

RECEIVED

2013 OCT -2 PM 4: 28

IDAHO PUBLIC  
UTILITIES COMMISSION

**JULIA A. HILTON**  
Corporate Counsel  
[jhilton@idahopower.com](mailto:jhilton@idahopower.com)

October 2, 2013

**VIA HAND DELIVERY**

Jean D. Jewell, Secretary  
Idaho Public Utilities Commission  
472 West Washington Street  
Boise, Idaho 83702

Re: Case No. IPC-E-13-14  
Continuation of Demand Response Programs – Idaho Power Company's  
Motion to Approve Settlement Agreement

Dear Ms. Jewell:

Enclosed for filing in the above matter are an original and seven (7) copies of Idaho Power Company's Motion to Approve Settlement Agreement.

Very truly yours,



Julia A. Hilton

JAH:evp  
Enclosures

JULIA A. HILTON (ISB No. 7740)  
LISA D. NORDSTROM (ISB No. 5733)  
Idaho Power Company  
1221 West Idaho Street (83702)  
P.O. Box 70  
Boise, Idaho 83707  
Telephone: (208) 388-5825  
Facsimile: (208) 388-6936  
[jhilton@idahopower.com](mailto:jhilton@idahopower.com)  
[lnordstrom@idahopower.com](mailto:lnordstrom@idahopower.com)

RECEIVED  
2013 OCT -2 PM 4:28  
IDAHO PUBLIC  
UTILITIES COMMISSION

Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

|                              |   |                       |
|------------------------------|---|-----------------------|
| IN THE MATTER OF THE         | ) |                       |
| CONTINUATION OF IDAHO POWER  | ) | CASE NO. IPC-E-13-14  |
| COMPANY'S A/C COOL CREDIT,   | ) |                       |
| IRRIGATION PEAK REWARDS, AND | ) | IDAHO POWER COMPANY'S |
| FLEXPEAK DEMAND RESPONSE     | ) | MOTION TO APPROVE     |
| PROGRAMS FOR 2014 AND BEYOND | ) | SETTLEMENT AGREEMENT  |
|                              | ) |                       |

COMES NOW, Idaho Power Company ("Idaho Power" or "Company") and hereby moves the Idaho Public Utilities Commission ("Commission") pursuant to RP 56, 256, and 274 to approve the enclosed Settlement Agreement on or before January 1, 2014. This Motion is based on the following:

1. In Docket Nos. IPC-E-12-29 and IPC-E-13-04, Idaho Power filed for changes to its A/C Cool Credit program, Irrigation Peak Rewards program, and FlexPeak Management program (collectively "DR Programs"). These filings were prompted by the Load and Resource Balance Analysis performed during the development of Idaho Power's 2013 Integrated Resource Plan which does not project any peak-hour capacity deficits until 2016.



2. In Order No. 32776, the Commission approved a stipulation entered into by parties to IPC-E-12-29, including Idaho Irrigation Pumpers Association ("IIPA"), the Idaho Conservation league ("ICL"), Snake River Alliance ("SRA"), and the Idaho Public Utilities Commission Staff ("Commission"). That stipulation described terms for the temporary suspension of the A/C Cool Credit Program and Irrigation Peak Rewards Program (Phase I). It also requested that the Commission schedule a prehearing conference to set a schedule for workshops and a procedural schedule so that parties and stakeholders could evaluate changes for Idaho Power's DR Programs for the 2014 program season and beyond (Phase II).

3. In Order No. 32805, the Commission approved temporary changes to the FlexPeak Management program and directed that public workshops address how to continue the FlexPeak program in the future.

4. In Order No. 32823, the Commission opened a new docket in this case and set an informal prehearing conference to further evaluate Idaho Power's DR Programs for the 2014 program season and beyond. In keeping with its previous orders, the Commission ordered that IIPA, ICL, and SRA were designated as intervening parties in this case. Petitions to intervene in this proceeding were filed by the Industrial Customers of Idaho Power ("ICIP") and EnerNOC, Inc. ("EnerNOC"). The Commission granted those petitions in Order No. 32828.

5. Following the June 12, 2013, prehearing conference, the parties set a schedule for four workshops, which were held on July 10, July 23, August 7, and August 19. During the August 19, 2013, workshop the parties agreed to an additional workshop on August 27, 2013, which included settlement discussions that occurred pursuant to

RP 272. The testimony of Tami White describes the workshop process in greater detail, a copy of which is enclosed as Attachment No. 1.

6. Based upon these workshops held on July 10, July 23, August 7, August 19, and August 27 and settlement discussions that occurred pursuant to RP 272 on August 27, 2013, several parties, including Idaho Power, Commission Staff, IIPA, ICL, SRA, EnerNOC, and non-party Mike Seaman<sup>1</sup> ("Signing Parties") agreed to resolve and settle issues related to the reinstatement of Idaho Power's DR Programs for 2014 and beyond. A copy of the signed Settlement Agreement evidencing the settlement is enclosed as Attachment No. 2. The Signing Parties believe the settlement is in the public interest and recommend that the Commission approve the Settlement Agreement and all of its terms and conditions without material change or condition pursuant to RP 274.

5. Program modifications identified in the Settlement Agreement are reflected in clean and legislative formats for Tariff Schedule 23 (Irrigation Peak Rewards Program) and Tariff Schedule 81 (Residential Air Conditioner Cycling Program), both of which are enclosed as Attachment No. 3. The Signing Parties recommend the Commission issue its order approving these tariffs no later than January 1, 2014.

NOW, THEREFORE, the Signing Parties respectfully request that the Commission issue an order in Case No. IPC-E-13-14:

1. Granting the Motion to accept Attachment No. 2, the Settlement Agreement, in its entirety, without material change or condition;

---

<sup>1</sup> Mike Seaman authorized the Company to use the electronic signature format of "/S/ Mike Seaman."

2. Acknowledging that the Company will be able to recover otherwise prudent expenditures made under this Settlement Agreement, even though such expenditures may not be cost-effective by traditional measures in the short or long-term; and

3. Authorizing revised tariff schedules with an effective date of January 1, 2014.

Respectfully submitted this 2<sup>nd</sup> day of October 2013.

A handwritten signature in black ink, appearing to read "Julia Hilton", is written over a horizontal line.

JULIA A. HILTON  
Attorney for Idaho Power Company

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2<sup>nd</sup> day of October 2013 I served a true and correct copy of the within and foregoing IDAHO POWER COMPANY'S MOTION TO APPROVE SETTLEMENT AGREEMENT, upon the following named parties by the method indicated below, and addressed to the following:

### Commission Staff

Karl Klein  
Deputy Attorney General  
Idaho Public Utilities Commission  
472 West Washington (83702)  
P.O. Box 83720  
Boise, Idaho 83720-0074

☒ Hand Delivered  
☐ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [karl.klein@puc.idaho.gov](mailto:karl.klein@puc.idaho.gov)

### Idaho Irrigation Pumpers Association, Inc.

Eric L. Olsen  
RACINE, OLSON, NYE, BUDGE &  
BAILEY, CHARTERED  
201 East Center  
P.O. Box 1391  
Pocatello, Idaho 83204-1391

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [elo@racinelaw.net](mailto:elo@racinelaw.net)

Anthony Yankel  
29814 Lake Road  
Bay Village, Ohio 44140

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [tony@yankel.net](mailto:tony@yankel.net)

### Idaho Conservation League

Benjamin J. Otto  
Idaho Conservation League  
710 North Sixth Street  
Boise, Idaho 83702

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [botto@idahoconservation.org](mailto:botto@idahoconservation.org)

### Snake River Alliance

Ken Miller, Clean Energy Program Director  
Snake River Alliance  
P.O. Box 1731  
Boise, Idaho 83701

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [kmiller@snakeriveralliance.org](mailto:kmiller@snakeriveralliance.org)

### Industrial Customers of Idaho Power

Peter J. Richardson  
RICHARDSON ADAMS, PLLC  
515 North 27<sup>th</sup> Street (83702)  
P.O. Box 7218  
Boise, Idaho 83707

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [peter@richardsonadams.com](mailto:peter@richardsonadams.com)

Dr. Don Reading  
6070 Hill Road  
Boise, Idaho 83703

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [dreading@mindspring.com](mailto:dreading@mindspring.com)

**EnerNOC, Inc.**  
Teresa A. Hill  
K&L GATES, LLP  
222 Columbia Street, Suite 1400  
Portland, Oregon 97201

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [teresa.hill@klgates.com](mailto:teresa.hill@klgates.com)

Melanie Gillette, Director Regulatory Affairs  
EnerNOC, Inc.  
115 Hazelmere Drive  
Folsom, California 95630

☐ Hand Delivered  
☒ U.S. Mail  
☐ Overnight Mail  
☐ FAX  
☒ Email [mgillette@enernoc.com](mailto:mgillette@enernoc.com)

  
\_\_\_\_\_  
Elizabeth Paynter, Legal Assistant

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION**

**CASE NO. IPC-E-13-14**

**IDAHO POWER COMPANY**

**ATTACHMENT 1**



BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

|                              |   |                      |
|------------------------------|---|----------------------|
| IN THE MATTER OF THE         | ) |                      |
| CONTINUATION OF IDAHO POWER  | ) |                      |
| COMPANY'S A/C COOL CREDIT,   | ) | CASE NO. IPC-E-13-14 |
| IRRIGATION PEAK REWARDS, AND | ) |                      |
| FLEXPEAK DEMAND RESPONSE     | ) |                      |
| PROGRAMS FOR 2014 AND BEYOND | ) |                      |

---

IDAHO POWER COMPANY

TESTIMONY IN SUPPORT OF SETTLEMENT AGREEMENT

OF

TAMI WHITE

1 Q. Please state your name and business address.

2 A. My name is Tami White and my business address  
3 is 1221 West Idaho Street, Boise, Idaho 83702.

4 Q. By whom are you employed and in what capacity?

5 A. I am employed by Idaho Power Company ("Idaho  
6 Power" or "Company") as the Senior Manager of Rate Design  
7 in the Regulatory Affairs Department.

8 Q. Please describe your educational background.

9 A. I earned a Bachelor of Business Administration  
10 degree in Accounting from California State University,  
11 Stanislaus. I have attended various electric utility  
12 courses, including "Electric Utility System Operation," a  
13 course offered through Professional Training Systems, Inc.,  
14 and "Overview of System Operations" presented by the  
15 Western Electricity Coordinating Council.

16 Q. Please describe your work experience with  
17 Idaho Power.

18 A. I began my employment with Idaho Power in 1999  
19 as a Financial Analyst in the Company's Delivery Finance  
20 Support area where I provided accounting and financial  
21 support services to the Delivery Business Unit. In 2005, I  
22 was promoted to Finance Team Leader where I was responsible  
23 for leading a group of Financial Analysts, Accountants, and  
24 Accounting Specialists in providing accounting and  
25 financial support services to the Operations Business Unit.

1 I was responsible for all aspects of the monthly accounting  
2 closing process for the Operations Business Unit and for  
3 the monthly billing and settlements processes for  
4 transmission sales and purchases, wholesale energy  
5 transactions, Public Utility Regulatory Policies Act of  
6 1978 (PURPA) transactions, large special contracts, and  
7 joint use transactions. While working in Operations  
8 Finance Support, I was involved in the development of the  
9 Company's Federal Energy Regulatory Commission ("FERC")  
10 Open Access Transmission Tariff ("OATT") formula rate for  
11 transmission services.

12 In October of 2010, after 11 years in finance, I  
13 accepted a position as Manager of FERC and Regional Affairs  
14 in the Regulatory Affairs department. In this position I  
15 was responsible for managing regulatory activities such as  
16 the preparation and filing of Idaho Power's OATT rates for  
17 transmission service, supervising participation and  
18 settlement negotiations of Bonneville Power Administration  
19 rate cases, and creating analyses that form the basis for  
20 Idaho Power's FERC regulatory strategy.

21 In January of 2012, I was promoted to Senior Manager  
22 of Rate Design. As Senior Manager of Rate Design, I  
23 oversee the Company's rate design activities such as  
24 regulatory ratemaking and compliance filings, tariff

25

1 administration, and the development of various pricing  
2 strategies and policies.

3 Q. What is the purpose of your testimony in this  
4 proceeding?

5 A. The purpose of my testimony is to describe the  
6 public workshop process undertaken in the above-captioned  
7 matter and the agreement ("Settlement Agreement") that was  
8 signed by Idaho Power, the Staff of the Idaho Public  
9 Utilities Commission ("Staff"), Idaho Irrigation Pumpers  
10 Association, Inc., the Idaho Conservation League, the Snake  
11 River Alliance, EnerNOC, Inc., and Mike Seaman,  
12 (collectively referred to as the "Signing Parties") that  
13 addresses and settles certain aspects of Idaho Power's  
14 demand response programs. My testimony will provide the  
15 Idaho Public Utilities Commission ("Commission") with an  
16 overview of the workshops and the issues discussed,  
17 express Idaho Power's support for the Settlement Agreement,  
18 and recommend that the Commission adopt the Settlement  
19 Agreement without material change or condition.

