conservation programs in 2016-17 were prudently incurred and benefitted customers.

Rates are not affected by the proposal.

Approval by the Commission would allow the company to recover expenses related to the programs through funds generated by an efficiency rider that appears on customer bills as "Customer Efficiency Services." The efficiency rider is currently set at 2.7 percent of the monthly bill amount.

Costs found to be ineffective or imprudent are borne by the utility's shareholders rather than customers.

Efficiency and conservation programs, also referred to as demand-side management (DSM), encourage customers to use less energy or shift their usage to off-peak times.

Rocky Mountain's programs include Low Income Weatherization, Home Energy Saver, Home Energy Reports and Non-Residential Energy Efficiency/wattsmart Business.

In addition to reducing power supply expenses for all customers and eliminating or postponing the need to build new generation, DSM programs provide incentives to encourage participating customers lower their power bills.

The Commission's review of the programs is intended to ensures they benefit all customers, not just those who directly participate in them.

In its application, Rocky Mountain reports that the programs were cost-effective, meaning their benefits outweighed their costs in evaluations by an independent third party.

However, the Low Income Weatherization program failed one of three cost-effectiveness tests in 2016 and 2017.

The utility said its DSM programs saved 15,830 MWh in 2017 and 19,450 megawatt-hours (MWh) in 2016. The programs saved approximately 15,700 MWh in 2015 and 11,410 MWh in 2014.

Its DSM-related expenses totaled \$4,038,931 in 2017, and \$4,500,332 in 2016.

Rocky Mountain Power, a division of Pacificorp, provides electric service to approximately 77,600 customers in eastern Idaho.

Parties who wish to intervene in this case, allowing them to present evidence and cross-examine other parties, must file a petition to intervene with the Commission by no later than Sept. 14.

The Commission is also accepting comments on this case. Go <u>here</u> to submit a comment electronically. Or go to the Commission's web site, <u>www.puc.idaho.gov</u> and click on "Case Comment Form" under the "Electric" heading.

Comments can also be submitted via fax to (208) 334-3762 or by mail to P.O. Box 83720, Boise, ID 83720-0074. Please be sure to include the case number, PAC-E-18-07. A comment deadline has not been set.

All documents filed in this case, including Rocky Mountain's application, can be found on the Commission's web site, here. Or go to www.puc.idaho.gov, click on "Open Cases" under the "Electric" heading and scroll down to case number PAC-E-18-07.