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November 25, 2014

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

RE: Tariff Advice No. 14-12
Modifications to Schedule 77 – ENERGY STAR[®] Homes Northwest

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) herewith transmits for filing revisions to Schedule 77, ENERGY STAR[®] Homes Northwest program. The purpose of this filing is to seek approval from the Public Utility Commission of Oregon to increase the incentive paid from \$750 to \$1,000 and to limit this program to electrically heated homes.

The ENERGY STAR[®] Homes Northwest program is a regionally coordinated initiative supported by a partnership between Idaho Power and the Northwest Energy Efficiency Alliance to improve and promote the construction of energy-efficient homes using guidelines set forth by the U.S. Environmental Protection Agency. An ENERGY STAR[®] certified home is a home that has been inspected and tested by an independent, third-party ENERGY STAR[®] Specialist/Rater to meet the stringent ENERGY STAR[®] requirements. This program promotes homes that use electric heat pump technology and are at least 15 percent more energy efficient than those built to existing code. From 2011 through 2013, there were no homes built in Idaho Power’s Oregon service area that qualified for an ENERGY STAR[®] homes incentive through this program. However, in 2014 three homes did qualify in Oregon and were paid incentives. More information about this program can be found at www.idahopower.com/energystarhomes.

In 2011, Idaho adopted the 2009 International Energy Conservation Code and Oregon adopted the Oregon Residential Specialty Code. Prior to the adoption of these new codes, the ENERGY STAR[®] homes program included a cost-effective builder option package (“BOP”) for both gas and electric heated homes. The Regional Technical Forum (“RTF”) revised the energy efficiency savings for ENERGY STAR[®] homes in 2014. Consequently, gas heated ENERGY STAR[®] homes are no longer cost-effective under the revised savings from the RTF and the updated demand-side management (“DSM”) alternate cost values from Idaho Power’s 2013 Integrated Resource Plan. The DSM alternate costs are used to monetize the benefits of an energy efficiency measure’s annual energy savings. Electricity savings for gas heated ENERGY STAR[®] homes range from 278 to 703 kilowatt-hours per year (“kWh/year”) depending on the BOP package and the heating/cooling zone for the home. Of the 18 possible combinations of ENERGY

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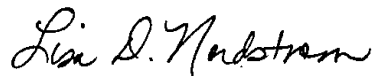
STAR® home gas measures in Idaho Power's Oregon service area, 15 combinations do not pass the Utility Cost Test and 17 do not pass the Total Resource Cost test. Due to the non cost-effectiveness of gas heated homes, the limited availability of natural gas in the Company's Oregon service area, and for consistency with the Idaho service area, Idaho Power requests to limit participation in this program to electrically-heated ENERGY STAR® homes.

The electricity savings estimates from the RTF for electrically heated homes range from 1,294 to 3,664 kWh/year depending upon the BOP package, whether the home is a single-family or multi-family dwelling, and the heating/cooling zone of the home. Because the resulting eligible homes have higher electrical energy savings, Idaho Power requests the incentive increase from \$750 to \$1,000.

The Company respectfully requests that the attached modified Schedule 77 become effective January 31, 2015.

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

Sincerely,



Lisa D. Nordstrom
Lead Counsel

LDN:kkt

Enclosure

cc: RA Files
Legal Files

SCHEDULE 77
ENERGY STAR®
HOMES NORTHWEST

AVAILABILITY

Service under this schedule is available to building contractors that construct onsite, single-family and multi-family homes within the Company's Oregon service territory that will take residential service under Schedule 1 upon completion. (N)

APPLICABILITY

Service under this schedule applies to new site-built construction of single-family and multi-family homes that are electrically heated with heat pump technology and have been certified to the ENERGY STAR® Homes Northwest Builder Option Package (BOP) specification. (N)
(N)

PROGRAM DESCRIPTION

ENERGY STAR® Homes Northwest is an incentive-based program that encourages the onsite construction of energy efficient single-family and multi-family homes. The Company provides a \$1,000 incentive to building contractors who build electrically-heated homes with heat pump technology and meet the qualifications of ENERGY STAR® Homes Northwest. The ENERGY STAR® Homes Northwest BOP specification is based upon the building standard developed by the Environmental Protection Agency and the U.S. Department of Energy through support from the Northwest Energy Efficiency Alliance (NEEA). Through a cooperative effort with NEEA, the Company will also provide education and information about energy efficient home construction to building contractors and consumers. (C)
(C)
(T)

QUALIFICATIONS

Each participating building contractor must complete and sign an Idaho Power ENERGY STAR® Homes Northwest Program Builder Agreement and provide an IRS form W-9 to the Company. In order to receive a financial incentive under this program, a building contractor must work with an ENERGY STAR® Homes Performance Specialist/Rater (HPS) and complete the following steps for each home: (T)
(N)
(N)

1. Upon completion of the home construction, the HPS conducts home inspection and testing. The HPS will then upload all documentation to the Northwest ENERGY STAR® Homes (NWES) database. (C)
2. The State Certifying Organization (SCO) retrieves this documentation from the NWES Homes database and verifies that the home has been constructed to the ENERGY STAR® Homes Northwest specification. Upon this verification the home is certified ENERGY STAR®. Homes certified by the SCO, using heat pump technology, will be paid an Idaho Power incentive. (C)