20 **Overview**

21 Q. What prompted the public workshop proceedings?

22 A. In December of 2012, Idaho Power filed a  
23 request in Docket No. IPC-E-12-29 with the Commission for  
24 authority to temporarily suspend two of its three demand  
25 response ("DR") programs (A/C Cool Credit and Irrigation

1 Peak Rewards). The request for suspension was prompted by  
2 the lack of near-term peak-hour deficits identified in the  
3 Peak Load and Resource Balance analysis prepared for the  
4 2013 Integrated Resource Plan ("IRP") and Idaho Power's  
5 desire to take prompt and prudent steps to avoid some of  
6 the expenses associated with the programs in years where  
7 the Peak Load and Resource Balance analysis does not show a  
8 need. During the suspension, the Company was able to serve  
9 loads with existing resources and work with stakeholders  
10 through a collaborative workshop process to evaluate and  
11 identify the best long-term solution for continuation of  
12 these programs.

13 In February of 2013, the Company, Staff, and  
14 intervenors filed a proposed stipulation that was approved  
15 by the Commission on April 2, 2013, in Order No. 32776,  
16 temporarily suspending the A/C Cool Credit and Irrigation  
17 Peak Rewards DR programs for 2013. In this order, the  
18 Commission opened a new docket (IPC-E-13-14) for the  
19 purpose of evaluating the A/C Cool Credit and Irrigation  
20 Peak Rewards programs for 2014 and beyond and directed  
21 Staff counsel to convene an informal conference so the  
22 parties could propose a schedule for the processing of this  
23 case. Order No. 32776 at 8.

24 In a related filing in March of 2013, Idaho Power  
25 filed a petition with the Commission in Case No. IPC-E-13-

1 04 requesting approval for changes to its third DR program,  
2 FlexPeak Management, in an effort to reduce the cost of  
3 this program in 2013 because the Peak Load and Resource  
4 Balance analysis indicated that the need for DR programs  
5 had changed. This Petition was approved by the Commission  
6 on May 9, 2013, in Order No. 32805.

7 In May of 2013, the Public Utility Commission of  
8 Oregon opened Docket No. UM 1653 to facilitate  
9 participation by Oregon Staff and interested Oregon parties  
10 in the Idaho workshop process.

11 On June 4, 2013, the Commission issued Order No.  
12 32823 initiating a new proceeding in Case No. IPC-E-13-14  
13 to examine the continuation of all three of Idaho Power's  
14 demand response programs (A/C Cool Credit, Irrigation Peak  
15 Rewards, and FlexPeak Management, collectively "DR  
16 Programs") and scheduling an informal prehearing conference  
17 to allow the parties, the parties in Oregon's UM 1653, and  
18 other interested persons, to schedule public workshops  
19 regarding the continuation and/or modification of all three  
20 of Idaho Power's DR Programs. Order No. 32823 at 2.

21 The prehearing conference was held on June 12, 2013,  
22 and a schedule for the public workshops was established.

23 Q. Please briefly describe the public workshop  
24 process.

25



1           A.     A series of five public workshops were held at  
2     Idaho Power's corporate offices on July 10, July 23, August  
3     7, August 19, and August 27, 2013. The final workshop on  
4     August 27<sup>th</sup> included settlement discussions. These  
5     workshops included group discussions and presentations by  
6     Company personnel, Staff, workshop participants, and  
7     industry experts. Each of the workshops was facilitated by  
8     a third-party, professional facilitator, Dune Ives, Ph.D.  
9     of Milepost Consulting.

10           Q.     Who participated in the workshops?

11           A.     In addition to Idaho Power personnel, nearly  
12     50 individuals representing 20 different organizations  
13     attended one or more workshops, received meeting materials  
14     and summaries, and were considered to be workshop  
15     participants ("Participants"). A list of Participants is  
16     included as Exhibit No. 1 to my testimony.

17           Q.     Were the Participants able to align on the  
18     issues?

19           A.     For the most part yes; however, it is  
20     important to note that when I state that Participants  
21     aligned, concluded, agreed, or reached consensus on a  
22     particular issue, it does not indicate that every  
23     individual agreed, however, it is meant to indicate that as  
24     a group, Participants were able to reach consensus.

25

1           Q.     Please provide a summary of the first workshop  
2 content and outcomes.

3           A.     The first workshop was designed to be  
4 foundational and educational in nature and included  
5 presentations from Idaho Power personnel and industry  
6 experts. Presenters and Participants discussed the results  
7 of the 2013 IRP Peak Load and Resource analysis that shows  
8 no near-term peak-hour capacity deficits until 2016, how  
9 cost-effectiveness for Idaho Power's DR Programs is  
10 calculated, lessons learned from the history of DR Programs  
11 at Idaho Power, operational considerations for DR Programs,  
12 and how other utilities around the country utilize DR. In  
13 this workshop, Participants also discussed high level  
14 objectives for the workshop process and the parameters that  
15 would provide the "side-boards" that Participants would  
16 work within.

17          Q.     Please provide a summary of the second  
18 workshop content and outcomes.

19          A.     In the second workshop, Participants continued  
20 to learn about how other DR programs across the country are  
21 designed and operated, had discussions about how public  
22 service commissions in other states regulate DR, and heard  
23 a presentation about Rocky Mountain Power's Irrigation DR  
24 Program in Idaho and its Residential Air Conditioning DR  
25 Program in Utah.

1           In this second workshop, Participants also began to  
2 discuss other potential uses for demand response beyond the  
3 typical capacity resource at Idaho Power and aligned on the  
4 high level objectives and parameters discussed in the first  
5 workshop.

6           Participants in the second workshop concluded that  
7 potential purposes for DR at Idaho Power included delaying  
8 new peaking capacity, avoiding line losses, providing non-  
9 spinning reserves, providing reliability and flexibility,  
10 and providing load following. Of these potential purposes,  
11 all of the above except for load following were identified  
12 as the primary potential purposes of DR while load  
13 following was identified as important to explore.

14           Also, during the second workshop, two small  
15 workgroups were convened to discuss and evaluate the use of  
16 DR to provide non-spinning reserves and using DR to provide  
17 load following.

18           Participants also came to two conclusions in the  
19 second workshop: 1) continuity of program delivery is key  
20 and 2) to achieve short-term DR, we need to take a long-  
21 term DR perspective.

22           Q.     Please provide a summary of the third workshop  
23 content and outcomes.

24           A.     In the third workshop, the small workgroups  
25 reported back to the larger group on the potential of using

1 DR for non-spinning reserves and/or load following.  
2 Participants revisited the cost-effectiveness discussion  
3 and began the discussion on how to value DR. During the  
4 third workshop, a small workgroup was convened to evaluate  
5 and present a recommended value assessment for DR back to  
6 the full group at the next workshop.

7 Q. Please provide a summary of the fourth  
8 workshop content and outcomes.

9 A. In the fourth workshop, the small workgroup  
10 reported back to the larger group on a recommended value  
11 assessment for DR at Idaho Power. Participants discussed  
12 and began to align on how the value of DR at Idaho Power  
13 should be determined.

14 Participants also reiterated that the Company  
15 should: leverage the resources it has (equipment and  
16 program participants); include DR Programs for all customer  
17 classes; keep costs as low as possible; and, as Idaho  
18 Power's IRP changes, re-evaluate the value calculation.

19 Keeping the value assessment and the goal of  
20 allowing program participants to continue to participate in  
21 mind, three small workgroups based on customer classes were  
22 convened to evaluate and report back to the group on  
23 potential program design suggestions. The non-spinning  
24 reserves and load following workgroups were assigned to  
25

1 create a white paper on issues or findings for the group by  
2 the next workshop.

3 Q. Please provide a summary of the fifth workshop  
4 content and outcomes.

5 A. In the fifth and final workshop, Participants  
6 reached alignment on the value of DR at Idaho Power, heard  
7 the small workgroups report back on potential program  
8 designs for each customer segment, and got a progress  
9 update on the status of the reserves and load following  
10 white papers. Program design ideas were presented with  
11 much of the discussion focusing on program changes.  
12 Workshop five also included settlement discussions.

13 **Support for Settlement Agreement**

14 Q. Were the Signing Parties able to reach an  
15 acceptable compromise reflected in a settlement agreement?

16 A. Yes. Signing Parties drafted, reviewed, and  
17 signed the Settlement Agreement that is provided as  
18 Attachment No. 2 to Idaho Power's Motion to Approve  
19 Settlement Agreement filed in this case.

20 Q. Have all intervening parties in this case  
21 joined in the Settlement Agreement?

22 A. No. The Industrial Customers of Idaho Power  
23 did not sign the Settlement Agreement.

24 Q. Did Idaho Power sign the Settlement Agreement?

25

1           A.     Yes. The Company believes that the Settlement  
2 Agreement is a fair and reasonable resolution of issues and  
3 provides a reasonable approach for continuing DR Programs.

4           Q.     Do you believe that this Settlement Agreement  
5 and its acceptance by the Commission would be in the public  
6 interest?

7           A.     Yes I do. The Settlement Agreement and its  
8 acceptance by the Commission will allow for the continued  
9 operation of Idaho Power's demand response programs in a  
10 manner that is cost-effective and operationally beneficial  
11 to the electric system, and within the parameters that the  
12 Company and Participants agreed upon.

13          Q.     Please summarize the terms of the agreement  
14 reached by Signing Parties.

15          A.     Signing Parties came to agreement on six high-  
16 level demand response concepts that should guide Idaho  
17 Power in the implementation of its DR Programs. These  
18 high-level concepts are listed in Section 4(a) of the  
19 Settlement Agreement. Signing Parties agreed on the value  
20 as set forth in Section 6 of the Settlement Agreement.

21                 Signing Parties also came to agreement on the design  
22 of the DR Programs as described in Sections 7 for the A/C  
23 Cool Credit program, Section 8 for the Irrigation Peak  
24 Rewards program, and Section 9 for the FlexPeak Management  
25 program of the Settlement Agreement.



1     Recommendation for Approval

2             Q.     Why should the Commission approve the  
3     Settlement Agreement?

4             A.     The Settlement Agreement and its acceptance by  
5     the Commission will allow the Company to leverage the  
6     investment in existing DR infrastructure to continue the  
7     operation of a cost-effective resource. The Settlement  
8     Agreement will also maintain participation in the DR  
9     Programs for a time in the future when they are truly  
10    needed while minimizing ongoing costs to Idaho Power's  
11    customers. The additional program modifications will make  
12    the programs more flexible, reliable, and useful because of  
13    the ability to respond with shorter notice to program  
14    participants. Ultimately, keeping the DR Programs viable  
15    will help Idaho Power to provide its customers reliable  
16    service in times of extreme weather and water conditions.

17            Q.     How does this benefit all Idaho Power  
18    customers?

19            A.     If approved, the Settlement Agreement will  
20    maintain existing DR Programs, equipment, and participation  
21    by providing an opportunity for all current program  
22    participants to continue to participate if they choose.  
23    Through this settlement, the Company will be able to  
24    utilize the investment that Idaho Power's customers have  
25    made in the existing equipment in the field.

1           The Settlement Agreement provides DR Programs that  
2   are scalable and flexible. As the need identified in  
3   future IRPs changes, Idaho Power can more easily add DR  
4   capacity, and will maintain a minimum capacity of DR on  
5   Idaho Power's system.

6           The Settlement Agreement increases flexibility for  
7   the Company's system by reducing the amount of advance  
8   notification required for program participants and  
9   implementing a fixed and variable incentive design for two  
10   of the three DR Programs. The Settlement Agreement also  
11   provides for the inclusion of three dispatch events  
12   included in the fixed incentive structure that will ensure  
13   that the programs are used and ensure program participant  
14   engagement.

15           Q.     Do you have any concluding remarks regarding  
16   the public workshop process or the Settlement Agreement?

17           A.     Yes. Idaho Power values the thoughtful and  
18   candid feedback provided by the Participants and  
19   appreciates the efforts of stakeholders. The workshops  
20   resulted in a Settlement Agreement that will allow the DR  
21   Programs to continue while reducing costs for customers and  
22   enhancing flexibility for Idaho Power's system.

23           Q.     Does this conclude your testimony?

24           A.     Yes, it does.


25

1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8  
9  
0  
1  
2  
3  
4  
5  
6  
7  
8

I, Tami White, having been duly sworn to testify truthfully, and based upon my personal knowledge, state the following:

I declare under penalty of perjury of the laws of the state of Idaho that the foregoing pre-filed testimony and exhibit are true and correct to the best of my information and belief.

