

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF IDAHO POWER</b>	)	
<b>COMPANY’S PETITION FOR APPROVAL</b>	)	<b>CASE NO. IPC-E-14-02</b>
<b>OF THIRD AMENDMENT TO ITS</b>	)	
<b>AGREEMENT WITH ENERNOC, INC. –</b>	)	
<b>DEMAND RESPONSE PROGRAM</b>	)	<b>ORDER NO. 33036</b>
	)	

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On March 7, 2014, Idaho Power Company filed a Petition requesting approval of the third amendment to the Company’s Agreement with EnerNOC, Inc. EnerNOC provides a demand response program for Idaho Power’s commercial and industrial customers, identified as its FlexPeak Management Program. The objective of the FlexPeak Program is to reduce demand on Idaho Power’s system during peak load times by customers’ voluntary reduction in electrical use. EnerNOC is responsible for developing and implementing all marketing plans, securing participants, installing and maintaining all equipment beyond Idaho Power’s meter necessary to reduce demand, track participation, and report results to the Company. Petition, p. 2.

The Commission approved the initial Agreement between Idaho Power and EnerNOC in May 2009, and approved the first amendment to the Agreement in June 2010. In December 2012, Idaho Power filed an application requesting authority to temporarily suspend two demand response programs, the A/C Cool Credit and Irrigation Peak Rewards programs, because the Company’s 2013 Integrated Resource Plan did not show peak hour capacity deficits until July 2016. In February 2013, the parties in the case reached a settlement to allow for the temporary suspension of the A/C Cool Credit Program and Irrigation Peak Rewards Program during the 2013 season. In March 2013, the Company filed a petition seeking Commission approval of a second amendment to the Agreement allowing the Company and EnerNOC to reduce the amount of weekly nominated demand reduction obligations, the available hours of the program, and the amount per kilowatt that Idaho Power pays to EnerNOC. The Commission approved the second amendment to the Agreement and directed the Company to discuss the future of the FlexPeak Program during demand response workshops to be held that summer. Order No. 32805. Public workshops were convened in July and August 2013, with a final public workshop and settlement conference on August 27, 2013. In October 2013, Idaho Power requested the Commission approve a settlement agreement signed by the Company and participating parties relating to the

modification and reinstatement of the Company's demand response programs for 2014 and beyond. Petition, p. 4. The Commission later issued Order No. 32923 approving the settlement agreement. The Company's Petition in this case seeks approval of the third amendment to modify the Agreement to comply with the terms of the settlement agreement previously approved by the Commission. Petition, p. 4.

Idaho Power's Petition states that the third amendment aligns with the settlement agreement approved in Case No. IPC-E-13-14. It extends the contract termination date through the end of the 2014 program season, reduces payments to EnerNOC, and makes changes to the payment structure, along with other changes. The third amendment also makes a few changes not identified in the settlement agreement. Specifically, the third amendment limits availability of the FlexPeak Program after the first three dispatch events. Idaho Power Petition, p. 5. The Petition states that because these dispatch limitations were not mentioned in the settlement agreement, Idaho Power consulted its Energy Efficiency Advisory Group (EEAG), which supported the Company placing the additional term in the third amendment. *Id.*

On April 2, 2014, the Commission issued a Notice of Petition and Notice of Modified Procedure that established a 21-day comment period, and a 7-day period for reply comments. The Staff and Idaho Conservation League filed comments. Industrial Customers of Idaho Power filed a Petition to Intervene and sent discovery requests to Idaho Power, but did not file written comments. No reply comments were filed.

Staff and ICL recommended approval of the third amendment to the EnerNOC agreement, both stating it is consistent with the settlement agreement that provided for changes to the agreement. ICL and Staff recommended the Commission approve the proposed amendment without changes.

Based on our review of the record presented, the Commission approves the third amendment to Idaho Power's Agreement with EnerNOC. The written comments support findings that the third amendment will improve characteristics of the FlexPeak Program while lowering costs. As ICL noted, "increased use of the program at a lower cost serves ratepayers and the public interest." ICL Comments, p. 3. The amendment also is consistent with the settlement agreement the Commission approved by Order No. 32923 that provided for changes to the Company's demand response programs.

**ORDER**

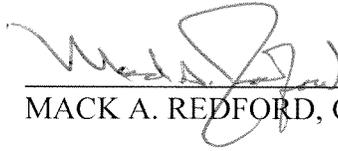
IT IS HEREBY ORDERED that the third amendment to Idaho Power's Agreement with EnerNOC, Inc., filed with the Company's Petition, is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 7<sup>th</sup> day of May 2014.



PAUL KJELLANDER, PRESIDENT



MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Barbara Barrows  
Assistant Commission Secretary

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