

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF IDAHO POWER COMPANY FOR</b>	)	<b>CASE NO. IPC-E-16-33</b>
<b>AUTHORITY TO REVISE TARIFF</b>	)	
<b>SCHEDULE 91 – THE ENERGY</b>	)	<b>NOTICE OF APPLICATION</b>
<b>EFFICIENCY RIDER</b>	)	
	)	<b>NOTICE OF</b>
	)	<b>INTERVENTION DEADLINE</b>
	)	
	)	<b>ORDER NO. 33694</b>

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On December 22, 2016, Idaho Power filed an Application requesting that the Commission approve: (1) a decrease of 0.25% to the collection percentage of the Energy Efficiency Rider (from 4% to 3.75% of base rate revenue), effective March 1, 2017; and (2) a \$13 million refund of previously collected Rider funds to be included in the 2017/2018 Power Cost Adjustment (PCA) mechanism, effective June 1, 2017; and (3) the elimination of the annual transfer of \$4 million of Rider funds through the PCA. The Company asked the Commission to process the Application by Modified Procedure.

With this Order, the Commission issues notice of the Application, sets out an intervention schedule, and suspends the Company’s requested effective date for a period of 30 days plus 5 months.

**BACKGROUND**

In 2002, the Commission authorized the creation of Schedule 91 (“the Rider”) as a means to fund demand-side management (DSM) programs. *See* Order No. 29026. The goal of this program is to match the level of funding with the level of energy efficiency expenditures over time. To that end, the Commission has allowed changes to the Rider percentage over the years—collecting additional funding through the PCA to fund the Rider, or refunding surplus Rider funds through the PCA. Since 2012, the Company has experienced a mismatch in funding levels compared to expenditures. In other words, it has been collecting more through the Rider than it has spent on DSM programs.

In Case No. IPC-E-16-03, the Company’s 2015 DSM prudence request, the Commission directed the Company “to work with Staff and other stakeholders in adjusting the Rider,” and “submit a proposal for revising its Rider percentage to this Commission no later than

Friday, December 30, 2016.” *See* Order No. 33583. After working on a process as described by the Commission, the Company seeks to make adjustments to the Rider.

### NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Rider collects about \$40 million per year. Application at 3. The Company projected a Rider surplus balance of approximately \$9 million at the end of 2016. *Id.* The Company further projects that leaving the Rider collection level at 4% would likely result in further growth in Rider surplus through 2020. *Id.* at 5.

YOU ARE FURTHER NOTIFIED that following a collaborative effort that included Commission Staff, Industrial Customers of Idaho Power, and the Idaho Conservation League, the Company now proposes the following changes:

- (1) Decrease the collection percentage of the Rider from 4% to 3.75%;
- (2) Include a \$13 million refund of previously collected Rider funds in the 2017/2018 PCA, effective June 1, 2017; and
- (3) Eliminate the annual transfer of \$4 million of Rider funds through the PCA.

*Id.* at 5.

YOU ARE FURTHER NOTIFIED that the Company forecasts that 3.75% “will adequately mitigate the further accumulation of surplus Rider balances.” *Id.* at 6. Additionally, it projects that 3.75% will adequately fund DSM programs through 2020. *Id.*

YOU ARE FURTHER NOTIFIED that the Company further agreed to a refund of \$13 million of surplus Rider funds, and requests an effective June 1, 2017. *Id.* The Company provides several reasons it prefers providing customers with the refund on June 1, 2017, rather than an earlier date for reasons including offsetting possible rate increases, mixed messaging, and various accounting issues.

YOU ARE FURTHER NOTIFIED that the Company requests that this Application be processed by Modified Procedure, and that the 0.25% decrease take effect March 1, 2017.

YOU ARE FURTHER NOTIFIED that the Company also requests a June 1, 2017, effective date for ending the annual \$4 million transfer of Rider funds through the PCA mechanism.

YOU ARE FURTHER NOTIFIED that the Application and supporting documents have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and supporting documents are also available on the Commission's web site at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the "File Room" tab at the top of the page, scroll down to "Open Electric Cases," and then click on the case number as shown on the front of this document.

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, including *Idaho Code* §§ 61-501 and -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.*

#### **NOTICE OF INTERVENTION DEADLINE**

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073. **Persons intending to participate as a party in this matter must file a Petition to Intervene no later than fourteen days from the service date of this Order.** Persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or the parties.

YOU ARE FURTHER NOTIFIED that the Commission Secretary shall issue a Notice of Parties after the deadline for intervention has passed. The Notice of Parties shall assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that once the Notice of Parties is issued, the Commission Staff will convene an informal prehearing conference for the parties to discuss a schedule to process this case and other issues as may be raised by the parties.

YOU ARE FURTHER NOTIFIED that the following persons are designated as Idaho Power representatives in this matter:

Lisa Nordstrom  
Idaho Power Company  
PO Box 70  
Boise, ID 83707-0070  
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[dockets@idahopower.com](mailto:dockets@idahopower.com)

Tami White  
Idaho Power Company  
PO Box 70  
Boise, ID 83707-0070  
E-mail: [twhite@idahopower.com](mailto:twhite@idahopower.com)

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.*

### COMMISSION FINDINGS

The Company has requested that a proposed change to its collection under the Energy Efficiency Rider be effective March 1, 2017. After reviewing Staff's suggested schedule, we find that a March 1, 2017, effective date may not allow enough time for adequate review and public participation. Therefore, we find it reasonable to suspend the proposed effective date of March 1, 2017, for a period of thirty (30) days plus five (5) months. *See Idaho Code* § 61-622.

### ORDER

IT IS HEREBY ORDERED that the proposed effective date of March 1, 2017, in Case No. IPC-E-16-33 is suspended for a period of thirty (30) days plus five (5) months, or until such earlier time as the Commission may issue an Order accepting, rejecting or modifying the Application in this case.

IT IS FURTHER ORDERED that persons desiring to intervene in this matter shall file a Petition to Intervene with the Commission no later than fourteen (14) days from the service date of this Order.

IT IS FURTHER ORDERED that once a Notice of Parties is issued, Staff shall convene an informal prehearing conference to discuss a schedule to process this case and other issues as may be raised by the parties.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17<sup>th</sup>  
day of January 2017.

  
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PAUL KJELLANDER, PRESIDENT

  
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KRISTINE RAPER, COMMISSIONER

  
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ERIC ANDERSON, COMMISSIONER

ATTEST:

  
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Diane M. Hanian  
Commission Secretary

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