Tami White  
Tami White



Kimberly K. Towell  
Notary Public for Idaho  
Residing at: Star, Idaho  
My commission expires: 12-21-2014



**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION  
CASE NO. IPC-E-13-14**

**IDAHO POWER COMPANY**

**WHITE, DI  
TESTIMONY**

**EXHIBIT NO. 1**

Not including Idaho Power personnel, the following people attended the workshops:

| <b>Name</b>       | <b>Affiliation</b>                   |
|-------------------|--------------------------------------|
| Derek Garret      | Dominion Energy Solution             |
| Lucie Jackson     | Enernoc                              |
| Teresa Hill       | Enernoc                              |
| Melanie Gillette  | Enernoc                              |
| Chris Ashley      | Enernoc                              |
| Josh Bode         | Freeman, Sullivan & Co.              |
| Michael Hennen    | Honeywell SGS                        |
| Amanda Richards   | Honeywell SGS                        |
| Kevin Laukner     | Honeywell SGS                        |
| Bridget Holmquist | Honeywell SGS                        |
| Ben Otto          | Idaho Conservation League            |
| Zack Waterman     | Idaho Sierra Club                    |
| Elliot Werk       | Idaho State Senate, District 17      |
| Sid Erwin         | Idaho Irrigation Pumpers Association |
| Lynn Tominaga     | Idaho Irrigation Pumpers Association |
| Brenda Tominaga   | Idaho Irrigation Pumpers Association |
| Tony Yankel       | Idaho Irrigation Pumpers Association |
| Eric Olsen        | Idaho Irrigation Pumpers Association |
| Mike Heckler      | Idaho Power Customer                 |
| Mike Seaman       | Idaho Power Customer                 |
| Peter Richardson  | Industrial Customers of Idaho Power  |
| Don Reading       | Industrial Customers of Idaho Power  |
| Donn English      | Idaho Public Utilities Commission    |
| Nikki Karpavich   | Idaho Public Utilities Commission    |
| Bryan Lanspery    | Idaho Public Utilities Commission    |
| Karl Klein        | Idaho Public Utilities Commission    |



|                  |                                     |
|------------------|-------------------------------------|
| Stacey Donohue   | Idaho Public Utilities Commission   |
| Beverly Barker   | Idaho Public Utilities Commission   |
| Randy Lobb       | Idaho Public Utilities Commission   |
| Johanna Bell     | Idaho Public Utilities Commission   |
| Don Strickler    | J.R. Simplot Company                |
| Don Sturtevant   | J.R. Simplot Company                |
| Justin Wootan    | King Hill Irrigation                |
| Stace Campbell   | McCain Foods                        |
| Roger Geddes     | Monsanto/Seminis                    |
| Wendy Gerlitz    | Northwest Energy Coalition          |
| Matt Wiggins     | Office of Energy Resources          |
| Scott Pugrud     | Office of Energy Resources          |
| John Chatburn    | Office of Energy Resources          |
| Juliet Johnson   | Public Utility Commission of Oregon |
| Brittany Andrus  | Public Utility Commission of Oregon |
| Stephanie Andrus | Public Utility Commission of Oregon |
| Bob Jenks        | Oregon Citizens Utility Board       |
| Kaylie Klein     | Oregon Citizens Utility Board       |
| Sommer Templet   | Oregon Citizens Utility Board       |
| Ken Miller       | Snake River Alliance                |
| Chad Burden      | THG Energy Solutions                |

**BEFORE THE**  
**IDAHO PUBLIC UTILITIES COMMISSION**  
**CASE NO. IPC-E-13-14**  
**IDAHO POWER COMPANY**

**ATTACHMENT 2**

## **DEMAND RESPONSE PROGRAMS SETTLEMENT AGREEMENT**

This settlement agreement ("Settlement Agreement" or "Agreement") is entered into by and among the following participants to the demand response workshops: Idaho Power Company ("Idaho Power" or "Company"), the Staff of the Idaho Public Utilities Commission ("Staff"), the Idaho Irrigation Pumpers Association, Inc. ("IIPA"), the Idaho Conservation League ("ICL"), the Snake River Alliance ("SRA"), EnerNOC, Inc. ("EnerNOC"), and Mike Seaman. These entities and individuals are collectively referred to as the "Parties," and individually as a "Party," to the Agreement.

WHEREAS, when, in late 2012, the Load and Resource Balance Analysis performed during the development of Idaho Power's 2013 Integrated Resource Plan showed no peak-hour capacity deficit until 2016, Idaho Power filed for changes to its A/C Cool Credit program, Irrigation Peak Rewards program, and FlexPeak Management program (collectively "DR Programs") in Docket Nos. IPC-E-12-29 and IPC-E-13-04;

WHEREAS, following the temporary suspension of the A/C Cool Credit program and Irrigation Peak Rewards program in 2013 and contract changes for the FlexPeak Management program, the Parties attended a series of five workshops ("DR Workshops") for all interested parties and stakeholders to discuss how the Company includes demand response ("DR") in its Integrated Resource Plan ("IRP"), how it calculates cost-effectiveness of DR, the purpose of DR, Idaho Power's DR Programs and design, and settlement options for Idaho Power's DR Programs in 2014 and beyond;

WHEREAS, these DR Workshops occurred in Case No. IPC-E-13-14, were noticed in Docket UM 1653, and were attended by parties to both dockets, as well as members of the public and other stakeholders;

WHEREAS, UM 1653 followed the workshop process in Case No. IPC-E-13-14 in an effort to allow all interested Idaho and Oregon parties and stakeholders to collectively provide input and agree upon Idaho Power's DR Program details; and

WHEREAS, throughout the course of the DR Workshops, the Parties reached agreement on certain aspects of Idaho Power's DR Programs.

NOW THEREFORE, in consideration of the mutual promises set forth herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1.     **Recitals.** The above-stated recitals are incorporated and made a part of this agreement to the same extent as if the recitals were set forth in full at this point.

2.     **Public Interest.** This Agreement is a fair, just, and reasonable compromise of contested issues and its acceptance by the Idaho Public Utilities Commission ("IPUC" or "Commission") would be in the public interest. The Agreement and its acceptance by the Commission will reasonably resolve the issues related to Idaho Power's DR Programs. Therefore, the Parties recommend that the Commission approve the Agreement and all of its terms and conditions without material change or condition pursuant to IPUC RP 274.

3.     **Term.** This Agreement shall be in effect beginning on the date it is approved by the Commission and shall apply to Idaho Power's DR Programs for 2014 and beyond until a change occurs in Idaho Power's system operations or cost-effectiveness of a DR Program that would warrant reevaluation of the Agreement's terms. In such event, Idaho Power will consult

its Energy Efficiency Advisory Group ("EEAG") and then make an appropriate filing at the Commission. Similarly, a party to this Agreement, may petition the Commission to open a docket to reevaluate the terms of this Agreement if Idaho Power experiences a change in system operations or the cost-effectiveness of a DR Program so warrants.

4. **Concepts.** The Parties and workshop participants agreed that the following overarching demand response concepts should guide Idaho Power's implementation of its DR Programs:

- a. The Company must:
  - i. Use existing demand response resources when possible. This includes using, to the extent possible, current demand response equipment owned or available to Idaho Power and participating demand response customers, which currently represents approximately 400 megawatts ("MW") of potential demand response capacity.
  - ii. Include demand response offerings for all three customer classes (residential, commercial/industrial, and irrigation).
  - iii. Keep costs as low as possible.
  - iv. Reevaluate the value calculation as the IRP changes.
  - v. Take a long-term outlook. In order to have viable demand response programs in the long term, the programs must continue in the short term.
  - vi. Calculate the avoided cost used for demand response by using the avoided capacity cost of a 170 MW single cycle combustion turbine ("SCCT") multiplied by the effective load carrying capacity ("ELCC"), measured over 20 years, plus the corresponding deferred energy savings for 60 program hours.

vii. Strive for consistency in dispatch requirements across DR Programs.

b. Uses for demand response beyond reducing peak loads may be: load following, non-spinning operating reserves, improved reliability during emergency situations, and flexibility to address delays in building new supply-side peaking resources. The workshop participants broke into small groups and discussed the possibilities of load following and reserves. Based upon these workgroup findings, Idaho Power will investigate the feasibility of using demand response as operating reserves and make a determination on feasibility by the end of the 3<sup>rd</sup> quarter of 2014. If Idaho Power determines that a pilot is feasible, it will create a proposal and work with Staff and other interested stakeholders to develop a pilot program.

c. This Agreement applies only to Idaho Power's Demand Response Programs, and the concepts are not applicable to any of the Company's other DSM Programs.

5. **Resource Size.** The minimum size of the deferred resource used for the value calculation is 170 MW. It is appropriate for Idaho Power to incur and recover costs based on deferring this resource.

6. **Value.** The annual value of demand response is equal to the levelized annual cost of the minimum size deferred resource, measured over a period of 20 years, plus the corresponding deferred energy savings for 60 program hours. As of the date of this Agreement, the calculation leads to an annual value of \$16.7 million dollars for the entire DR Program portfolio. The demand response value calculation shall include this value even in years when the IRP shows no peak-hour capacity deficit. The annual value calculation will be updated with

each IRP based on changes that include, but are not limited to need, capital cost, or financial assumptions.

7. **A/C Cool Credit Program.** Idaho Power will implement the A/C Cool Credit program in a manner consistent with the tariff Schedule 81. A true and correct copy of the tariff is attached to this Agreement as Attachment 1 and is incorporated herein as if set forth in full at this point.

a. **Participants.** Participants are residential customers who are presently enrolled in the program and have a load control device installed. All paging devices installed at current participants' residences will be replaced with AMI-compatible devices, with the goal of completing replacement in time for the 2014 program season. Idaho Power will not actively promote the A/C Cool Credit program to solicit new participants through marketing tactics, but will accept new participants in this program who request to participate, regardless of whether they were previously participants in the program. In order to use existing equipment, Idaho Power will contact and attempt to recruit customers who move into a home that already has a load control device installed. If a customer enrolls in the A/C Cool Credit program at a residence that has a paging device, the load control device will be replaced with an AMI-compatible device. Idaho Power will also attempt to recruit participants who change residences to a location that does not have a load control device. An A/C Cool Credit program load control device will remain in place unless a customer requests the load control device be removed.

b. **Program Details.** The A/C Cool Credit program will be available from June 15 through August 15, Monday through Friday, excluding holidays. Each dispatch event will last no longer than four hours for each participant. Dispatch events will not occur more



than 15 hours per week or 60 hours per season. In the event of a system emergency, demand response capacity from the A/C Cool Credit program will be available for immediate dispatch. Idaho Power will conduct a minimum of three dispatch events per season. No advanced notice to participants is required prior to executing each dispatch event. Participants, with advance notice, may opt out of two events per season.

c. Incentive. Participants will receive a fixed incentive of \$15 for the season, which will be issued as a credit on one or more of the participant's monthly bills for the program months.

d. Program Size. If participation in the A/C Cool Credit Program changes, Parties to this Agreement may file an application to modify the program as set forth in Section 3.

8. Irrigation Peak Rewards Program. Idaho Power will implement the Irrigation Peak Rewards program in a manner consistent with the tariff Schedule 23. A true and correct copy of the tariff is attached to this Agreement as Attachment 2 and is incorporated herein as if set forth in full at this point.

a. Participants. Participation is limited to past Irrigation Peak Rewards service locations where an active, working load control device exists as described in more detail in Attachment 2. The Company will not actively market the Irrigation Peak Rewards program as described in more detail in Attachment 2.

b. Program Details. The Irrigation Peak Rewards program will be available from June 15 through August 15, Monday through Saturday, from 1:00 p.m.-9:00 p.m., excluding holidays. Each dispatch event will last no longer than four hours for each



participant. Dispatch events will not occur more than fifteen (15) hours per week or sixty (60) hours per season. In the event of a system emergency, demand response capacity from the Irrigation Peak Rewards program will be available for immediate dispatch. Idaho Power will conduct a minimum of three dispatch events per season. Participants with Interruption Option 3 will be given at least four hours advanced notification. There will be no notification required for participants with Interruption Options 1 and 2. Participants may opt out of an event. An opt-out fee of \$5.00 per kilowatt ("kW") per event will apply for the first three events and \$1.00 per kW per event for subsequent events. The opt-out fee will not exceed the total bill credit for the program season.

c. Incentive. Participants will receive a fixed incentive in the form of a demand and energy component which is approximately \$16 per kW per season, as set forth in more detail in Attachment 2. The fixed incentive shall include the above-mentioned three minimum dispatch events. If Idaho Power conducts dispatch events in the Irrigation Peak Rewards program in addition to the three minimum dispatch events, Participants will receive a variable incentive of \$0.148 (or \$0.198 for the 9:00 p.m. option) per kWh as set forth in more detail in Attachment 2, which, with the realization rate included, results in a cost to Idaho Power of approximately \$0.22 per kWh.

9. **FlexPeak Management Program.** Idaho Power will implement the Flex Peak Management program using the following design parameters.

a. Participants. Idaho Power will not actively seek to expand the capacity of the FlexPeak Program. Participants are industrial and large commercial customers.

b. Program Details. The FlexPeak Management program will be available from June 15 through August 15, Monday through Friday, from 2:00 p.m.-8:00 p.m., excluding holidays. Each dispatch event will last up to four hours per participant within the available program hours. Dispatch events will not occur more than 60 hours per season. In the event of a system emergency, demand response capacity from the FlexPeak Management program will be available. Idaho Power will conduct a minimum of three dispatch events per season. There will be two hours advanced notice to participants.

c. Incentive. A fixed and variable incentive structure may be appropriate, as long as the variable portion is low enough that it does not prevent the program from being dispatched. If a variable and fixed incentive structure is used, a minimum of three dispatch events will be included in the fixed incentive. The variable incentive will be paid to participants if Idaho Power conducts dispatch events in the FlexPeak Management program for more than the three minimum dispatch events.

