

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON  
UM 1675**

In the Matter of

IDAHO POWER COMPANY,

2013 Annual Smart Grid Report.

STAFF'S COMMENTS

Staff is pleased to submit these comments on Idaho Power's 2013 annual smart grid report. Staff appreciates Idaho Power Company's (IPC or Company) following closely the format and categories spelled out in UM 1460, Commission Order 12-158. This made the report easy to evaluate and compare to the corresponding Commission Order. In general Staff is pleased with the progress Idaho Power is making toward implementing a smarter grid for its customers.

In accordance with the requirements spelled out in Order 12-158 III.B.b. the Company solicited stakeholder input on what should be covered in the smart grid report. IPC took out newspaper ads and sent emails to potentially interested parties. Staff finds this is sufficient to satisfy the requirements of III.B.b, but also notes in the future, it may be beneficial for the Company to circulate a draft version of the report at the same time they solicit comments.

In the report, the Company spells out smart grid strategy goals and objectives as required by Order 12-158 at III.C.1. Staff finds that the Commission's policy goals and objectives align well with the Company's smart grid vision and the seven major smart grid characteristics noted by Idaho Power.

Staff is pleased with the transmission network initiatives and pilots going on currently.

In the Company's three phase Advanced Metering Infrastructure (AMI) deployment, we see that in 2011, Idaho Power completed the installation of AMI hardware and software, a meter management system, a metering data warehouse, and about 500,000 digital smart meters (including 18,000 meters in Oregon) with a total investment of \$73 million.

Phase II the Company deploys AMI technology across most of their service territory that staff see's as a way of benefiting both the Company and customers. This can be seen through converting manual reading to automated reading in a single billing period with little negative impact on customers which helps the effectiveness of the Company's energy efficiency efforts, AMI's ability for one to view hourly energy consumption to help one improve usage patterns and avoid billing errors.

Staff appreciates that Idaho Power's 2013 Smart Grid Report includes costs and benefits information related to the multiple initiatives already completed such as the Advanced Metering Infrastructure (AMI) "Phase II." In addition, the Company provided sufficient detail and analysis of many other elements related to the smart grid including the Geomagnetic Disturbance Study, the Time of Day Pilot Study, Grid System Planning for Wind, and the A/C Cool Credit Program Research Results.

However, for the remaining AMI Smart Grid initiatives such as in Appendix D-5, pages 13-15, Staff would like to have information regarding detailed implementation timeline as well as the costs and benefits studies that support the Company's decision. Staff would also appreciate that the AMI benefits listed on page 13 of the Smart Grid Report be quantified to show an estimate of the dollar savings resulting from those specific AMI benefits.

Is the Company planning to roll out AMI to customers who currently do not have AMI meters? If so, what are the timeline and key milestones for doing so?

With Phase III of AMI deployment, Staff recognizes Idaho Power's engagement in long term Smart Grid and Information Technology projects. With the Company frequent monitoring, Staff is hopeful that such projects will not incur cost over runs or long term delays.

During the course of AMI installation, Staff appreciates the Company's efforts made at keeping customers informed with customer educational tools such as, providing self service options located at [www.idahopower.com](http://www.idahopower.com). In addition, Staff is hopeful that Idaho Power will continue to provide employees with the opportunity for learning and maintaining knowledge to answer customers' questions concerning AMI, energy efficiency, and company program information.

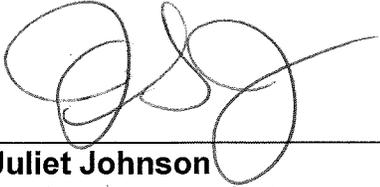
Staff also has questions regarding the implementation timeline of the Conservation Voltage Reduction in general and the CVR analysis related to the Alameda and Meridian Substations. Staff would like to see the CVR analysis and implementation extend to all other substations, including a flowchart with key dates and milestones.

In addition, Staff believes it would be beneficial to provide in the report additional information related to the Time-Variant Pricing (TVP) offerings such as a timeline with key dates and milestones for expanding TVP offerings to all customers, for implementation of the Customer Relationship Management (CRM) system, for replacing the current Outage Management System (OMS), and for integration of the OMS and AMI.

Finally, regarding Appendix B, Status of Smart Grid Initiatives, information about specific expected start and completion dates for all initiatives qualified as ongoing, under development, under evaluation, planned, or in pilot status will be useful to providing a better understanding about the magnitude of the smart grid initiatives already accomplished compared to those to be completed. In addition, the Company could be more explicit about how future planned smart grid investments fit with the utility's IRP as required in UM 1460, Order No. 12-158 at C.2.b.

This concludes Staff's Comments.

Dated at Salem, Oregon, this 7th day of November, 2013.

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

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**Juliet Johnson**  
Senior Utility Analyst  
Energy Resources & Planning

CERTIFICATE OF SERVICE

UM 1675

I certify that I have, this day, served the foregoing document upon all parties of record in this proceeding by delivering a copy in person or by mailing a copy properly addressed with first class postage prepaid, or by electronic mail pursuant to OAR 860-001-0180, to the following parties or attorneys of parties.

Dated this 7th day of November, 2013 at Salem, Oregon



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