

Idaho Power Smart Grid Vision

At Idaho Power, our smart grid vision remains focused on seven major characteristics :

- 1. Enhance customer participation and satisfaction
- 2. Accommodate distributed generation/storage
- 3. Enable new products/services/markets
- 4. Improve power quality
- 5. Optimize asset efficiency
- 6. Anticipate and respond to disturbances
- 7. Provide resilient operation/robustness

Idaho Power's Smart Grid Strategy

Focus investments in:

Operations

...real-time sensing, diagnostic, communications, and control equipment to increase efficiency and reliability of the system and make the system more resilient.

Customer Systems

...customer expectations are changing and they want more information about their energy use.

Advanced Metering Infrastructure (AMI)

...more fully utilize the information received from AMI meters to improve services offered.

Oregon Commission's Smart Grid Goals

The Commission's goal is to benefit ratepayers of Oregon investorowned utilities by fostering utility investments in real-time sensing, communication, control, and other smart-grid measures that are cost-effective to consumers and that achieve some of the following:

- Enhance the reliability, safety, security, quality, and efficiency of the transmission and distribution network
- Enhance the ability to save energy and reduce peak demand
- Enhance customer service and lower cost of utility operations
- Enhance the ability to develop renewable resources and distributed generation

Oregon Commission's Smart Grid Goal

Enhance the reliability, safety, security, quality, and efficiency of the transmission and distribution network

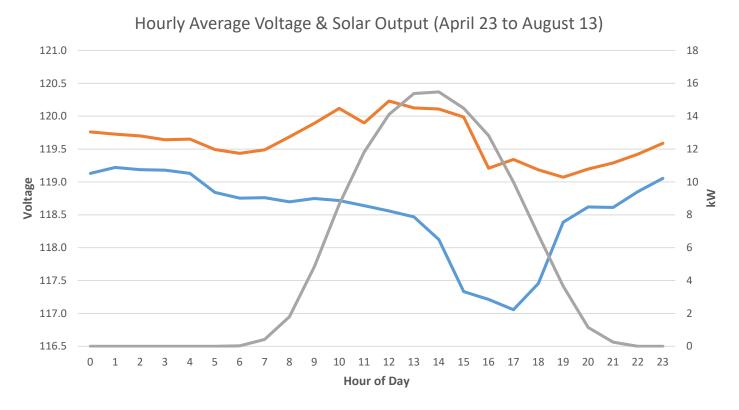
- Solar End-of-Feeder Pilot
- Integrated Volt-Var Control (IVVC) System
- Outage Management System (OMS) Upgrade
 - Integrated with AMI
 - Outage Dashboard

Solar End of Feeder Pilot

https://www.youtube.com/watch?v=JeT6JH5vZgg



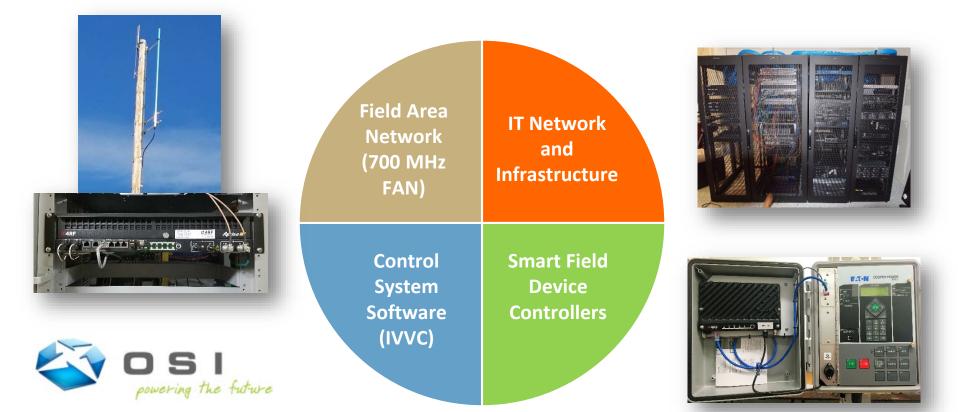
End-of-Feeder Solar 2017 Results





7

Integrated Volt/Var Control Phase 1



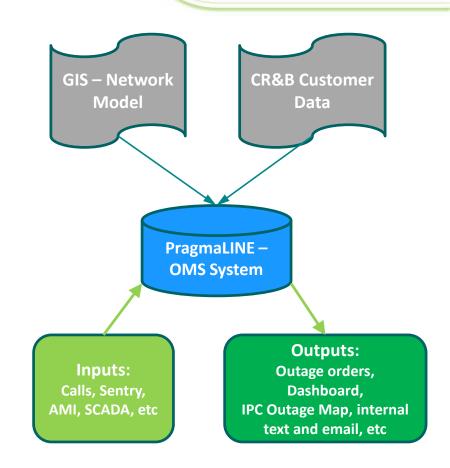
OMS Project Summary

- Consisted of two previously independent projects
 - OMS Replacement Project
 - Mobile Workforce Management System Upgrade Project