10. Confidentiality. As provided in RP 272, other than any testimony filed in support of the approval of this Agreement, and except to the extent necessary for a Party to explain before the IPUC its own statements and positions with respect to the Agreement, all statements made and positions taken in negotiations relating to this Agreement shall be confidential and will not be admissible as evidence in this or any other proceeding.

11. Commission Procedure. The obligations of the Parties under this Agreement are subject to the Commission's approval of this Agreement in accordance with its terms and conditions and upon such approval being upheld on appeal by a court of competent jurisdiction. The Parties will submit this Settlement Agreement to the Commission and

recommend approval in its entirety pursuant to RP 274. Parties shall support this Agreement before the Commission, and no Party shall appeal a Commission order approving the Agreement or an issue resolved by the Agreement. If this Agreement is challenged by any person not a party to the Agreement, the Parties to this Agreement reserve the right to file testimony, cross-examine witnesses, and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this Agreement. Notwithstanding this reservation of rights, the Parties to this Agreement agree that they will continue to support the adoption of the terms of this Agreement.

If the Commission rejects any part or all of this Agreement, or imposes any additional material conditions on approval of this Agreement, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this Agreement. In such case, no Party shall be bound or prejudiced by the terms of this Agreement, and each Party shall be entitled to seek reconsideration of an IPUC Order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate.

No Party shall be deemed to have agreed that any method, theory, or principle of regulation or cost recovery employed in arriving at this Agreement is appropriate for resolving any issues in any other proceeding in the future.

**12. Entire Agreement.** This Agreement and its attachments constitute the entire agreement between the Parties regarding the subject matter hereof. There are no oral or written

understandings, representations, or commitments of any kind, express or implied, which are not expressly described in this Agreement.

13. **Severability.** If, after Commission approval of this entire Agreement without modification, any immaterial term or provision of this agreement that is found to be void, prohibited, or unenforceable by local, state, or federal law shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement. Upon a determination that any material term or provision is void, prohibited, or unenforceable by local, state, or federal law, the Parties shall negotiate in good faith to modify this Agreement to maintain the original intent of the Parties without such material provision.

14. **No Third-Party Beneficiaries.** No right or obligation contained in this Agreement shall inure to the benefit of any person or entity not a Party or successor or assign of a Party.

15. **Counterparts.** This Agreement may be executed in counterparts and each signed counterpart shall constitute an original document.

[signature page follows]

DATED this \_\_\_\_ day of September 2013.

**Idaho Power Company**

By Theresa Drake  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

**Idaho Public Utilities Commission  
Staff**

By \_\_\_\_\_  
Karl Klein  
Deputy Attorney General

**Idaho Irrigation Pumpers Association, Idaho Conservation League  
Inc.**

By \_\_\_\_\_  
Sid Erwin  
Vice President of IIPA

By \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

**Snake River Alliance**

**EnerNOC, Inc.**

By \_\_\_\_\_  
Ken Miller  
Clean Energy Program Director

By \_\_\_\_\_  
Melanie Gillette  
Director, Regulatory Affairs

By \_\_\_\_\_  
Mike Seaman  
Idaho Power Customer

DATED this 30<sup>th</sup> day of September 2013.

**Idaho Power Company**

By \_\_\_\_\_  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

**Idaho Public Utilities Commission  
Staff**

By Karl Klein  
Karl Klein  
Deputy Attorney General

**Idaho Irrigation Pumpers Association, Idaho Conservation League  
Inc.**

By \_\_\_\_\_  
Sid Erwin  
Vice President of IIPA

By \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

**Snake River Alliance**

By \_\_\_\_\_  
Ken Miller  
Clean Energy Program Director

**EnerNOC, Inc.**

By \_\_\_\_\_  
Melanie Gillette  
Director, Regulatory Affairs

By \_\_\_\_\_  
Mike Seaman  
Idaho Power Customer

DATED this \_\_\_\_ day of September 2013.

**Idaho Power Company**

By \_\_\_\_\_  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

**Idaho Public Utilities Commission  
Staff**

By \_\_\_\_\_  
Karl Klein  
Deputy Attorney General

**Idaho Irrigation Pumpers Association, Idaho Conservation League  
Inc.**

By *Sidney Erwin*  
Sid Erwin  
Vice President of IIPA

By \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

**Snake River Alliance**

By \_\_\_\_\_  
Ken Miller  
Clean Energy Program Director

**EnerNOC, Inc.**

By \_\_\_\_\_  
Melanie Gillette  
Director, Regulatory Affairs

By \_\_\_\_\_  
Mike Seaman  
Idaho Power Customer

DATED this 30<sup>th</sup> day of September 2013.

**Idaho Power Company**

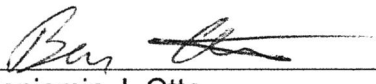
**Idaho Public Utilities Commission  
Staff**

By \_\_\_\_\_  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

By \_\_\_\_\_  
Karl Klein  
Deputy Attorney General

**Idaho Irrigation Pumpers Association, Inc. Idaho Conservation League**

By \_\_\_\_\_  
Sid Erwin  
Vice President of IIPA

By  \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

**Snake River Alliance**

**EnerNOC, Inc.**

By \_\_\_\_\_  
Ken Miller  
Clean Energy Program Director

By \_\_\_\_\_  
Melanie Gillette  
Director, Regulatory Affairs

By \_\_\_\_\_  
Mike Seaman  
Idaho Power Customer



\_\_\_\_\_ DATED this \_\_\_\_ day of September 2013.

Idaho Power Company

Idaho Public Utilities Commission  
Staff

By \_\_\_\_\_  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

By \_\_\_\_\_  
Karl Klein  
Deputy Attorney General

Idaho Irrigation Pumpers Association, Inc. Idaho Conservation League

By \_\_\_\_\_  
Sid Erwin  
Vice President of IIPA

By \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

Snake River Alliance

EnerNOC, Inc.

By Ken Miller  
Ken Miller  
Clean Energy Program Director

By \_\_\_\_\_  
Melanie Gillette  
Director, Regulatory Affairs

By \_\_\_\_\_  
Mike Seaman  
Idaho Power Customer

DATED this \_\_\_\_ day of September 2013.

**Idaho Power Company**

**Idaho Public Utilities Commission  
Staff**

By \_\_\_\_\_  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

By \_\_\_\_\_  
Karl Klein  
Deputy Attorney General

**Idaho Irrigation Pumpers Association, Idaho Conservation League  
Inc.**

By \_\_\_\_\_  
Sid Erwin  
Vice President of IIPA

By \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

**Snake River Alliance**

**EnerNOC, Inc.**

By \_\_\_\_\_  
Ken Miller  
Clean Energy Program Director

By Melanie Gillette  
Melanie Gillette  
Director, Regulatory Affairs

By \_\_\_\_\_  
Mike Seaman  
Idaho Power Customer

DATED this \_\_\_\_day of September 2013.

**Idaho Power Company**

**Idaho Public Utilities Commission  
Staff**

By \_\_\_\_\_  
Theresa Drake  
Customer Relations & Energy Efficiency  
Manager

By \_\_\_\_\_  
Karl Klein  
Deputy Attorney General

**Idaho Irrigation Pumpers Association, Idaho Conservation League  
Inc.**

By \_\_\_\_\_  
Sid Erwin  
Vice President of IIPA

By \_\_\_\_\_  
Benjamin J. Otto  
Attorney for Idaho Conservation  
League

**Snake River Alliance**

**EnerNOC, Inc.**

By \_\_\_\_\_  
Ken Miller  
Clean Energy Program Director

By \_\_\_\_\_  
Melanie Gillette  
Director, Regulatory Affairs

By /s/ Mike Seaman  
Mike Seaman  
Idaho Power Customer

**BEFORE THE**  
**IDAHO PUBLIC UTILITIES COMMISSION**  
**CASE NO. IPC-E-13-14**  
**IDAHO POWER COMPANY**

**ATTACHMENT 3**

**CLEAN FORMAT**



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)

PURPOSE

The Irrigation Peak Rewards Program (the Program) is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off specific irrigation pumps with the use of one or more Load Control Devices. In exchange for allowing the Company to turn off specified irrigation pumps, participating Customers will receive a financial incentive for load reductions during the calendar months of June, July, and August for each metered service point (Metered Service Point) enrolled in the Program.

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. The Program is only available to Customers that have an existing dispatchable Load Control Device installed on their equipment and existing participants under Interruption Option 3. Customers enrolled in the Program under the Timer Option in 2012 must either enroll in the Program under an Interruption Option that uses a dispatchable Load Control Device prior to the 2014 Program Season or no longer participate in the Program.

The Company shall have the right to select and reject Program 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, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Rewards Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to maintain one or more Load Control Devices on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled in this Program and to allow the Company or its representative reasonable access to the Load Control Device(s). By entering into the Agreement, each Customer also agrees to not increase for the sole purpose of participating in the Program the capacity, horsepower (HP) or size of the irrigation system served by the Company.

PROGRAM DESCRIPTION

Service under this optional, supplementary Program permits the Company to turn off specified irrigation pumps for a limited number of hours during the period of June 15 through August 15 (Program Season). The Company will utilize dispatchable Load Control Devices to turn off specific irrigation pumps during Load Control Events. In limited applications, a select group of eligible Customers will be permitted to manually interrupt electric service to participating irrigation pumps during Load Control Events (See Interruption Option 3). In exchange for allowing the Company to interrupt service to specified irrigation pumps, participating Customers will receive a financial incentive for usage that occurs during the calendar months of June, July, and August for each Metered Service Point enrolled in the Program.

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

DEFINITIONS

Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, a notification of acceptance into the Program will be mailed to participants, which will include a listing of the Metered Service Point(s) that have been enrolled.

Load Control Device. 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 irrigation pumps either manually or with the use of one or more Load Control Devices.

Program Season. The Program Season is the period June 15 through August 15 of each year.

Program kW. The Program kW is the demand amount, as measured at the Customer's meter in kilowatts (kW) during the Program Season, that is multiplied by the applicable incentive amount to determine the Demand Credit under each Interruption Option.

Nominated Demand. Nominated Demand is the amount of demand that participants under Interruption Option 3 must declare as available for dispatch during Load Control Events.

Program kWh. The Program kWh is the energy amount, as measured at the Customer's meter in kilowatt-hours (kWh) during the Program Season, that is multiplied by the applicable incentive amount to determine the Energy Credit under each Interruption Option.

Variable Program kWh. The Variable Program kWh is the demand amount, as measured at the Customer's meter in kilowatts (kW) multiplied by the hours of interruption for the Metered Service Point during the Program Season. The Variable Program kWh is multiplied by the applicable variable incentive payment to determine the Variable Energy Credit under each Interruption Option.

Variable Program kWh = metered kW x hours of interruption during Program Season

Bill Credit. The Bill Credit is the sum of the Demand Credit and the Energy Credit applied to the Customer's monthly bills for usage that occurs during the calendar months of June, July, and August of each calendar year. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season. The Bill Credit amount may be applied directly to participating Customers' bills or provided in the form of a check.

Demand Credit. The Demand Credit is a demand-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Demand Credit is calculated by multiplying the Program kW by the demand-related incentive amount for the Interruption Option selected by the Customer. The Demand Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, and August of each year. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.

Demand Credit = Program kW x demand-related incentive amount

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

DEFINITIONS (Continued)

Energy Credit. The Energy Credit is an energy-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Energy Credit is calculated by multiplying the Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. The Energy Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, and August of each year. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.

$$\text{Energy Credit} = \text{Program kWh} \times \text{energy-related incentive amount}$$

Variable Energy Credit. The Variable Energy Credit is an energy-based financial incentive provided for the Metered Service Point enrolled in the Program. The Variable Energy Credit is calculated by multiplying Variable Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. The Variable Energy Credit is paid in the form of a check no later than 45 days after the Program Season. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.

$$\text{Variable Energy Credit} = \text{Variable Program kWh} \times \text{variable energy-related incentive amount}$$

INTERRUPTION OPTIONS

Under the Interruption Options, the Company will dispatch remotely service interruptions to specified irrigation pumps any Monday through Saturday during the Program Season between the hours of 1:00 P.M. and 8:00 P.M. Mountain Daylight Time (MDT), excluding holidays (Standard Interruption). Customers may elect to participate until 9:00 P.M. MDT (Extended Interruption) and will receive a larger Variable Energy Credit. Service interruptions may last up to 4 hours per day and will not exceed 15 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. Customers participating in Interruption Option 1 and Option 2 may not receive advance notification of a Load Control Event. Notification will be sent to Customers under Interruption Option 1 and Option 2 after the Load Control Event begins. Customers participating in Interruption Option 3 will receive advance notification at least 4 hours prior to the Load Control Event. The Company will provide notice of a Load Control Event via the following communication technologies: telephone, e-mail and/or text message. If prior notice of a pending Load Control Event has been sent, the Company may choose to revoke the Load Control Event and will provide notice to Customers up to 30 minutes prior to the Load Control Event.

