

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1675

In the Matter of

IDAHO POWER COMPANY,

Annual Smart Grid Report

STAFF'S COMMENTS

These comments are in response to the sixth smart grid report (the Report) of Idaho Power Company (Idaho Power or the Company). In Order No. 12-158, the Commission adopted a smart-grid reporting requirement for the Idaho Power as well as PGE and PacifiCorp, to “ensure that utilities are systematically evaluating promising smart-grid technologies and applications, that the Commission is kept apprised of utilities' progress, and that stakeholders, Commission Staff, and the Commissioners have an opportunity to provide input into utility evaluations of smart-grid technologies and applications, as well as their plans for smart-grid investments.”¹

In January 2020, Staff will file its findings on whether the Report meets the requirements of Order No. 12-158 and subsequent related orders, and will make a recommendation at the January 28, 2020, public meeting about whether the Commission should accept the filing. In these comments, Staff will address the Company's compliance with the requirements of Order No. 12-158 and the Company's response to recommendations in Order No. 18-266 that accepted the Company's last Smart Grid Report.

Order No. 12-158 requires, at a minimum, the utility's smart grid report include:

1. Smart-grid strategy, goals, and objectives;
2. Status of smart-grid investments the utility plans to take in the next five years and of projects already underway;
3. Smart grid opportunities and constraints;
4. Targeted evaluations of technologies and applications pursuant to Commission-approved stakeholder recommendations; and

¹ Order No. 12-158, page 1.

5. Related activities such as investment to address physical and cybersecurity, privacy, customer outreach and education, etc.²

Staff appreciates the considerable work Idaho Power has put into this report and finds the Company's *2019 Smart Grid Report* meets all but one of the broad requirements of the original Commission Order No. 12-158.

Under the second requirement of Order No. 12-158, Staff requests more detail on the status of two projects in the Company's reply comments. First, please identify the original cost estimate of the Jordan Valley Energy Storage Project and compare it to the actual costs. Second, please include the cost per MW itemized per demand response program. The total annual cost for demand response is provided in Appendix F, but it's not broken down by program.

Order No. 18-266 accepted the Company's *2017 Smart Grid Report*, and included the following requirements:

1. Idaho Power should continue to include Staff and stakeholder informal comments and corresponding Company responses in the 2017 Smart Grid Report.
2. The Company should continue to work with Staff and include other stakeholders for input in finalizing the program design of the TOD pilot. Staff encourages the Company to complete its design of the TOD pilot taking into consideration the new suggestions by Staff in the April 2018 phone call. If determined feasible, Staff recommends that the Company file a tariff proposal with the Commission by December 31, 2018, and report any findings in the 2019 Smart Grid Report.
3. Address the bullet points on page 7 of this Staff Report.
4. Continue to include updates, if any, on additional PMU installations and provide a summary of how the newly-installed PMUs have improved observability in Idaho Power's system.
5. Include a description of what the energy efficiency measures related to CRM are and how the Company defines energy efficiency as it pertains to its CRM system. Describe the difference in customer activity as a result of the new marketing tools and tactics, in addition to descriptions, with screenshots and pictures, of how the marketing tools and tactics impact customers. The Company might consider including this as an appendix in the 2019 Report.
6. Continue updating all projects in Idaho Power's 2017 report and continue to include an updated version of Appendix C, with cost information, in the 2019 Smart Grid Report.

Staff commends Idaho Power for meeting all of the specific requirements of Order No. 18-266 in the *2019 Smart Grid Report* as filed.

² Ibid. page 6.

This concludes Staff's Comments.

Dated at Salem, Oregon, this 15th day of November, 2019,



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