

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR) **CASE NO. IPC-E-12-05**
APPROVAL OF MODIFICATIONS TO)
SCHEDULES 1, 4, AND 5 IMPLEMENTING) **NOTICE OF APPLICATION**
A TIME VARIANT PRICING PLAN)
) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **ORDER NO. 32466**

YOU ARE HEREBY NOTIFIED that on January 19, 2012, Idaho Power Company proposed numerous modifications to Schedule 1 Residential Service, Schedule 4 Residential Service, Energy Watch Program, Schedule 5 Residential Service, Time-of-Day Program, and the Schedule Index. The changes are proposed in order to implement a Time Variant Pricing (TVP) plan. Idaho Power enclosed its TVP plan with its proposed tariff changes. According to the Company's plan, the goal of a TVP structure is "to offer customers a choice of pricing plans while providing them with better tools to manage their energy usage, to provide the Company with the opportunity to further study the effects of a time variant rate on customers' usage, and to help shape the Company's future communication efforts." TVP Plan, p. 1. During a pilot implementation, the Company will invite residential customers who have advanced metering infrastructure (AMI or advanced meters) installed to participate. The TVP plan will be limited to 1,200 customers in the Boise area during 2012, and the Company plans to expand the program in 2013.

YOU ARE FURTHER NOTIFIED that the TVP plan affects two residential time-variant pricing tariffs already in effect: Schedule 5, Time-of-Day pilot and Schedule 4, Energy Watch pilot. The Company proposes to begin a limited offering of the Schedule 5 Time-of-Day rates during 2012 "in order to be able to limit the number of participants until Idaho Power's new customer billing and information system is in place and in order to study TVP impacts on customer usage as well as Company costs and revenues." TVP Plan, pp. 1-2. The Time-of-Day plan uses hourly pricing in the summer and non-summer months, and is designed to send price signals to customers that more closely reflect the costs of serving those customers. The Time-of-

Day structure “also provides customers the opportunity to take control of when they use energy and possibly lower their bill by shifting usage to lower cost time periods.” TVP Plan, p. 2.

YOU ARE FURTHER NOTIFIED that Idaho Power is proposing to suspend the current Schedule 4 Energy Watch pilot tariff for approximately one year. The Company asserts that suspending the Energy Watch tariff and offering only the Time-of-Day Schedule during the first year allows a phasing in of the TVP plan. TVP plan, p. 3. The Energy Watch plan is more complicated than the Time-of-Day schedule, with critical peak pricing layered on top of time-of-use rates. *Id.* Idaho Power states that delaying the Energy Watch plan will enable the Company “to evaluate proper integration of a critical peak pricing program with other options provided for the Company’s residential customers (i.e., how Energy Watch, and the Company’s residential demand response program (A/C Cool Credit), can best work together).” TVP Plan, p. 3.

YOU ARE FURTHER NOTIFIED that Staff recommended that the filing be suspended and the tariff advice be treated as an application and processed under Modified Procedure with a 21-day comment period. IDAPA 31.01.01.134.02. Some of the modifications in the tariff advice are relatively minor, but some proposed alterations to the Time Variant Program are substantive and warrant further review. Furthermore, the Company is proposing major modifications to the Energy Watch and Time-of-Use programs, particularly relating to selecting participant criteria. Proceeding by modified procedure will allow interested parties an opportunity to provide input and the Company an opportunity to provide additional information for the programs’ considerable programmatic modifications.

NOTICE OF SUSPENSION

YOU ARE HEREBY NOTIFIED that the Commission has authority under *Idaho Code* § 61-622 to suspend the rates that are subject of the Application for a period of thirty (30) days plus five (5) months from the proposed effective date of March 1, 2012.

YOU ARE FURTHER NOTIFIED that it is necessary to suspend the rate in this Application for a period of thirty (30) days plus five (5) months from the effective date of March 1, 2012, to allow the Commission to hear the evidence to be presented in this matter and to consider and determine the issues presented in this Application.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified

Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201-204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or in opposition with the Commission within twenty-one (21) days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment.

YOU ARE FURTHER NOTIFIED that persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application may be mailed to the Commission and Idaho Power at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, Idaho 83720-0074

Lisa D. Nordstrom
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
Email: lnordstrom@idahopower.com

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Greg Said
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: gsaid@idahopower.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Idaho Power at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission's web site at www.puc.idaho.gov by clicking on "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* § 61-501, 61-502, and 61-503. The Commission may enter any final Order consistent with its authority under Title 61.

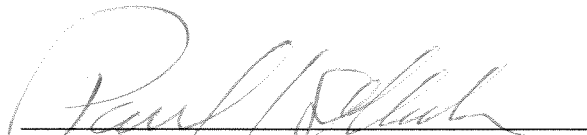
YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons and the parties may file written comments within 21 days of the service date of this Order.

IT IS THEREFORE ORDERED that the proposed schedule of rates and charges for service in Case No. IPC-E-12-05 should be, and hereby is, suspended for a period of thirty (30) days plus five (5) months from March 1, 2012, or until such time as the Commission may issue an Order accepting or rejecting or modifying the Application in this matter.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 22nd day of February 2012.


PAUL KJELLANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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