Customers who elect to participate in the Program may be eligible for one of the following Interruption Options:



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

INTERRUPTION OPTIONS (Continued)

Option 1. A dispatchable one-way communication Load Control Device will be connected to the electrical panel(s) serving the irrigation pumps associated with the Metered Service Points enrolled in the Program. The Load Control Device utilized under Option 1 will provide the Company the ability to send a signal that will interrupt or not allow the associated irrigation pumps to operate during dispatched Load Control Events. This option requires that all pumps at the Metered Service Point be controlled.

Under Option 1, the Program kW will be based upon the monthly Billing Demand, as measured in kW, for the associated Billing Period. The Program kWh under this option will be based upon the monthly energy usage, as measured in kWh, for the associated Billing Period.

Customers selecting Option 1 may opt-out of a Load Control Event up to five times per season prior to or during a Load Control Event. Each time a customer chooses to opt-out of one of the three minimum Load Control Events a fee of \$5.00 per kW will be assessed based upon the current Billing Period's kW. Each time a customer chooses to opt-out of a Load Control Event after the three minimum Load Control Events a fee of \$1.00 per kW will be assessed based upon the current Billing Period's kW. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season.

Option 2. A dispatchable Load Control Device capable of two-way communication will be connected to the electrical panel(s) servicing the irrigation pumps associated with the Metered Service Points enrolled in this Program. The Load Control Device utilized under Option 2 will provide the Company and the Customer remote control and monitoring of the associated irrigation pumps. Under this option, the Company will use this technology to send a signal that will interrupt or not allow the irrigation pumps to operate during dispatched Load Control Events. This option requires that all pumps at the Metered Service Point be controlled.

Under Option 2, the Program kW will be based upon the monthly Billing Demand, as measured in kW, for the associated Billing Period. The Program kWh under this option will be based upon the monthly energy usage, as measured in kWh, for the associated Billing Period.

Customers selecting Option 2 may opt-out of a Load Control Event up to five times per season prior to or during a Load Control Event. Each time a customer chooses to opt-out of one of the three minimum Load Control Events a fee of \$5.00 per kW will be assessed based upon the current Billing Period's kW. Each time a customer chooses to opt-out of a Load Control Event after the three minimum Load Control Events a fee of \$1.00 per kW will be assessed based upon the current Billing Period's kW. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season.

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

INTERRUPTION OPTIONS (Continued)

Option 3. Metered Service Points with interval metering having more than one pump and at least 1,000 cumulative HP are eligible for Option 3. Under Option 3, eligible Customers have the flexibility to choose which irrigation pumps will be interrupted during each dispatched Load Control Event. Customers electing this option must notify the Company of their Nominated Demand prior to June 1 of each year.

Customers selecting Option 3 are required to provide no less than their Nominated Demand during each Load Control Event. Each time a customer chooses to provide less than their Nominated Demand during one of the three minimum Load Control Events, an opt-out fee of \$5.00 per kW will be assessed on the Nominated Demand not made available for interruption. Each time a customer chooses to provide less than their Nominated Demand during a Load Control Event, after the three minimum Load Control Events, an opt-out fee of \$1.00 per kW will be assessed on the Nominated Demand not made available for interruption. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season.

Under Option 3, the Program kW will be based upon the maximum measured interval demand during the 24-hour period preceding 8:00 A.M. MDT the day of the announcement of a Load Control Event, minus the average demand during an event, as measured in kW over applicable load profile metering intervals. This applies to each Load Control Event initiated during a Billing Period. If there are no Load Control Events during a Billing Period then the Program kW will be the Nominated Demand. The Program kWh under this option will be based upon a calculated value, as measured in kWh. The Program kWh will be calculated separately for each Billing Period by multiplying the monthly Program kW by the ratio of the monthly energy usage to the Billing Demand for the associated Billing Period.

INCENTIVE STRUCTURE

Incentive payments under the Interruption Options will be determined based on a fixed payment and a variable payment. The fixed portion of the incentive payment will be paid through a Bill Credit and the variable portion will be paid by check no more than 45 days after the end of the Program Season. The first three Load Control Events will not be subject to the Variable Energy Credit. The variable payment will be based on the number of hours a participant's pump is interrupted during the Program Season and their associated Program kW after the first three Load Control Events.

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

INCENTIVE STRUCTURE (Continued)

| <u>Interruption Option</u> |  |   |   |   |
|----------------------------|--|---|---|---|
| <u>Interruption Option</u> | <u>Fixed Incentive Payment</u>                 |   | <u>Variable Incentive Payment</u>   |   |
|                            | <u>Demand Credit</u><br>(\$ per Program<br>kW) | <u>Energy Credit</u><br>(\$ per Program<br>kWh) | <u>Standard</u><br><u>Interruption</u><br><u>Variable Energy</u><br><u>Credit</u><br>(\$ per Variable<br>Program kWh) | <u>Extended</u><br><u>Interruption</u><br><u>Variable Energy</u><br><u>Credit</u><br>(\$ per Variable<br>Program kWh) |
| 1                          | \$5.00   | \$0.0076  | \$0.148   | \$0.198   |
| 2                          | \$5.00   | \$0.0076  | \$0.148   | \$0.198   |
| 3                          | \$5.00   | \$0.0076  | \$0.148   | \$0.198   |

TERM OF AGREEMENT AND TERMINATION

The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall automatically renew on March 15 of each calendar year unless notice of termination is given by either party to the other prior to the annual renewal date or unless otherwise terminated as follows:

1. A Customer may terminate the participation of a Metered Service Point and avoid the Termination Fee by notifying the Company or its representative before the Program Season.
2. A Customer who terminates the participation of a Metered Service Point anytime between June 15 and August 15 of each calendar year shall pay the Company a Termination Fee, which sum will be included on the Customer's monthly bill following termination of participation. The Customer's Bill Credit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program. Upon terminating participation of a Metered Service Point under the provisions of item 2, the Customer may not re-enroll the Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.

Termination Fees:

Interruption Options 1 and 2: \$500.00 per Metered Service Point terminated under item 2

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

TERM OF AGREEMENT AND TERMINATION (Continued)

- a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Load Control Device(s), including labor and other related costs.
- b. An applicable Termination Fee, as provided under item 2, will be applied to the Customer's monthly bill following the termination of participation.
- c. The Company will reverse any and all Demand Credits and/or Energy Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company utilizes a Load Control Device installed under this Program to interrupt the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service, Energy or Demand Charges associated with a Customer's standard service schedule.

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

Uniform Irrigation Peak Rewards Service  
Application/Agreement

THIS AGREEMENT Made this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
between \_\_\_\_\_ hereinafter called  
Customer, whose billing address is \_\_\_\_\_,  
and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho  
Street, Boise, Idaho, hereinafter called Company. This Agreement shall automatically renew on March  
15 of each calendar year unless notice of termination is given by either party to the other prior to the  
annual renewal date. This Agreement is for the Metered Service Point(s) identified on the attached  
worksheet (Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Rewards Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified on the Worksheet.
2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Bill Credit amounts are estimates based on the previous year's billing history for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient billing history will be provided an estimated Bill Credit based on the stated cumulative horsepower at the Metered Service Point. The Bill Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the Interruption Option selected for each specified Metered Service Point. For Metered Service Points enrolled in Interruption Option 3 the Customer must notify the Company of Nominated Demand amounts by June 1 of each year.

SCHEDULE 23  
IRRIGATION PEAK REWARDS

PROGRAM

(OPTIONAL)

(Continued)

Uniform Irrigation Peak Rewards Service

Application/Agreement

(Continued)

3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Load Control Device(s) on the electrical panel that services the Customer's irrigation pumps. The Load Control Device(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.
4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt the specified irrigation pumps at the Metered Service Point(s) enrolled in the Program according to the provisions of the Interruption Option selected. The Company retains the sole right to determine the criteria under which a Load Control Event is scheduled for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption simultaneously, excluding Metered Service Points participating in the Program under Interruption Option 3.
5. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit and/or Energy Credit corresponding to the Interruption Option selected by the Customer. The Bill Credit included on the Worksheet is based upon the billing history for the Metered Service Point(s) specified on the Worksheet, for the months of June, July, and August of the prior year. The Bill Credit will be paid in the form of a credit on the Customer's monthly bill or provided in the form of a check. The Demand Credit may be prorated for the months of June, July, and August depending on the Customer's billing cycle.

Metered Service Points with interval metering, at least 1,000 cumulative HP and participating under Interruption Options, will receive a Bill Credit from the Company within 30 days of billing due to the extensive data analysis required to process interval metering data.
6. If the Customer terminates this Agreement anytime between June 15 and August 15 of the current calendar year while the Metered Service Point(s) are still connected for service the Customer may not re-enroll that Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

Uniform Irrigation Peak Rewards Service  
Application/Agreement  
(Continued)

7. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event at a Metered Service Point(s), the Agreement as it applies to that Metered Service Point will be automatically terminated. The Customer will also be required to reimburse the Company for all costs of replacement or repair of the Load Control Device(s), including labor and other related costs, pay the Company the applicable Termination Fee which sum will be included on the Customer's monthly bill and the Company will reverse any Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.
8. The Company's Schedule 23, any revisions to that schedule and/or any successor schedule are to be considered part of this Agreement.
9. This Agreement and the rates, terms and conditions of service set forth or incorporated herein and the respective rights and obligations of the Parties hereunder shall be subject to valid laws and to the regulatory authority and orders, rules and regulations of the Idaho Public Utilities Commission and such other administrative bodies having jurisdiction.
10. Nothing herein shall be construed as limiting the Idaho Public Utilities Commission from changing any terms, rates, charges, classification of service or any rules, regulations or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Customer to unilaterally make application to the Commission for any such change.
11. In any action at law or equity under this Agreement and upon which judgment is rendered, the prevailing Party, as part of such judgment, shall be entitled to recover all costs, including reasonable attorneys fees, incurred on account of such action.
12. The Company retains the sole right to select and reject the participants to receive service under Schedule 23. 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.

SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(OPTIONAL)  
(Continued)

Uniform Irrigation Peak Rewards Service  
Application/Agreement  
(Continued)

13. Under no circumstances shall the Company or any subsidiary, affiliates or parent Company be held liable to the Customer or any other party for damages or for any loss, whether direct, indirect, consequential, incidental, punitive or exemplary resulting from the Program or from the Customer's participation in the Program. The Customer assumes all liability and agrees to indemnify and hold harmless the Company and its subsidiaries, affiliates and parent company for personal injury, including death, and for property damage caused by the Customer's decision to participate in the Program and to reduce loads.

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.

(Appropriate Signatures)



SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
(OPTIONAL)

PURPOSE

The Residential Air Conditioner Cycling Program is an optional, supplemental service that permits participating residential Customers an opportunity to voluntarily allow the Company to cycle their central air conditioners with the use of a direct load control Device installed at their residence. Customers will receive a monetary incentive for successfully participating in the Program during the Air Conditioning Season.

DEFINITIONS

AC Cycling is the effect of the Company sending a signal to a Device installed at the Customer's residence and instructing it to cycle the Central Air Conditioning compressor for a specified length of time.

Air Conditioning Season is the period that commences on June 15 and continues through August 15 of each calendar year.

Central Air Conditioning is a home cooling system that is controlled by one or more centrally located thermostats that controls one or more refrigerated air-cooling units located outside the Customer's residence.

Cycling Event is a period during which the Company sends a signal to the Device installed at the Customer's residence, which instructs the Device to begin AC Cycling.

Device is a direct load control device installed at a Customer's residence that enables the Company to conduct AC Cycling.

Notification refers to the Customer's indication of intent to initiate or terminate participation in the Program by either contacting the Company's Customer Service Center, providing written notice or submitting an electronic Application via the Company's website.

Opt Out is the term used to describe the two times each Air Conditioning Season in which the Customer may choose to temporarily not participate in AC Cycling by providing advanced Notification to the Company.

Program Operation Area describes the area in which the Program will be offered to Customers and is comprised of the Company's service territory within the State of Idaho where the infrastructure required to support AC Cycling has been installed and is operational.

SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
(OPTIONAL)  
(Continued)

AVAILABILITY

Service under this schedule is available on an optional basis to Customers taking service under Schedule 1 or Schedule 5 who have Central Air Conditioning located at their residences and live within the Program Operation Area. Customers may request to be added to the Program at any time during the year by providing Notification to the Company.

Service under this schedule may be limited based upon the availability of Program equipment and/or funding. The Company shall have the right to select and reject Program 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, energy usage, residential location, size of home, or other factors. Customers' Central Air Conditioning equipment must be fully functional and comply with the National Electric Code (NEC) standards. Customers who are renting or leasing their home must provide to the Company written proof of the express permission of the owner of the Central Air Conditioning system prior to acceptance into the program.

