

Idaho Public Utilities Commission

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Governor Brad Little

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Case No. PAC-E-18-07 Final Order No.: 34224 Contact: Matt Evans Office: (208) 334-0339 Cell: (208) 520-4763

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Regulators OK Rocky Mountain Power expenses tied to efficiency programs

BOISE (Jan. 7, 2019) – State regulators have approved Rocky Mountain Power's \$8.5 million investment in efficiency programs in 2016 and 2017.

The decision by the Idaho Public Utilities Commission does not impact rates. Instead, it allows the utility to recover the expenses related to its efficiency programs through funds generated by an efficiency rider paid by Rocky Mountain Power customers.

The rider appears on bills as "Customer Efficiency Services" and is set at 2.7 percent of the monthly bill amount, although, in <u>a separate case</u> before the Commission, Rocky Mountain Power has proposed lowering the rider's collection rate to 2.25 percent.

Costs deemed ineffective are borne by the company's shareholders rather than customers.

Rocky Mountain Power, a division of Pacificorp, provides electric service to approximately 77,000 customers in eastern Idaho.

The utility offers a host of efficiency programs, also referred to as Demand Side Management or DSM since they target the demand for energy rather than the supply.

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 to lower their power bills by either using less energy or shifting their usage to off-peak times.

The programs, which include Low Income Weatherization, Home Energy Saver and Non-Residential Energy Efficiency/wattsmart Business, are subjected to a battery of tests designed to determine whether the savings they realize is greater than their cost. The utility also must demonstrate that the programs benefit all customers, not just those that participate in them.

Rocky Mountain contends its DSM programs saved 15,830 megawatt-hours (MWh) in 2017 and 19,450 MWh in 2016.

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

The Commission's order and all other documents filed in the case 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.