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November 21, 2014

Public Utility Commission of Oregon  
550 Capitol Street NE, Suite 215  
P. O. Box 2148  
Salem, OR 97308-2148

RE: Tariff Advice No. 14-11  
Suspension of Schedule 73 – Home Products Program

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) seeks approval from the Public Utility Commission of Oregon (“Commission”) to suspend Schedule 73, Home Products Program, as of December 31, 2014, in order to end measures that are no longer cost-effective and to provide the Company an opportunity to redesign the program.

The Home Products Program provides an incentive payment to Oregon residential customers for purchasing ENERGY STAR<sup>®</sup> qualified appliances. ENERGY STAR<sup>®</sup> is a government-backed program designating products as energy efficient. Appliances and products with the ENERGY STAR<sup>®</sup> label must meet higher, stricter efficiency criteria than federal standards. At this time the Home Products Program offers incentives to customers who purchase refrigerators and/or freezers. The program requires customers to submit a form and proof of purchase to claim the incentive. Idaho Power has paid 39 incentives to Oregon customers in this program so far in 2014. Three of these incentives were for freezers and 36 were for refrigerators. More information about this program can be found at [www.idahopower.com/homeproducts](http://www.idahopower.com/homeproducts).

In September 2014, federal standards for refrigerators and freezers increased by 20 to 30 percent depending on the product class. These higher standards raised the baseline used in the calculation of electricity savings estimates. The Regional Technical Forum (“RTF”) discussed the impacts of these federal standards changes at its October 14, 2014, meeting. As a result of these changes, the RTF deemed average annual gross energy savings dropped from 29 kilowatt-hours (“kWh”) to 21 kWh in the case of refrigerators and from 40 kWh to 23 kWh for freezers.

In addition, Idaho Power updated its Demand-Side Management (“DSM”) alternate costs to reflect the 2013 Integrated Resource Plan which resulted in lower values. The DSM alternate costs are used to monetize the benefits of an energy efficiency measure’s annual energy savings. Idaho Power calculates the benefit cost ratios (“BCR”) from both the Utility Cost Test (“UCT”) perspective as well as the Total Resource Cost (“TRC”) perspective. The BCRs for the refrigerator

and freezer measures with program administration costs included and excluded, reflecting the impact of the new federal standards and new DSM alternate costs, are provided in the table below:

Measure	With Program Admin. Costs		Without Program Admin. Costs	
	UCT	TRC	UCT	TRC
Refrigerator – average all models	0.45	0.19	0.57	0.21
Freezer – average all models	0.95	0.24	1.35	0.25

Docket No. UM 1710, Idaho Power’s request for cost-effectiveness exceptions, describes the non cost-effective findings of the refrigerator measures. Idaho Power used updated savings values from the RTF as of September 30, 2014, for the UM 1710 filing. The RTF savings and costs for both refrigerators and freezers were made publicly available on October 23, 2014. While these updated RTF values were available at the time of the UM 1710 filing, Idaho Power desired to solicit input from its Energy Efficiency Advisory Group (“EEAG”) before filing to suspend the program. The EEAG discussion was held on November 12, 2014.

Idaho Power will be ending this incentive offering in its Idaho service area on December 31, 2014. Idaho Power endeavors to keep programs consistent across its service areas. Trade allies (contractors/suppliers) service Idaho Power customers in both states. Offering different program designs would create confusion in the marketplace. Program infrastructure is designed to implement consistent program delivery across the service area.

Idaho Power customers who purchase a qualified appliance before midnight December 31, 2014, may submit their incentive form and proof of purchase for up to 120 days following the purchase per current program rules. Idaho Power will honor these applications, pay the incentive, and claim savings.

To implement this change, Idaho Power will post information about the program changes on the program website. Idaho Power will issue a letter to participating retailers notifying them of the program suspension. Additionally, Idaho Power will visit each participating store in December, and then again in January, to ensure program applications are removed.

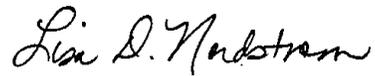
Idaho Power is proposing to suspend this program because both refrigerator and freezer measures are no longer cost-effective under the mail-in incentive model. However, Idaho Power is not proposing to terminate the Home Products Program at this time because there may be other program delivery methods that may be less expensive than the mail-in incentive model. Idaho Power plans to work with Bonneville Power Administration and other regional partners (including Northwest Energy Efficiency Alliance, Northwest Regional Retail Collaborative, and Western Regional Utility Network) in the next few months to evaluate new options for energy efficient appliance measure delivery to the marketplace. These options may include regional, cost-effective mid-to-upstream promotions for appliances and other products. Idaho Power will also monitor efficiency-standard changes, new product developments, and retailer trends. Should existing or new products become cost-effective, Idaho Power will evaluate options for new customer incentive programs. When the Company has developed a slate of cost-effective product offerings in this area, Idaho Power will file with the Commission for approval of modifications to Schedule 73.

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The Company respectfully requests that the attached modified Schedule 73 become effective December 31, 2014.

If you have any questions regarding this filing, please call Darlene Nemnich at (208) 388-2505.

Sincerely,



Lisa D. Nordstrom  
Lead Counsel

LDN:kkt

Enclosures

cc: RA Files  
Legal Files

SCHEDULE 73  
HOME PRODUCTS PROGRAM  
(Optional)  
SUSPENDED

AVAILABILITY

This program is available to residential customers living in single and multi-family residences, including manufactured and modular homes, who purchase qualified ENERGY STAR® home products and install them in a home within the Company's service territory within the State of Oregon.

APPLICABILITY

Service under this schedule applies to the purchase of qualified new freezers and refrigerators that are certified as an ENERGY STAR® product. ENERGY STAR® is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy designed to help consumers save money and protect the environment through energy efficient products and practices. Products labeled as ENERGY STAR® must meet higher, stricter energy efficiency criteria than federal standards. ENERGY STAR® qualified home products use advanced technologies and consume 10-50 percent less energy.

PROGRAM DESCRIPTION

The Home Products Program is an incentive-based program designed to help cover a portion of the costs of purchasing qualified energy efficient freezers and refrigerators.

INCENTIVE STRUCTURE

To be eligible for an incentive, purchase and installation of the qualifying products cannot have started prior to July 1, 2010.

Equipment Category	Incentive per Unit	Notes
Freezers	\$ 20.00	1, 2
Refrigerators	\$ 30.00	1, 2, 3

Notes:

1. To view a list of the qualified ENERGY STAR® home products included in this equipment category, visit [www.energystar.gov](http://www.energystar.gov).
2. Only full-size refrigerators and freezers 7.75 cubic feet or larger are eligible for incentives.
3. Although compact refrigerators are listed along with qualified full-size refrigerators on the ENERGY STAR® website, incentives are only available for the full-size refrigerators.

QUALIFICATIONS

In order to receive a financial incentive under this program, each participating customer must complete the following steps:

1. Purchase and install a new qualified ENERGY STAR® home product.
2. Complete the Idaho Power Home Products Incentive Application and sign it.
3. Mail the completed incentive form and a copy of the itemized sales receipt to the address listed on the Idaho Power Home Products Incentive Application.