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IDAHO PUBLIC  
UTILITIES COMMISSION

Attorney for the Idaho Conservation League, the NW Energy Coalition, and the Snake River Alliance

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF IDAHO POWER )  
COMPANY'S REQUEST TO MODIFY )  
RECOVERY OF INCENTIVES PAID )  
TO SECURE DEMAND-SIDE )  
RESOURCES )

CASE NO. IPC-E-10-27  
APPLICATION FOR INTERVENOR  
FUNDING

COMES NOW, the Idaho Conservation League, Northwest Energy Coalition, and the Snake River Alliance (collectively the "Conservation Parties") pursuant to Idaho Code § 61-617A and IDAPA 31.01.01.161-165 with the following application for intervenor funding. On December 17, 2010 in Order No 32141, the Commission granted the Conservation Parties intervenor status.

**I. Idaho Code § 61-617A and IDAPA Rule 31.01.01.161 Requirement**

Idaho Power Company is a regulated, electric public utility with gross Idaho intrastate, annual revenues exceeding three million, five hundred thousand dollars (\$3,500,000.00).

**II. IDAPA Rule 31.01.01.162 Requirements**

**1. Itemized list of Expenses**

The attached Exhibit A is an itemized list of expenses incurred by the Conservation Parties in this proceeding.

**2. Statement of Proposed Findings**

The Conservation Parties proposed the Commission should adopt the stipulation settlement. While the other settling parties also proposed the Commission adopt the stipulation,

the Conservation Parties also proposed the Commission to not lower the Energy Efficiency Rider, unlike the Commission Staff. Additionally the Conservation Parties provided different and unique testimony and exhibits to support these proposed findings.

### **3. Statement Showing Costs**

The Conservation Parties request \$4,200 in intervenor funding, as shown in Exhibit A, only for attorney's fees. The Conservation Parties are not requesting any costs incurred by our expert witness Nancy Hirsh, postage, or other expenses. Both the hourly rate and hours expended are reasonable for this complex case. ICL's attorney billing rate is below the current range for other intervening parties to account for his fewer years of experience.

### **4. Explanation of Cost Statement**

The Conservation Parties are each nonprofit organizations supported solely through charitable donations made by foundations and our members. The Snake River Alliance and the Idaho Conservation League each have many members and supporters who are ratepayers of Idaho Power and neither group represents any for-profit entity that stands to gain from rate decisions. The Northwest Energy Coalition's Idaho based members are a broad array of nonprofit organizations. To provide consistent, professional, and impactful advocacy for the conservation community ICL has shifted its budgeting to dedicate a full-time, highly trained staff member to energy issues. In this specific proceeding, ICL provided legal representation to the other Conservation Parties without charge. The cost of employing and training this staff member represents a significant financial commitment in a time of difficult fundraising. Because charitable contributions are inherently unstable, the availability of intervenor funding is essential for ICL to participate themselves as well as provide legal representation for other conservation groups with a stake in these in proceedings before the Commission.

### **5. Statement of Difference**

While the Conservation Parties entered into a stipulated settlement with the Staff,

Company, and CAPAI, the testimony and oral argument of the Conservation Parties were different from the Staff in the following ways. The Staff proposed the Energy Efficiency rider should be reduced once the back balance in the rider account was paid down. *Direct Testimony of Randy Lobb* at p. 6 ln. 21-22. The Conservation Parties took the position the Commission should not make any decision regarding future rider levels in this specific proceeding. To support this position the Conservation Parties' direct testimony included excerpts from *Idaho Power's Demand Side Potential Study*. In sum, the Conservation Parties took a different position and provided different exhibits from the Staff on the issue of adjusting the rider funding level.

The Conservation Parties included additional resources that provided a broader context along with additional factual and policy support for the concepts embodied in the stipulation. In our direct testimony Ms. Hirsh addressed the variety of DSM incentives found around the country and placed the capitalization of DSM expenses into this context. To support this explanation we included recent report by the American Council for an Energy-Efficient Economy *Carrots for Utilities: Providing Financial Returns for Utility Investments in Energy Efficiency*. Again, the Conservation Parties provided broader context and unique exhibits compared to the Staff's direct testimony.

