

Lisa D. Nordstrom
Lead Counsel
lnordstrom@idahopower.com

December 16, 2016

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

RE: Tariff Advice No. 16-15
Schedule 76, Flex Peak Program

Attention Filing Center:

Pursuant to ORS 757.205, Idaho Power Company (“Idaho Power” or “Company”) hereby respectfully submits this tariff advice to the Public Utility Commission of Oregon (“Commission”) requesting authorization to update Schedule 76, Flex Peak Program (“Program”). The Program is a voluntary demand response program available to industrial and large commercial customers that are capable of reducing their electrical energy loads for short periods during summer peak days. By reducing demand on extreme system load days during summer months, the Program reduces the amount of generation and transmission resources required to serve customers.

Idaho Power has operated this Program in-house for two seasons and has received participant feedback on how to improve the Program. The proposed changes would clarify a definition, add text messaging to the Program Event notification options, streamline the process for participants requesting to change nominated load amounts, allow participants to choose how to receive the Program incentive, and simplify the annual re-enrollment process for Program participants. The proposed changes are described in more detail below.

Aggregated Option Definition. Idaho Power proposes to clarify the Aggregated Option definition to reflect how the Company currently sums the data from each enrolled Facility Site for single participants with multiple participating sites that are grouped together per the customer’s request. There may be confusion that the Company sums the entire metering data for all participating sites as a whole and not based on individual site performance. The Company aggregates the data as the sum of the individual performances for each enrolled Facility Site. This proposed change aligns the language in Schedule 76 with the Company’s current practices and is intended to prevent potential confusion regarding the Aggregated Option.

Program Event Notification Options. The Company proposes adding text messaging as an option to notify Program participants of Program Events. Participants are currently notified of a Program Event via telephone and email. Some participants have requested the Company also notify them through a text message in addition to the current options. Participants that choose the text option will receive Program Event notifications through all three technologies. The Program Application will include a section where participants can select the text notification option providing them the opportunity to elect the additional notification if desired. Participants would also be able to elect the text option at any time by contacting the Company.

Change in Nominated kW. Idaho Power proposes to clarify the process for participants to notify the Company of changes in their Nominated kW. The Requirements of Participating Facilities in Schedule 76 require participants to contact the Company to notify of any changes in Nominated kW. When contacted, the Company requires participants to submit a nomination change request form in order to track the change. The Company proposes to clarify the process in Schedule 76 to indicate that participants must submit the nomination change request form for changes in nominated kW. This proposed change aligns the language in Schedule 76 with the Company's current practices and provides additional transparency for customers.

Program Incentive Payment Options. Schedule 76 currently requires that incentive payments are paid by check. Some participants have requested incentive payments to be applied to their electric bill as a credit at the end of the season. The Company proposes to add the option of applying the incentive payment as a bill credit. Participants will choose on the Program Application how to receive the incentive payment with either a check or a bill credit as options. Participants would also be able to elect the preferred incentive payment issuance option at any time prior to the end of the season by contacting the Company.

Program Application. The current Terms of Participation require customers to submit a Program Application at the beginning of each season to participate in the Program. Retention in the Program has been high and participants typically choose to re-enroll, requiring the Program Application to be duplicated each year. Participants have requested to be automatically re-enrolled in the Program to avoid completing a new Program Application each year. To streamline the process, the Company proposes to eliminate the need to file a new Program Application each year. Customers will only need to submit a Program Application to initially participate in the Program and will automatically be re-enrolled in the Program in subsequent years.

The Company will notify Program participants prior to each Program Season informing the participants they will be automatically re-enrolled in the Program. Participants that choose not to re-enroll in the Program may contact the Company any time before the beginning of the season. Participants may discontinue the Program any time by contacting the Company.

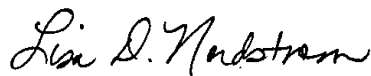
As a result of these proposed changes, Idaho Power herewith transmits for filing:

First Revised Sheet No. 76-1	cancels	Original Sheet No. 76-1
First Revised Sheet No. 76-4	cancels	Original Sheet No. 76-4
First Revised Sheet No. 76-5	cancels	Original Sheet No. 76-5

The changes proposed by the Company would address requests made by participants and improve transparency of the Program. Idaho Power discussed the proposed changes in the Energy Efficiency Advisory Group (“EEAG”) meeting held on November 3, 2016. The members of EEAG were not opposed to Idaho Power’s proposed changes to the Program. Idaho Power requests that the Commission authorize the tariff sheets as filed with an effective date of February 1, 2017.

If you have any questions regarding this filing, please contact Regulatory Analyst Zach Harris at (208) 388-2305 or zharris@idahopower.com.

Sincerely,



Lisa D. Nordstrom
Lead Counsel

LDN:kkt

Enclosures

SCHEDULE 76
FLEX PEAK
PROGRAM
(OPTIONAL)

PURPOSE

The Flex Peak Program (the Program) is a voluntary program that motivates Participants to reduce their load during Company initiated demand response events. A participating Customer will be eligible to receive a financial incentive in exchange for being available to reduce their load during the calendar months of June, July, and August.

AVAILABILITY

The Program is available to Commercial and Industrial Customers receiving service under Schedules 9, 19, or a Special Contract Schedule.

The Company shall have the right to accept Participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, total Program capacity, a Facility Site location, or amount of capacity provided at a Facility Site.