TERMS AND CONDITIONS

Upon acceptance into the Program, Customers will be subject to the following terms and conditions:

1. Each eligible Customer who chooses to take service under this optional schedule is thereby giving the Company or its representative permission, on reasonable notice, to enter the Customer's residence or property to install a Device and, in certain cases, either a mass memory meter or an end-use meter and to allow Idaho Power or its representative, with prior notice to the Customer, reasonable access to the Device or other Program-related equipment following its installation.
2. Customers added to the Program during the Air Conditioning Season must be effectively participating in the Program prior to the 20<sup>th</sup> day of the month in order to receive an incentive payment for that month.
3. A Customer may Opt Out of the Program two times during the Air Conditioning Season.
4. A Customer may discontinue participation in the Program without penalty by providing Notification to the Company.
5. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Cycling Event, the Customer's participation in the Program will be terminated and the Customer will be required to reimburse the Company for the cost of replacement or repair of the Device or other Program equipment and the Company will reverse any amounts credited to the Customer's bills during the past twelve months as a result of the Customer's participation in the Program.

SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
(OPTIONAL)  
(Continued)

PROGRAM DESCRIPTION

1. At the Company's expense, the Company or its representative will install a Device at the Customer's residence.

2. A financial incentive of \$5.00 per month for each of the three months of June, July, and August will be paid to each Customer who successfully participates in the Program. This incentive will be paid in the form of a credit on the Customer's monthly bill for each month that the Customer successfully participates in the Program, beginning with the July bill and ending with the September bill. Incentive payments are limited to one controlled Central Air Conditioning unit per metered service point. Customers who have more than one Central Air Conditioning unit at a metered service point may participate in the Program. A Device must be installed at each Central Air Conditioning unit. However, no additional incentive will be paid.

3. The Company will send a signal to the Device to initiate a Cycling Event. A Cycling Event may be up to four hours per day on any weekday during the Air Conditioning Season, excluding holidays. A Cycling Event may occur over a continuous 4-hour period or may be segmented throughout the day at the Company's discretion in order to optimize available resources. Cycling Events may occur up to 15 hours each week and will not exceed a total of 60 hours per Air Conditioning Season. During each Air Conditioning Season, the Company will conduct at least three Cycling Events. Mass memory meters or end-use meters may be installed on some Customers' residences or Central Air Conditioning units for program evaluation purposes. The residences or Central Air Conditioning units selected for installation of the meter shall be at the Company's sole discretion.

SPECIAL CONDITIONS

The Company is not responsible for any consequential, incidental, punitive, exemplary or indirect damage to the participating Customer or third parties that results from AC Cycling, from the Customer's participation in the Program, or of Customer's efforts to reduce peak energy use while participating in the Program.

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

The Company shall have the right to select the AC Cycling schedule and the percentage of Customers' Central Air Conditioning systems to cycle at any one time, up to 100%, at its sole discretion.

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service or Energy Charges associated with a Customer's standard service schedule.

## **LEGSLIATIVE FORMAT**



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(SUSPENDED)(OPTIONAL)

Service under this schedule is temporarily suspended. Effective April 1, 2013, new service under this schedule will not be available and no service interruptions will occur (see section: 2013 Program Suspension Period).

PURPOSE

The Irrigation Peak Rewards Program (the Program) is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off specific irrigation pumps with the use of one or more Load Control Devices. In exchange for allowing the Company to turn off specified irrigation pumps, participating Customers will receive a financial incentive for load reductions during the calendar months of June, July, and August for each metered service point (Metered Service Point) enrolled in the Program.

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. The Program is only available to Customers that have an existing dispatchable Load Control Device installed on their equipment and existing participants under Interruption Option 3. Customers enrolled in the Program under the Timer Option in 2012 must either enroll in the Program under an Interruption Option that uses a dispatchable Load Control Device prior to the 2014 Program Season or no longer participate in the Program.

The Company shall have the right to select and reject Program 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, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Rewards Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to install/maintain one or more Load Control Devices on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled in this Program and to allow the Company or its representative reasonable access to the Load Control Device(s) following the installation. By entering into the Agreement, each Customer also agrees to not increase for the sole purpose of participating in the Program the capacity, horsepower (HP) or size of the irrigation system served by the Company.

PROGRAM DESCRIPTION

Service under this optional, supplementary Program permits the Company to turn off specified irrigation pumps for a limited number of hours during the period of June 15 through August 15 (Program Season). The Company will utilize ~~either dispatchable or timer-based~~ Load Control Devices to turn off specific irrigation pumps during ~~Load~~ ~~Control~~ ~~Events~~. In limited applications, a select group of eligible Customers will be permitted to manually interrupt electric service to participating irrigation

pumps during ~~ILoad~~ ~~eControl~~ ~~eEvents~~ (See ~~Dispatchable~~Interruption Option 3). In exchange for allowing the Company to interrupt service to specified irrigation pumps, participating Customers will receive a financial incentive for usage that occurs during the calendar months of June, July, and August for each Metered Service Point enrolled in the Program.



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(SUSPENDED)(OPTIONAL)  
(Continued)

DEFINITIONS

Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, a notification of acceptance into the Program will be mailed to participants, which will include a listing of the Metered Service Point(s) that have been enrolled.

Load Control Device. Load Control Device refers to any technology, device, or system utilized under the Program to enable the Company to initiate the ~~I~~Load ~~e~~Control ~~e~~Event.

Load Control Event. Refers to an event under the Program where the Company requests or calls for interruption of specific irrigation pumps either manually or with the use of one or more Load Control Devices.

Program Season. The Program Season is the period June 15 through August 15 of each year.

Program kW. The Program kW is the demand amount, as measured at the Customer's meter in kilowatts (kW) during the Program Season, that is multiplied by the applicable incentive amount to determine the Demand Credit under each Interruption Option.

Nominated Demand. Nominated Demand is the amount of demand that participants under ~~Dispatchable~~Interruption Option 3 must declare as available for dispatch during ~~I~~Load ~~e~~Control ~~e~~Events.

Program kWh. The Program kWh is the energy amount, as measured at the Customer's meter in kilowatt-hours (kWh) during the Program Season, that is multiplied by the applicable incentive amount to determine the Energy Credit under each Interruption Option.

Variable Program kWh. The Variable Program kWh is the demand amount, as measured at the Customer's meter in kilowatts (kW) multiplied by the hours of interruption for the Metered Service Point during the Program Season. The Variable Program kWh is multiplied by the applicable variable incentive payment to determine the Variable Energy Credit under each Interruption Option.

Variable Program kWh = metered kW x hours of interruption during Program Season

Bill Credit. The Bill Credit is the sum of the Demand Credit and the Energy Credit applied to the Customer's monthly bills for usage that occurs during the calendar months of June, July, and August of each calendar year. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season. The Bill Credit amount may be applied directly to participating Customers' bills or provided in the form of a check.

Demand Credit. The Demand Credit is a demand-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Demand Credit is calculated by multiplying the Program kW by the demand-related incentive amount for the Interruption Option selected by the Customer. The Demand Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, and August of each year. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.

| Idaho Power Company ~~Fifth~~Sixth Revised Sheet No. 23-2  
Cancels

| I.P.U.C. No. 29, Tariff No. 101 ~~Fourth~~Fifth Revised Sheet No. 23-2

Demand Credit = Program kW x demand-related incentive amount

IDAHO

Issued per Order No. ~~32776~~

Effective – ~~April~~January 1, 201~~34~~

Issued by IDAHO POWER COMPANY

Gregory W. Said, Vice President, Regulatory Affairs

1221 West Idaho Street, Boise, Idaho



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
~~(SUSPENDED)(OPTIONAL)~~  
(Continued)

DEFINITIONS (Continued)

Energy Credit. The Energy Credit is an energy-based financial incentive provided in the form of a credit on the monthly bill for the Metered Service Point enrolled in the Program. The monthly Energy Credit is calculated by multiplying the Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. The Energy Credit will be included on the Customer's monthly bills for usage that occurs during the calendar months of June, July, and August of each year. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.

$$\text{Energy Credit} = \text{Program kWh} \times \text{energy-related incentive amount}$$

Variable Energy Credit. The Variable Energy Credit is an energy-based financial incentive provided for the Metered Service Point enrolled in the Program. The Variable Energy Credit is calculated by multiplying Variable Program kWh by the energy-related incentive amount for the Interruption Option selected by the Customer. The Variable Energy Credit is paid in the form of a check no later than 45 days after the Program Season. This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.

$$\text{Variable Energy Credit} = \text{Variable Program kWh} \times \text{variable energy-related incentive amount}$$

INTERRUPTION OPTIONS

~~—— Dispatchable Option~~

Under the ~~Dispatchable-Interruption~~ Options, the Company will dispatch remotely service interruptions to specified irrigation pumps any Monday through Saturday during the Program Season between the hours of 1:00 P.M. and 8:00 P.M. Mountain Daylight Time (MDT), excluding ~~July 4 holidays~~ (Standard Interruption). Customers may elect to participate until 9:00 P.M. MDT (Extended Interruption) and will receive a larger Variable Energy Credit. Service interruptions may last up to 4 hours per day and will not exceed 15 hours per calendar week and 60 hours per Program Season. ~~The Company will provide to participating customers notice of pending service interruption by 4:00 P.M. MDT on the day prior to each load control event. The Company will provide subsequent notice of a pending service interruption 30 minutes notice prior to the start of all load control events and once again prior to the end of all load control events. During each Program Season the Company will conduct a minimum of three Load Control Events. Customers participating in Interruption Option 1 and Option 2 may not receive advance notification of a Load Control Event. Notification will be sent to Customers under Interruption Option 1 and Option 2 after the Load Control Event begins. Customers participating in Interruption Option 3 will receive advance notification at least 4 hours prior to the Load Control Event. The Company will provide notice of a Load Control Event via the following communication technologies: telephone, e-mail and/or text message. If prior notice of a pending Load eControl eEvent has been sent, the Company may choose to revoke the Load eControl eEvent and will provide notice to Customers by 12:30 P.M. MDT up to 30 minutes prior to the Load Control Event on the day of the scheduled load control event. The Company will provide notice of a load control event via the following communication technologies: telephone, e-mail and/or text message.~~

Idaho Power Company

~~Fifth~~Sixth Revised Sheet No. 23-3

Cancels

I.P.U.C. No. 29, Tariff No. 101 ~~Fourth~~Fifth Revised Sheet No. 23-3

Customers who elect to participate in the Program ~~under a Dispatchable Option~~ may be eligible for one of the following ~~Dispatchable~~Interruption Options:

IDAHO

Issued per Order No. ~~32776~~

Effective – ~~April~~January 1, 201~~34~~

Issued by IDAHO POWER COMPANY

Gregory W. Said, Vice President, Regulatory Affairs

1221 West Idaho Street, Boise, Idaho



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
~~(SUSPENDED)(OPTIONAL)~~  
(Continued)

INTERRUPTION OPTIONS (Continued)

~~Dispatchable Interruption Option~~ (Continued)

Option 1. A dispatchable one-way communication Load Control Device will be connected to the electrical panel(s) serving the irrigation pumps associated with the Metered Service Points enrolled in the Program. The Load Control Device utilized under ~~this Dispatchable~~ Option 1 will provide the Company the ability to send a signal that will interrupt or not allow the associated irrigation pumps to operate during dispatched ILoad eControl eEvents. This option requires that all pumps at the Metered Service Point be controlled.

Under ~~Dispatchable~~ Option 1, the Program kW will be based upon the monthly Billing Demand, as measured in kW, for the associated Billing Period. The Program kWh under this option will be based upon the monthly energy usage, as measured in kWh, for the associated Billing Period.

Customers selecting ~~Dispatchable~~ Option 1 may opt-out of a ILoad eControl eEvent up to five times per season ~~any time~~ prior to or during a ILoad eControl eEvent. Each time a customer chooses to opt-out of ~~one of the three minimum ILoad eControl eEvents~~ a fee of \$05.00 per kW will be assessed based upon the current Billing Period's kW. ~~This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season.~~ Each time a customer chooses to opt-out of a Load Control Event after the three minimum Load Control Events a fee of \$1.00 per kW will be assessed based upon the current Billing Period's kW. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season.

Option 2. A dispatchable Load Control Device capable of two-way communication will be connected to the electrical panel(s) servicing the irrigation pumps associated with the Metered Service Points enrolled in this Program. The Load Control Device utilized under ~~this Dispatchable~~ Option 2 will provide the Company and the Customer remote control and monitoring of the associated irrigation pumps. Under this option, the Company will use this technology to send a signal that will interrupt or not allow the irrigation pumps to operate during dispatched ILoad eControl eEvents. This option requires that all pumps at the Metered Service Point be controlled.

Under ~~Dispatchable~~ Option 2, the Program kW will be based upon the monthly Billing Demand, as measured in kW, for the associated Billing Period. The Program kWh under this option will be based upon the monthly energy usage, as measured in kWh, for the associated Billing Period.