Project Duration – 27 Months

The OMS system

- Models our distribution system
- Ties our customers to the distribution network
- Predicts outage location
- Dispatches restoration crew via Mobile Workforce Management system
- Provides outage information for customers



New Functionality

- A more "Active" system
 - Substations now part of the operational model
 - SCADA integration
 - Sentry integration
 - AMI System integration
 - iETR (initial Estimated Time of Restoration)

Oregon Commission's Smart Grid Goal

Enhance the ability to save energy and reduce peak demand

- Demand Response Update
 - Irrigation Peak Rewards Program
 - Flex Peak Program
 - A/C Cool Credit Program
- Oregon Residential Optional Time-of-Use (TOU) Pilot Evaluation
 - Goals
 - Next Steps

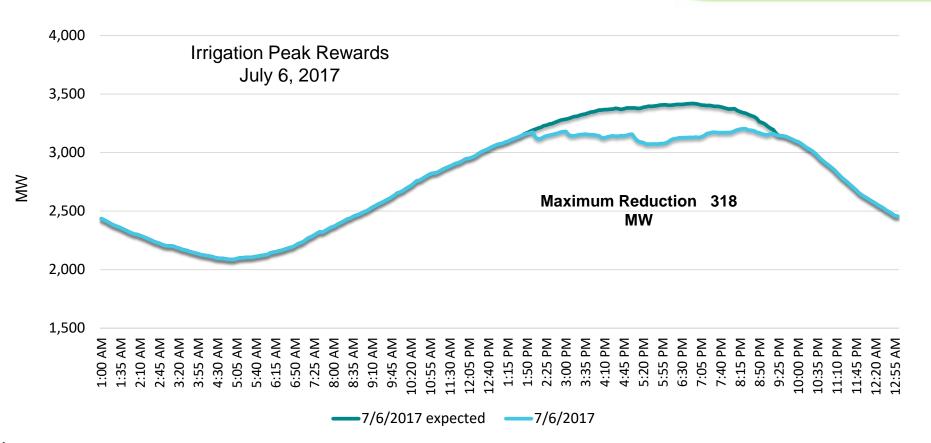
2017 Demand Response Programs

Total available capacity – 394 MW

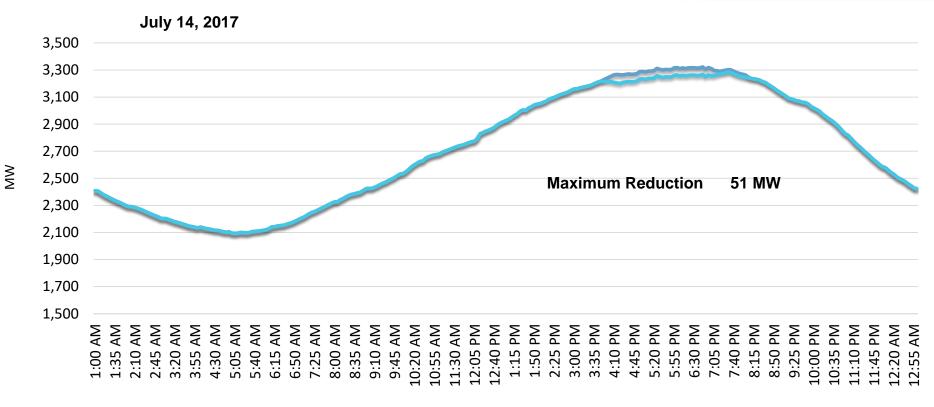
- Irrigation Peak Rewards
 - 2,307 sites 318 MW
 - ≈ 7 MW in Oregon
- Flex Peak
 - 141 sites 36 MW
 - ≈ 12 MW in Oregon
- A/C Cool Credit
 - 28,214 sites 29 MW
 - ≈ 0.4 MW in Oregon