Additionally, the Conservation Parties field reply testimony, unlike the Staff. In this reply testimony, we countered the arguments raised by the Industrial Customers of Idaho Power ("ICIP") in regards to the impacts to customer classes. As representative of a customer class ourselves, this reply provided the Commission with a different perspective than the Staff could have provided. The Conservation Parties also provided an additional exhibit, *When Revenue Decoupling Will Work . . . and When it Won't* by Steven Kihm, to address ICIP's argument against the entire theory of incentivizing DSM programs. When compared to the direct testimony of the Staff, the direct and reply testimony of the Conservation Parties provided different proposed findings on at least one issue, as well as materially different testimony and exhibits to support the

overall stipulation.

#### **6. Statement of Recommendation**

The Conservation Parties' proposals addressed issues that concern the entire body of utility customers. The stipulation in this case addressed the underlying business model that supports DSM programs applicable to every customer class. The issue of adjusting the current rider level, where we explicitly differed from the Staff, likewise addresses all customer classes. Moreover, the precise DSM programs impacted by this case predominately involve different customer classes than the Conservation Parties represent. Neither the Conservation Parties as organizations nor any of our members stood to individually benefit at the expense of other customer classes in this proceeding.

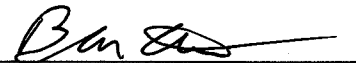
#### **7. Statement Showing Class of Customer**

The Conservation Parties as organizations are members of the Small commercial class while our members are in the residential class. Because at the core we represent the interests of our individual members, the Conservation Parties should be considered to appear on behalf of the residential class.

WHEREFORE, for the reasons stated above, the Conservation Parties request that the Commission grant this Application for Intervenor Funding.

Submitted this 15th day of April, 2011.

Respectfully,



Benjamin J. Otto  
Attorney for:  
Idaho Conservation League  
NW Energy Coalition  
Snake River Alliance

**Exhibit A**

**Attorney Fees for Benjamin J. Otto**  
**Total \$4,200 – 35 hours at \$120 per hour**

11/22/10	Review application and direct testimony of Company; prepare case memo re: same; conf with N. Hirsh and K. Miller re: joining to together to intervene and develop initial position on issues	3:45
11/29/10	Prepare petition to intervene, file with PUC	1:15
12/8/10	Review protective agreement, sign, and return to Company	0:30
12/14/10	Review Company response to ICIP first production request	1:00
1/6/11	Review Company response to ICIP second production request	2:30
1/6/11	Conf with N. Hirsh and K. Miller re: final position on rate of return and prepare for scheduling issues	1:00
1/7/11	Review Company response to Staff first production request	0:45
1/12/11	Attend scheduling conference; prepare memo to N. Hirsh and K. Miller re: same	1:30
1/27/11	Review Company response to ICIP third production request	0:30
2/7/11	Prepare for and attend settlement conference; prepare memo to N. Hirsh and K. Miller re: same	2:30
2/15/11	Review draft stipulation prepare memo to N. Hirsh and K. Miller re same	1:00
2/25/11	Review final stipulation, circulate to N. Hirsh and K. Miller for review an approval, sign and submit	1:15
3/1/11	Prepare outline of testimony in support of stipulation, circulate to N. Hirsh for drafting	2:30
3/3/11	Review and revise testimony in support of stipulation	2:00
3/4/11	Final preparation of testimony in support of stipulation, file with commission and serve on other parties	1:45
3/7/11	Review direct testimony of Staff and ICIP	3:15
3/15/11	Draft outline of reply testimony in support of stipulation, send to N. Hirsh for review and drafting	2:45
3/18/11	Final review and edit of reply testimony in support of stipulation, file with commission and serve on other parties	2:30
3/22/11	Review reply testimony of Company	0:45
3/29/11	Prepare for oral argument	1:30
3/30/11	Prepare for and participate in oral argument	2:00
4/1/11	Review Commission order on stipulation	0:30
4/15/11	Prepare application for intervenor funding	1:30
	<b>TOTAL</b>	<b>35:00</b>

Note: ICL tracks billing in fifteen minute increments and rounds down for portions less than 10 minutes long.

## CERTIFICATE OF SERVICE

I hereby certify that on this 15th day of April, 2011 I delivered true and correct copies of the foregoing APPLICATION FOR INTERVENOR FUNDING To the following persons via the method of service noted:

### Hand delivery:

Jean Jewell  
Commission Secretary (Original and seven copies provided)  
Idaho Public Utilities Commission  
427 W. Washington St.  
Boise, ID 83702-5983

### Electronic Mail:

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Benjamin Otto