

ITEM NO. CA3

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: October 14, 2014

REGULAR _____ CONSENT X EFFECTIVE DATE October 15, 2014

DATE: October 3, 2014

TO: Public Utility Commission

FROM: Paul Rossow *PR*

THROUGH: *J. by P&E* Jason Eisdorfer and *AA* Aster Adams

SUBJECT: IDAHO POWER COMPANY: (Advice No. 14-09) Modifies Schedule 78, Residential Energy Conservation Program.

STAFF RECOMMENDATION:

I recommend the Commission allow Idaho Power Company's (IPCo or Company) Schedule 78, Sheet No. 78-4 as described in Advice No. 14-09 to go into effect on October 15, 2014.

DISCUSSION:

On September 5, 2014, IPCo filed Advice No. 14-09 to be effective October 14, 2014. The filing was made in accordance with ORS 757.205, Filing Schedules with the Commission. On September 9, 2014, the Company filed a Supplement to Advice No. 14-09 with a revised effective date of October 15, 2014.

With this filing, IPCo proposes to update the values used in the cost-effectiveness limits (CELs) for residential conservation measures to reflect the updated avoided costs approved in Order No. 14-278.

According to Order No. 94-950 in Docket No. UM 551, a conservation measure is considered cost-effective if the cost of the measure divided by its estimated annual kilowatt-hour savings is less than the appropriate CEL. In calculating CELs, the approved avoided cost values are adjusted to reflect avoided line losses and the 10 percent conservation adder. The present values of the adjusted avoided cost streams are used as the CELs for residential conservation measures, which have useful lives ranging from 7 to 30 years.

IPCo's currently effective and proposed CELs are as follows:

Measure Life Cycle (years)	CEL	
	Current	Proposed
7	\$0.26	\$0.33
15	\$0.60	\$0.71
25	\$0.95	\$1.12
30	\$1.09	\$1.30

Staff reviewed the proposed tariff changes along with the Company's workpapers and finds the requested changes acceptable.

PROPOSED COMMISSION MOTION:

IPCo's revised Schedule 78 tariff as described in Advice No. 14-09 go into effect October 15, 2014.