To participate in the Program, a Customer must sign and return the Program Application and worksheet provided by the Company specifying the Facility Site(s) to be enrolled in the Program. To enroll in the Program, Customers must be capable of providing a minimum load reduction of 20 kW per Facility Site or an aggregate reduction of 35 kW if participating under the Aggregated Option. If a Facility Site is accepted for participation in the Program, a Notification of Program Acceptance will be mailed to the Participant within 10 business days of the Company receiving the Program Application. Notification of Program Acceptance will include a listing of the Facility Sites that have been enrolled.

PROGRAM DESCRIPTION

The Company will initiate Program Events for a maximum of 60 hours during June, July, and August, and during those Program Events Participants will be expected to reduce load at their Facility Site(s). Participants will be eligible to receive a financial incentive in exchange for their reduction in load.

DEFINITIONS

Actual kW Reduction. The kilowatt (kW) reduction during a Program Event, which is the difference between a Participant's hourly average kW measured at the Facility Site's meter and the corresponding hour of the Adjusted Baseline kW.

Adjusted Baseline kW. The Original Baseline kW plus or minus the "Day of" Load Adjustment amount.

Aggregated Option. Multiple Facility Sites belonging to a single Participant that are grouped together per the customer's request with a single Nominated kW for participation in the Program. Under this option, the Company will sum the individual performance data from each enrolled Facility Site before calculating any incentive amounts. (C)

Business Days. Any day Monday through Friday, excluding holidays. For the purposes of this Program, Independence Day is the only holiday during the Program Season. If Independence Day falls on Saturday, the preceding Friday will be designated the holiday. If Independence Day falls on Sunday, the following Monday will be designated the holiday.

SCHEDULE 76
FLEX PEAK
PROGRAM
(OPTIONAL)
(Continued)

PROGRAM EVENTS

The Company will dispatch Program Events on Business Days during the Program Season between the hours of 2:00 p.m. and 8:00 p.m. MDT. Program Events will last between two to four hours per day and will not exceed 15 hours per calendar week and 60 hours per Program Season. During each Program Season the Company will conduct a minimum of three Program Events. Participating Customers will receive advance notification at least two hours prior to the Program Event. The Company will provide notice of a Program Event via the following communication technologies: telephone, text message, and e-mail to the designated contact(s) submitted by the Participant in the Program Application. If prior notice of a pending Program Event has been sent, the Company may choose to revoke the Program Event initiation and will provide notice to Participants no less than 30 minutes prior to the Program Event. (N)

REQUIREMENTS OF PARTICIPATING FACILITIES

Participants will have the flexibility to choose what equipment will be used to reduce the Nominated kW during each Program Event. Participants must notify the Company of their Nominated kW via the Program Application. Once the Program Season begins, the Participant must submit the nomination change request form online (located at www.idahopower.com/flexpeak) via email by Thursday at 10:00 a.m. MDT of the proceeding week to notify of any changes in Nominated kW. The Nominated kW may be raised or lowered each week without restriction any time before the third mandatory Program Event is called. After the third Program Event is called, the Nominated kW may still be raised or lowered, but may not exceed the highest Nominated kW prior to the third Program Event being called. (C)
(C)

INCENTIVE STRUCTURE

Incentive payments will be determined based on a Capacity Payment, an Energy Payment, and any applicable Nominated kW Incentive Adjustment. Both the Capacity and Energy Payments will be paid by check or bill credit no more than 30 days after the Program Season concludes on August 15th. (N)
(N)

When a Program Event is called and a Participant exceeds the Nominated kW the Capacity Payment will be capped at 20 percent above original Nominated kW.

<u>Capacity Payment Rate*</u> (*to be prorated for partial weeks)	<u>Energy Payment Rate*</u> (*does not apply to first three Program Events)
\$3.25 per Weekly Effective kW Reduction	\$0.16 per kWh

Participants are expected to reduce their load by the Nominated kW during each hour of each Program Event for the duration of the event. Each time a Participant fails to achieve a load reduction of up to the Nominated kW during a Program Event, a Nominated kW Incentive Adjustment will apply.

SCHEDULE 76
FLEX PEAK
PROGRAM
(OPTIONAL)
(Continued)

INCENTIVE STRUCTURE (Continued)

For the first three Program Events, the Nominated kW Incentive Adjustment will be \$2.00 per kW for each hour the Nominated kW is not achieved during that interval. After the first three Program Events, the Nominated kW Incentive Adjustment will be \$0.25 per kW for each hour the Nominated kW is not achieved during that interval.

The total Nominated kW Incentive Adjustments will not exceed the total incentive amount for the Program Season.

TERMS OF PARTICIPATION

Participants must submit a Program Application initially, but are automatically re-enrolled each year thereafter. Participants will be notified prior to each Program Season of the automatic re-enrollment. This Program Application must include the Facility Site(s) they wish to enroll and the initial Nominated kW for each Facility Site. If a Participant requests the Aggregated Option they must specify this on the Program Application. (C)
(C)
(C)

1. A Participant may terminate their participation in the Program at any time during or before the Program Season by notifying the Company in writing.
2. Upon terminating participation of a Facility Site, the Participant's incentive payment shall be prorated for the number of Business Days of participation in the Program. The Participant may not re-enroll the Facility Site into the Program until the following calendar year.

SPECIAL CONDITIONS

The provisions of this Program do not apply for any time period that the Company requests a load reduction during a system emergency or any other time that a Participant's service is interrupted by events outside the control of the Company. The provisions of this Program will not affect the calculation or rate of the regular Service, Energy, or Demand Charges associated with a Participant's standard service schedule.