

## DECISION MEMORANDUM

**TO:** COMMISSIONER KEMPTON  
COMMISSIONER SMITH  
COMMISSIONER REDFORD  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** WELDON STUTZMAN  
DEPUTY ATTORNEY GENERAL

**DATE:** MARCH 17, 2010

**SUBJECT:** CASE NO. IPC-E-10-04  
IDAHO POWER'S APPLICATION FOR AUTHORITY TO FUND ITS  
CONTINUED PARTICIPATION IN THE NORTHWEST ENERGY  
EFFICIENCY ALLIANCE

On February 26, 2010, Idaho Power Company filed an Application requesting authorization to continue its participation in the Northwest Energy Efficiency Alliance (NEEA) for the period 2010-2014. The Company requests that its participation be funded by the Energy Efficiency Rider. Idaho Power first began participating in NEEA in 1997 and the Commission has allowed the Company to recover its costs in its rates. In May 2005, the Commission increased Idaho Power's Energy Efficiency Rider so the Company could expand its energy efficiency programs and continue its participation in NEEA for the years 2005-2009. See Order No. 29784. In March 2009, the Commission approved a Stipulation finding a portion of the Company's demand-side management expenses were prudently incurred, and approved Company fees paid to NEEA through 2007. See Order No. 30740.

Idaho Power's Application describes the main components of NEEA's business plan for 2010-2014. Idaho Power identifies NEEA activities that the Company believes benefit its customers, including (1) a commercial new construction initiative that includes an integrated design lab based in Boise; (2) an energy management program that works with large commercial customers to improve building operations and maintenance to save between 10 and 20 percent of electric energy use; (3) NEEA's efforts in the development of energy building codes; (4) NEEA's partner services and evaluation business unit that delivers services to help increase the

cost efficiency and to value delivery of Idaho Power's energy efficiency programs; and (5) increasing market adoption of energy efficiency programs in rural markets. The Company's Application also points out that the Company and NEEA have negotiated an agreement to help ensure that the Company's energy efficiency expenditures are reasonable and effective. The Regional Energy Efficiency Initiative Agreement is attached to the Company's Application.

Subject to the Commission's approval, Idaho Power has committed to fund NEEA based on a quarterly estimate of expenses up to a five year total funding amount of \$16,522,800. Idaho Power's share is 8.62% of NEEA's \$191.7 million 2010-2014 budget. If the Company's Application is approved, NEEA will bill Idaho Power for first quarter 2010 expenses payable within 30 days of receipt of a Commission Order authorizing Idaho Power's participation in NEEA.

Idaho Power requests that its Application for authorization to continue its participation in NEEA be processed by Modified Procedure. Staff recommends that the Company's Application be processed by Modified Procedure with a 30-day comment period and a 10-day reply comment period.

#### **COMMISSION DECISION**

Should the Commission issue a Notice of Application and Notice of Modified Procedure establishing a comment period of 30 days, followed by a reply comment period of 10 days?



---

Weldon B. Stutzman  
Deputy Attorney General

bls/M:IPC-E-10-04\_ws