Customers selecting ~~Dispatchable~~ Option 2 may opt-out of a ILoad eControl eEvent up to five times per season ~~any time~~ prior to or during a ILoad eControl eEvent. Each time a customer chooses to opt-out of ~~one of the three minimum ILoad eControl eEvents~~ a fee of \$05.00 per kW will be assessed based upon the current Billing Period's kW. ~~This amount may be prorated for the number of days during the months of June, July, and August that fall in~~

~~the Customer's billing cycle to correspond with the Program Season. Each time a customer chooses to opt-out of a Load Control Event after the three minimum Load Control Events a fee of \$1.00 per kW will be assessed based upon the current Billing Period's kW. The opt-out fee will not exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season.~~



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
~~(SUSPENDED)(OPTIONAL)~~  
(Continued)

INTERRUPTION OPTIONS (Continued)

Dispatchable Interruption Option (Continued)

Option 3. Metered Service Points with interval metering having more than one pump and at least 1,000 cumulative HP are eligible for ~~Dispatchable~~ Option 3. Under ~~this Dispatchable~~ Option 3, eligible Customers have the flexibility to choose which irrigation pumps will be interrupted during each dispatched ~~Load~~ ~~Control~~ ~~Event~~. Customers electing this option must notify the Company of their Nominated Demand prior to June 1 of each year.

Customers selecting ~~Dispatchable~~ Option 3 are required to provide no less than their Nominated Demand during each ~~Load~~ ~~Control~~ ~~Event~~. Each time a customer chooses to provide less than their Nominated Demand during ~~one of the three minimum Load~~ ~~Control~~ ~~Events~~, an opt-out fee of \$~~05.00~~ per kW will be assessed on the Nominated Demand not made available for interruption. ~~This amount may be prorated for the number of days during the months of June, July, and August that fall in the Customer's billing cycle to correspond with the Program Season. Each time a customer chooses to provide less than their Nominated Demand during a Load Control Event, after the three minimum Load Control Events, an opt-out fee of \$1.00 per kW will be assessed on the Nominated Demand not made available for interruption. The opt-out fee will nevernot exceed the total Bill Credit for the Program Season. Any opt-out fee will be applied at the end of the Program Season.~~

Under ~~Dispatchable~~ Option 3, the Program kW will be based upon the maximum measured interval demand during the 24-hour period preceding ~~28:00~~ PA.M. MDT the day of the announcement of a ~~Load~~ ~~Control~~ ~~Event~~, minus the average demand during an event, as measured in kW over applicable load profile metering intervals. This applies to each ~~Load~~ ~~Control~~ ~~Event~~ initiated during a Billing Period. If there are no ~~Load~~ ~~Control~~ ~~Events~~ during a Billing Period then the Program kW will be the Nominated Demand. The Program kWh under this option will be based upon a calculated value, as measured in kWh. The Program kWh will be calculated separately for each Billing Period by multiplying the monthly Program kW by the ratio of the monthly energy usage to the Billing Demand for the associated Billing Period.

Timer Option

~~Under the Timer Option, the Company or its representative will install a timer-based Load Control Device on the Customer's electrical panel controlling the irrigation pumps at the Metered Service Point enrolled in the Program. The Company or its representative will set the timer or timers to interrupt specified irrigation pumps according to the Timer Interruption Option selected by the Customer. The Company will set each timer to interrupt service on the designated weekday(s) and/or Saturday during the hours of 4:00 P.M. to 8:00 P.M. MDT. Each Metered Service Point's timer will be set to interrupt service on one, two, or three regularly scheduled days per week for each week during the Program Season. The Company retains the sole right to select the load reduction day(s) for each Metered Service Point.~~

~~Changes to the Interruption Schedule. A Customer who elects to reduce the number of days of weekly interruption of a Metered Service Point on or after June 15 of each calendar year shall~~



~~pay the Company the sum of \$0.00, which sum will be included on the Customer's monthly bill following the implementation of the requested change. The Customer's Bill Credit shall be prorated based upon the number of days in that month the Customer participated under each interruption schedule. The Company will not accept any requests to increase the number of days of weekly interruption on or after June 15 of each calendar year.~~ INCENTIVE STRUCTURE

Incentive payments under the Dispatchable Interruption Options will be determined based on a fixed payment and a variable payment. The fixed portion of the incentive payment will be paid through a Bill Credit and the variable portion will be paid by check no more than 45 days after the end of the Program Season. The first three Load Control Events will not be subject to the Variable Energy Credit. The variable payment will be based on the number of hours a participant's pump is interrupted during the Program Season and their associated Program kW after the first three Load Control Events.



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(SUSPENDED)(OPTIONAL)  
(Continued)

INCENTIVE STRUCTURE (Continued)INCENTIVE STRUCTURE

~~Incentive payments under the Dispatchable Interruption Options will be determined based on a fixed payment and a variable payment. The fixed portion of the incentive payment will be paid through a Bill Credit and the variable portion will be paid by check no more than 45 days after the end of the Program Season. The variable payment will be based on the number of hours a participant's pump is interrupted during the Program Season and their associated Program kWh.~~

| <u>Dispatchable Interruption Option</u> |  |   |   |   |
|---|--|---|---|---|
|   | Fixed Incentive Payment                  |   | Variable Incentive Payment  |   |
| <u>Interruption Dispatchable Option</u> | <u>Demand Credit (\$ per Program kW)</u> | <u>Energy Credit (\$ per Program kWh)</u> | <u>Standard Interruption Variable Energy Credit (\$ per Variable Program kWh)</u> | <u>Extended Interruption Variable Energy Credit (\$ per Variable Program kWh)</u> |
| 1                                       | \$05.00                                  | \$0.00076                                 | \$0.000148  | \$0.000198  |
| 2                                       | \$05.00                                  | \$0.00076                                 | \$0.000148  | \$0.000198  |
| 3                                       | \$05.00                                  | \$0.00076                                 | \$0.000148  | \$0.000198  |

TERM OF AGREEMENT AND TERMINATION

~~The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall automatically renew on March 15 of each calendar year unless notice of termination is given by either party to the other prior to the annual renewal date or unless otherwise terminated as follows:~~

- ~~1. A Customer may terminate the participation of a Metered Service Point without penalty and avoid the Termination Fee by notifying the Company or its representative before the Load Control Device(s) has been installed on the Metered Service Point (Early Termination) Program Season.~~
- ~~2. A Customer who terminates the participation of a Metered Service Point anytime between June 15 and August 15 of each calendar year and who does not satisfy the provisions of item 1 above, shall pay the Company a Termination Fee, which sum will be included on the Customer's monthly bill following termination of participation. The Customer's Bill Credit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program. In the first year that a Metered Service Point becomes enrolled in the Program, a Termination Fee will also be assessed whenever a Customer does not satisfy the provisions of item 1 and requests to terminate participation of the newly enrolled Metered Service Point any time prior to August 15. Upon terminating participation of a Metered Service Point under the provisions of item 2, the Customer may not re-enroll the Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.~~



Termination Fees:

Dispatchable Interruption Options 1 and 2: \$0500.00 per Metered Service Point terminated under item 2

Timer Option \$0.00 per Metered Service Point terminated under item 2

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Load eControl eEvent at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:

| <u>Timer Interruption Option</u> |   |  |
|----------------------------------|---|--|
| <u>Timer Option</u>              | <u>Demand Credit</u><br>(\$ per Program kW) | <u>Energy Credit</u><br>(\$ per Program kWh) |
| One-Day                          | \$0.00                                      | \$0.000                                      |
| Two-Days                         | \$0.00                                      | \$0.000                                      |
| Three-Days                       | \$0.00                                      | \$0.000                                      |

INSTALLATION FEES

— An Installation Fee may be applicable depending upon the size, as measured in horsepower, of the irrigation system associated with a participating Metered Service Point. The purpose of the Installation Fee is to offset a portion of the installation costs associated with Metered Service Points having smaller load reduction capabilities. The Installation Fee is non-refundable except when a Customer elects for Early Termination of the Program. An Installation Fee will apply according to the following table:

| <u>Horsepower (HP)</u> | <u>Dispatchable Option</u> |          |            | <u>Timer Option</u> |
|------------------------|----------------------------|----------|------------|---------------------|
|                        | <u>1</u>                   | <u>2</u> | <u>3 *</u> |                     |
| Less than 30 HP        | \$0                        | \$0      | N/A        | \$0                 |
| From 30 to 49 HP       | \$0                        | \$0      | N/A        | \$0                 |
| From 50 to 74 HP       | \$0                        | \$0      | N/A        | \$0                 |
| From 75 to 99 HP       | \$0                        | \$0      | N/A        | \$0                 |
| Greater than 99 HP     | \$0                        | \$0      | N/A        | \$0                 |

— Note: (\*) An Installation Fee will not be assessed under Dispatchable Option 3.



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
~~(SUSPENDED)~~(OPTIONAL)  
(Continued)

TERM OF AGREEMENT AND TERMINATION (Continued)

TERM OF AGREEMENT AND TERMINATION

~~3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load control event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:~~

- a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Load Control Device(s), including labor and other related costs.
- b. An applicable Termination Fee, as provided under item 2, will be applied to the Customer's monthly bill following the termination of participation.
- c. The Company will reverse any and all Demand Credits and/or Energy Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company utilizes a Load Control Device installed under this Program to interrupt the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service, Energy or Demand Charges associated with a Customer's standard service schedule.



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(SUSPENDED)(OPTIONAL)  
(Continued)

SPECIAL CONDITIONS

~~The provisions of this schedule do not apply for any time period that the Company utilizes a Load Control Device installed under this Program to interrupt the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service, Energy or Demand Charges associated with a Customer's standard service schedule.~~

~~Mass memory meters may be installed on a select number of Metered Service Points for Program monitoring and evaluation purposes. The sample of Metered Service Points selected for monitoring and evaluation will be chosen at the Company's sole discretion.~~

2013 PROGRAM SUSPENSION PERIOD

~~Eligibility. During the 2013 Program Suspension Period, Customers who had a Metered Service Point participating in this Program during the 2012 Program Season and the same Customer has the same Metered Service Point active in this Program between June 15, 2013 and August 15, 2013 will be eligible for a 2013 Demand Credit.~~

~~2013 Demand Credit. Eligible Customers will receive a 2013 Demand Credit for Metered Service Points that were enrolled in the Dispatchable Interruption Option 1 and 2 and in the Timer Interruption Option during the 2012 Program Season and are active on June 15, 2013. The 2013 Demand Credit will be paid during the Billing Periods that include June 15, 2013 through August 15, 2013 and may be prorated for the number of days during the months of June, July and August that fall in the Customer's billing cycle to correspond with the Program Season. The 2013 Demand Credit will be based on the 2013 monthly billing demands for all Metered Service Points enrolled in the 2012 Program Season.~~

~~Eligible Customers will receive a 2013 Demand Credit for Metered Service Points that were enrolled in the Dispatchable Interruption Option 3 during the 2012 Program Season and are active on June 15, 2013. The 2013 Demand Credit will be paid by check no more than 30 days after the end of the Customer's applicable billing cycles and may be prorated for the number of days during the months of June, July and August that fall in the Customer's billing cycle to correspond with the Program Season. The 2013 Demand Credit will be based on the lesser of the Nominated Demand for the 2012 Program Season or the 2013 monthly billing demand.~~

| <u>Interruption Option</u>  |   |
|-----------------------------|---|
| <u>Dispatchable Option:</u> | <u>2013 Demand Credit<br/>(\$ per Program kW)</u> |
| 1                           | \$2.27  |
| 2                           | \$2.27  |
| 3                           | \$2.27  |
| <u>Timer Option:</u>        | <u>2013 Demand Credit<br/>(\$ per Program kW)</u> |
| One Day                     | \$0.54  |
| Two Days                    | \$0.94  |
| Three Days                  | \$1.33  |



Uniform Irrigation Peak Rewards Service  
Application/Agreement

THIS AGREEMENT Made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
between \_\_\_\_\_ hereinafter called  
Customer, whose billing address is \_\_\_\_\_  
and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho  
Street, Boise, Idaho, hereinafter called Company. This Agreement shall automatically renew on March  
15 of each calendar year unless notice of termination is given by either party to the other prior to the  
annual renewal date. This Agreement is for the Metered Service Point(s) identified on the attached  
worksheet (Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: \_\_\_\_\_

Phone: \_\_\_\_\_

Cell Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Rewards Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified on the Worksheet.
2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Bill Credit amounts are estimates based on the previous year's billing history for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient billing history will be provided an estimated Bill Credit based on the stated cumulative horsepower at the Metered Service Point. The Bill Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the Interruption Option selected for each specified Metered Service Point. For Metered Service Points enrolled in Dispatchable Interruption Option 3 the Customer must notify the Company of Nominated Demand amounts by June 1 of each year.



