

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

April 28, 2016

ELECTRONICALLY FILED

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301

Re: Oregon Tariff Advice No. 16-07
Reinstatement of Schedule 70, Appliance Recycling Program

Attention Filing Center:

Idaho Power Company (“Idaho Power” or “Company”) hereby submits this tariff advice filing requesting to reinstate Schedule 70, Appliance Recycling Program (“Program”). The Program will acquire energy savings through the removal of qualified refrigerators and stand-alone freezers in residential homes. Applicants will apply online or by phone and will be screened to confirm their eligibility.

Background

The Program was initially offered to the Company’s Oregon customers on June 22, 2009, following authorization of Tariff Advice No. 09-06 by the Public Utility Commission of Oregon (“Commission”). The Company contracted with JACO Environmental, Inc. (“JACO”) to administer the Program. At the time of the initial offering, the Company paid a \$30 incentive to Program participants for the removal of a qualified appliance. In Tariff Advice No. 14-13, dated December 9, 2014, the Company requested to remove the \$30 incentive as a way to improve cost-effectiveness of the Program. The Commission authorized this tariff advice on January 13, 2015. In an effort to encourage additional participation in the Program, Idaho Power submitted Tariff Advice No. 15-10 on August 7, 2015 requesting authorization to provide two LED bulbs to each participating customer at the time of the refrigerator or freezer pick up. Tariff Advice No. 15-10 was authorized by the Commission on September 8, 2015.

Subject to a court-ordered receivership and lacking sufficient funds to satisfy its financial obligations, JACO abruptly closed its business on November 18, 2015. In response, Idaho Power immediately suspended operation of the Program in its Idaho service area and filed Tariff No. 15-13 seeking suspension of the Program in its Oregon service area until the Company had time to evaluate if another contractor could administer the Program in a cost-effective manner. Commission Staff (“Staff”) recommended the Commission allow the Company’s request, but asked the Commission to impose two additional requirements: (1) The Company will provide a status update to the Commission of the Program by June 16, 2016, and (2) Unless already reopened or terminated through a subsequent filing, Idaho Power shall work with Staff to finalize a plan for the future of Schedule 70 by December 16, 2016. The Commission accepted Staff’s recommendations in its public meeting on December 15, 2015.

Request to Reinstate the Program

The Company is seeking authorization from the Commission to reintroduce the Program in Idaho Power's Oregon service area. Idaho Power recently entered into a contract with Appliance Recycling Centers of America ("ARCA") to resume operation of the Program in the Company's Idaho service area. ARCA will provide most services for the Program, including customer service and scheduling, unit pick up, unit recycling, and reporting. Additionally, ARCA will screen each application to confirm the refrigerator or freezer unit under consideration meets all program eligibility requirements, including the requirements that a unit must be residential grade, a minimum of 10 cubic feet as measured using the inside dimensions, no larger than 30 cubic feet, and in working condition. The Program will target older, extra units for maximum savings and will continue to pick up qualified refrigerators and stand-alone freezers free of charge and provide customers with two LED bulbs at the time of the appliance pick-up.

Cost-Effectiveness

To determine the cost-effectiveness of a measure or program, Idaho Power relies on the Electric Power Research Institute End Use Technical Assessment Guide ("TAG") and, when applicable, Commission Order No. 94-590, issued in Oregon Docket No. UM 551. The Company uses the Utility Cost ("UC") test and the Total Resource Cost ("TRC") test as defined in the TAG. Because the Program was suspended for the first part of 2016, the Company expects participation levels for 2016 to be approximately 1,000 units and when the cost-effectiveness tests are applied at that participation level, the Program passes the TRC test, but fails the UC test. Going forward, the Company estimates an annual participation of approximately 1,800 units. At that participation level, the Program is cost-effective from both the UC and TRC tests; when considering individual measures within the Program, freezers fail the UC test and pass the TRC test while refrigerators pass both tests. Administrative costs were included when calculating the cost-effectiveness at the measure level. This is in accordance with condition 10 of Commission Order No. 94-590 issued April 6, 1994 in Docket No. UM 551. By allowing freezers into the program, it increases overall participation and increases the program cost-effectiveness by spreading a portion of the fixed administrative costs across more units.

Program/Measure	With Program Administration Costs	
	UC	TRC
Appliance Recycling Program	1.05	1.38
Freezer Recycling Measure	0.97	1.23
Refrigerator Recycling Measure	1.12	1.46
LED bulbs Measure	1.33	2.12

As part of its request to reinstate the Program in Oregon, Idaho Power is also seeking a cost-effectiveness exception as permitted under conditions 13.c and 13.d of Commission Order No. 94-590.

- c. The measure is included for consistency with other DSM programs in the region
- d. Inclusion of the measure helps to increase participation in a cost effective program

Filing Center
Public Utility Commission of Oregon
April 28, 2015
Page 3

Energy Trust of Oregon (“ETO”) will continue to offer its Refrigerator, Freezer, and Clothes Washer Recycling program in Oregon through 2016. ETO was granted a cost-effectiveness exception for freezer recycling in Commission Order No. 14-266 issued July 22, 2014, in Docket No. UM 1696.

Idaho Power will be offering this program in its Idaho service area. To reduce customer confusion and for ease of program implementation, Idaho Power endeavors to provide consistency in its programs across its Idaho and Oregon service area. Additionally, this program is one of the few programs available to all residential customers including gas heat customers.

The Company respectfully requests that the attached Schedule 70 become effective June 8, 2016. If you have any questions regarding this filing, please contact Regulatory Analyst Kristy Patteson at (208) 388-2982 or kpatteson@idahopower.com.

Sincerely,



Lisa Nordstrom

LDN:kkt

Enclosure

SCHEDULE 70
APPLIANCE RECYCLING PROGRAM

(D)

AVAILABILITY

This program is available to residential Customers living in single and multi-family residences, including manufactured and modular homes, who remove and recycle a refrigerator or freezer and who live within the Company's service territory within the State of Oregon. Service will not be available to some geographic areas during winter months due to road conditions. Service to these areas will resume after April 1. A list of areas where service is unavailable is on the Idaho Power web site.

PROGRAM DESCRIPTION

The Appliance Recycling Program is a program designed to encourage the removal and recycling of less efficient appliances by providing a removal service from the home and recycling of the appliance at no cost to Customers. To participate, Customers will schedule an appointment by phone or on the Idaho Power web site to have their unit collected. The unit will be picked up from the Customer's home, transported, dismantled and recycled. Idaho Power will also provide, free of charge, two light emitting diode (LED) bulbs per customer at the time of unit pick up to encourage participation. For more information on this program visit www.idahopower.com/save.

(C)

TERMS AND CONDITIONS

By participating in the Program, Customers will be subject to the following terms and conditions:

1. Functioning units only.
2. Secondary units are preferred but the program is available for the replacement of a primary unit.
3. Unit must be residential grade, 10 to 30 cubic feet, and must be empty at time of pick up.
4. Clear path of removal must exist.
5. Maximum participation of two units per Customer, per year.
6. The customer will receive two free LED bulbs at the time of pick up.