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM

~~(SUSPENDED)~~(OPTIONAL)

(Continued)

Uniform Irrigation Peak Rewards Service

Application/Agreement

(Continued)

3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Load Control Device(s) on the electrical panel that services the Customer's irrigation pumps. The Load Control Device(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.
4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt the specified irrigation pumps at the Metered Service Point(s) enrolled in the Program according to the provisions of the Interruption Option selected. The Company retains the sole right to determine the criteria under which a ~~Load~~ ~~Control~~ ~~Event~~ is scheduled for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption simultaneously, excluding Metered Service Points participating in the Program under Dispatchable ~~Interruption~~ Option 3.
5. The Customer may be required to pay an Installation Fee when a Load Control Device is installed on an eligible Metered Service Point providing electric service to irrigation pumps with less than 100 cumulative horsepower. The Installation Fee is non-refundable except when a Customer elects for Early Termination of the Program.
65. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit and/or Energy Credit corresponding to the Interruption Option selected by the Customer. The Bill Credit included on the Worksheet is based upon the billing history for the Metered Service Point(s) specified on the Worksheet, for the months of June, July, and August of the prior year. The Bill Credit will be paid in the form of a credit on the Customer's monthly bill or provided in the form of a check. The Demand Credit may be prorated for the months of June, July, and August depending on the Customer's billing cycle.
- Metered Service Points with interval metering, at least 1,000 cumulative HP and participating under the manual ~~Interruption~~ ~~eOptions~~, will receive a Bill Credit from the Company within 30 days of billing due to the extensive data analysis required to process interval metering data.
6. If the Customer terminates this Agreement anytime between June 15 and August 15 of the current calendar year while the Metered Service Point(s) are still connected for service the Customer may not re-enroll that Metered Service Point into the Program until the following calendar year and the applicable Termination Fee has been paid in full.

Uniform Irrigation Peak Rewards Service

Application/Agreement



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
~~(SUSPENDED)(OPTIONAL)~~  
(Continued)

Uniform Irrigation Peak Rewards Service  
Application/Agreement  
(Continued)

- ~~7. If the Customer terminates this Agreement anytime between June 15 and August 15 of the current calendar year while the Metered Service Point(s) are still connected for service and has not elected Early Termination of the Program, the Customer agrees to pay the Company the applicable Termination Fee, which sum will be included on the Customer's monthly bill. The Customer's Bill Credit for the month of termination shall be prorated for the number of days in that month that the Customer is a participant in good standing in the Program. In the first year that a Metered Service Point becomes enrolled in the Program, a Termination Fee will also be assessed whenever the Customer does not elect for Early Termination and requests to terminate the participation of the newly enrolled Metered Service Point any time prior to August 15. Upon terminating participation of a Metered Service Point the Customer may not re-enroll that Metered Service Point into the Program until the following calendar year.~~
- ~~8. Under the Timer Option, whenever the Customer elects to change Options to reduce the number of days of weekly interruption of a Metered Service Point on or after June 15 of each calendar year, the Customer shall pay the Company the sum of \$0.00, which sum will be included on the Customer's monthly bill following the implementation of the requested change. The Customer's Bill Credit shall be prorated based upon the number of days in that month the Customer participated under each interruption schedule. The Company will not accept any requests to increase the number of days of weekly interruption on or after June 15 of each calendar year.~~
- ~~9. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load control event at a Metered Service Point(s), the Agreement as it applies to that Metered Service Point will be automatically terminated. The Customer will also be required to reimburse the Company for all costs of replacement or repair of the Load Control Device(s), including labor and other related costs, pay the Company the applicable Termination Fee which sum will be included on the Customer's monthly bill and the Company will reverse any Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.~~
- ~~10. The Company's Schedule 23, any revisions to that schedule and/or any successor schedule are to be considered part of this Agreement.~~
- ~~7. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Load Control Event at a Metered Service Point(s), the Agreement as it applies to that Metered Service Point will be automatically terminated. The Customer will also be required to reimburse the Company for all costs of replacement or repair of the Load Control Device(s), including labor and other related costs, pay the Company the applicable Termination Fee which sum will be included on the Customer's monthly bill and the Company will reverse any Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.~~



8. The Company's Schedule 23, any revisions to that schedule and/or any successor schedule are to be considered part of this Agreement.

149. This Agreement and the rates, terms and conditions of service set forth or incorporated herein and the respective rights and obligations of the Parties hereunder shall be subject to valid laws and to the regulatory authority and orders, rules and regulations of the Idaho Public Utilities Commission and such other administrative bodies having jurisdiction.

10. Nothing herein shall be construed as limiting the Idaho Public Utilities Commission from changing any terms, rates, charges, classification of service or any rules, regulations or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Customer to unilaterally make application to the Commission for any such change.

11. In any action at law or equity under this Agreement and upon which judgment is rendered, the prevailing Party, as part of such judgment, shall be entitled to recover all costs, including reasonable attorneys fees, incurred on account of such action.

12. The Company retains the sole right to select and reject the participants to receive service under Schedule 23. 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.

Uniform Irrigation Peak Rewards Service

Application/Agreement

(Continued)

~~6. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit and/or Energy Credit corresponding to the Interruption Option selected by the Customer. The Bill Credit included on the Worksheet is based upon the billing history for the Metered Service Point(s) specified on the Worksheet, for the months of June, July, and August of the prior year. The Bill Credit will be paid in the form of a credit on the Customer's monthly bill or provided in the form of a check. The Demand Credit may be prorated for the months of June, July, and August depending on the Customer's billing cycle.~~

~~Metered Service Points with interval metering, at least 1,000 cumulative HP and participating under the manual option, will receive a Bill Credit from the Company within 30 days of billing due to the extensive data analysis required to process interval metering data.~~



SCHEDULE 23  
IRRIGATION PEAK REWARDS  
PROGRAM  
(SUSPENDED)(OPTIONAL)  
(Continued)

Uniform Irrigation Peak Rewards Service  
Application/Agreement  
(Continued)

- ~~12. Nothing herein shall be construed as limiting the Idaho Public Utilities Commission from changing any terms, rates, charges, classification of service or any rules, regulations or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Customer to unilaterally make application to the Commission for any such change.~~
- ~~13. In any action at law or equity under this Agreement and upon which judgment is rendered, the prevailing Party, as part of such judgment, shall be entitled to recover all costs, including reasonable attorneys fees, incurred on account of such action.~~
- ~~14. The Company retains the sole right to select and reject the participants to receive service under Schedule 23. 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.~~
- ~~15. Under no circumstances shall the Company or any subsidiary, affiliates or parent Company be held liable to the Customer or any other party for damages or for any loss, whether direct, indirect, consequential, incidental, punitive or exemplary resulting from the Program or from the Customer's participation in the Program. The Customer assumes all liability and agrees to indemnify and hold harmless the Company and its subsidiaries, affiliates and parent company for personal injury, including death, and for property damage caused by the Customer's decision to participate in the Program and to reduce loads.~~

~~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.~~

(Appropriate Signatures)



SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
~~(SUSPENDED)~~(OPTIONAL)

~~Service under this schedule is temporarily suspended. Effective April 1, 2013, new service under this schedule will not be available and no service interruptions will occur (see section: 2013 Program Suspension Period).~~

PURPOSE

The Residential Air Conditioner Cycling Program is an optional, supplemental service that permits participating residential Customers an opportunity to voluntarily allow the Company to cycle their central air conditioners with the use of a direct load control Device installed at their residence. Customers will receive a ~~monthly~~ monetary incentive for successfully participating in the Program during the Air Conditioning Season.

DEFINITIONS

AC Cycling is the effect of the Company sending a signal to a Device installed at the Customer's residence and instructing it to cycle the Central Air Conditioning compressor for a specified length of time.

Air Conditioning Season is the ~~three-month~~ period that commences on June ~~1~~15 and continues through August ~~31~~15 of each calendar year.

Central Air Conditioning is a home cooling system that is controlled by one or more centrally located thermostats that controls one or more refrigerated air-cooling units located outside the Customer's residence.

Cycling Event is a period during which the Company sends a signal to the Device installed at the Customer's residence, which instructs the Device to begin AC Cycling.

Device is a direct load control device installed at a Customer's residence that enables the Company to ~~initiate~~conduct AC Cycling.

Notification refers to the Customer's indication of intent to initiate or terminate participation in the Program by either contacting the Company's Customer Service Center, providing written notice or submitting an electronic Application via the Company's website.

Opt Out is the term used to describe the ~~one-day per month during each month of the two times~~ each Air Conditioning Season in which the Customer may choose to temporarily not participate in AC Cycling by providing advanced Notification to the Company.

Program Operation Area describes the area in which the Program will be offered to Customers and is comprised of the Company's service territory within the State of Idaho where the infrastructure required to support AC Cycling has been installed and is operational.



SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
~~(SUSPENDED)~~(OPTIONAL)  
(Continued)

AVAILABILITY

Service under this schedule is available on an optional basis to Customers taking service under Schedule 1 or Schedule 5 who have Central Air Conditioning located at their residences and live within the Program Operation Area. Customers may request to be added to the Program at any time during the year by providing Notification to the Company.

Service under this schedule may be limited based upon the availability of Program equipment and/or funding. The Company shall have the right to select and reject Program 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, energy usage, residential location, size of home, or other factors. Customers' Central Air Conditioning equipment must be fully functional and comply with the National Electric Code (NEC) standards. Customers who are renting or leasing their home must provide to the Company written proof of the express permission of the owner of the Central Air Conditioning system prior to acceptance into the program.

TERMS AND CONDITIONS

Upon acceptance into the Program, Customers will be subject to the following terms and conditions:

1. Each eligible Customer who chooses to take service under this optional schedule is thereby giving the Company or its representative permission, on reasonable notice, to enter the Customer's residence or property to install a Device and, in certain cases, either a mass memory meter or an end-use meter and to allow Idaho Power or its representative, with prior notice to the Customer, reasonable access to the Device or other Program-related equipment following its installation.

2. Customers added to the Program during the Air Conditioning Season must be effectively participating in the Program prior to the 20<sup>th</sup> day of the month in order to receive an incentive payment for that ~~initial~~ month.

3. A Customer may Opt Out of the Program ~~for one day per month two times~~ during ~~each month of~~ the Air Conditioning Season.

4. A Customer may discontinue participation in the Program without penalty by providing Notification to the Company.

5. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a Cycling Event, the Customer's participation in the Program will be terminated and the Customer will be required to reimburse the Company for the cost of replacement or repair of the Device or other Program equipment and the Company will reverse any amounts credited to the Customer's bills during the past twelve months as a result of the Customer's participation in the Program.



SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
~~(SUSPENDED)~~(OPTIONAL)  
(Continued)

PROGRAM DESCRIPTION

1. At the Company's expense, the Company or its representative will install a Device at the Customer's residence.

2. A financial incentive of ~~\$05.00~~ \$95.00 per month for each of the three months of ~~the Air Conditioning Season June, July, and August~~ will be paid to each Customer who successfully participates in the Program. This incentive will be paid in the form of a credit on the Customer's monthly bill for each month that the Customer successfully participates in the Program, beginning with the July bill and ending with the September bill. Incentive payments are limited to one controlled Central Air Conditioning unit per metered service point. Customer's who have more than one Central Air Conditioning unit at a metered service point may participate in the Program. A Device must be installed at each Central Air Conditioning unit. However, no additional incentive will be paid.

3. The Company will send a signal to the Device to initiate a Cycling Event. A Cycling Event may be up to four hours per day on any weekday during the Air Conditioning Season, excluding holidays. A Cycling Event may occur over a continuous 4-hour period or may be segmented throughout the day at the Company's discretion in order to optimize available resources. Cycling Events may occur up to 4015 hours each month-week and will not exceed a total of 12060 hours per Air Conditioning Season. During each Air Conditioning Season, the Company will conduct at least three Cycling Events. Mass memory meters or end-use meters may be installed on some Customers' residences or Central Air Conditioning units for program evaluation purposes. The residences or Central Air Conditioning units selected for installation of the meter shall be at the Company's sole discretion.

SPECIAL CONDITIONS

The Company is not responsible for any consequential, incidental, punitive, exemplary or indirect damage to the participating Customer or third parties that results from AC Cycling, from the Customer's participation in the Program, or of Customer's efforts to reduce peak energy use while participating in the Program.

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

The Company shall have the right to select the AC Cycling schedule and the percentage of Customers' Central Air Conditioning systems to cycle at any one time, up to 100%, at its sole discretion.

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Service or Energy Charges associated with a Customer's standard service schedule.



SCHEDULE 81  
RESIDENTIAL AIR CONDITIONER  
CYCLING PROGRAM  
(SUSPENDED)  
(Continued)

2013 PROGRAM SUSPENSION PERIOD

~~Eligibility. Customers participating in the Program on March 31, 2013 and who maintain an active metered service point enrolled in this Program between June 1, 2013 and August 31, 2013, will be eligible for a "2013 Bill Credit."~~

~~2013 Bill Credit. The 2013 Bill Credit will be \$1.00 per month for each of the three months June, July, and August 2013 and will be paid in the form of a credit on each eligible Customer's monthly bill for each month that the Customer is enrolled in the Program, beginning with the July bill and ending with the September bill.~~

~~Customer Requested Device Removal. Any Customer participating in the Program on or after April 1, 2013, who provides Notification to terminate participation and requests that the Device be removed from his or her residence will be required to pay an \$85 reinstallation fee, only when that same Customer elects to reinitiate Participation at the same residence prior to January 1, 2015.~~