2017 Irrigation Peak Rewards



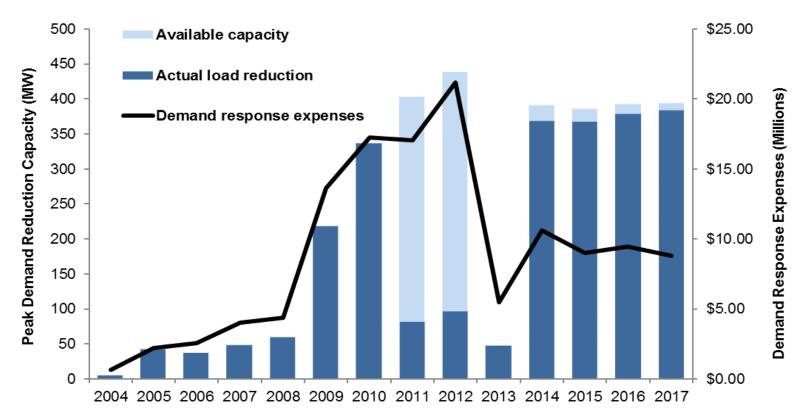
2017 A/C Cool Credit & Flex Peak



——7/14-expected ——7/14/2017

Demand Response Results

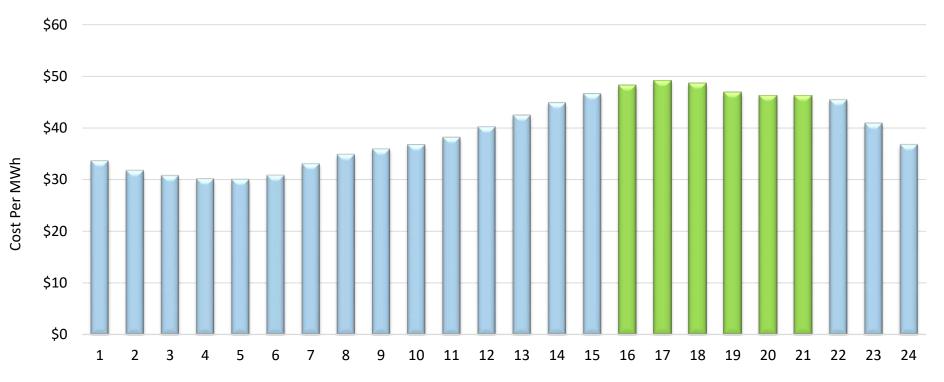
2004 - 2017



Oregon Residential TOU Pilot Evaluation

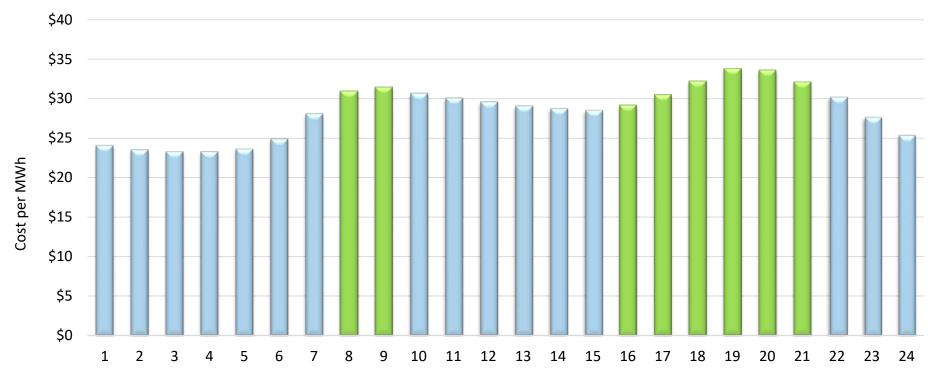
- Idaho Power's Goals for a Residential TOU Pilot
 - Design rates that reflect the actual cost to serve
 - Corresponding reduction in energy costs when a customer shift usage
 - Easy for customers to understand and remember on-peak hours
 - Create a program that is inviting and attractive to customers
 - Does not unduly limit Idaho Power's ability to recover its fixed costs of service.
- Basic Design Under Consideration
 - Seasonal component
 - On-Peak hours
 - Summer 3-9pm
 - Non-Summer 7-9am & 3-9pm

Avg. Variable Cost/Hour (Summer) (On-Peak 3-9pm)



Avg. Variable Cost/Hour (Non-Summer)

(On Peak 7-9am, 3-9pm)



Oregon Residential TOU Pilot Evaluation

- Next Steps
 - Continue working with OPUC Staff
 - Work with interested parties to determine feasibility of moving forward with a filing

Oregon Commission's Smart Grid Goal

Enhance customer service and lower cost of utility operations

- Customer Experience
 - Idaho Power Website
 - 2018 Projects and Initiatives
 - Customer Relationship Management (CRM) System





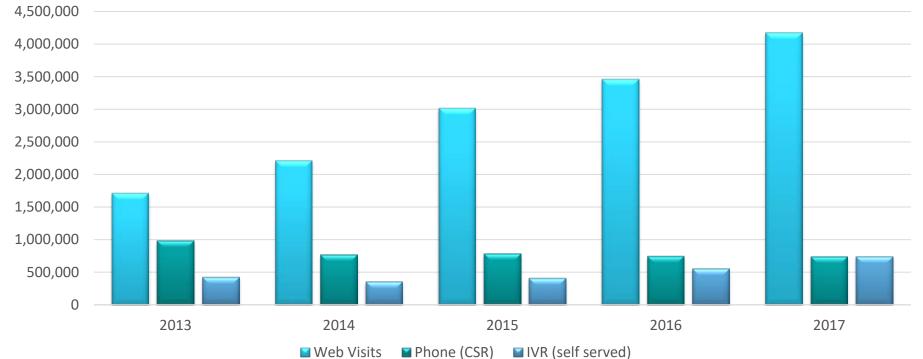
My Account - Metrics





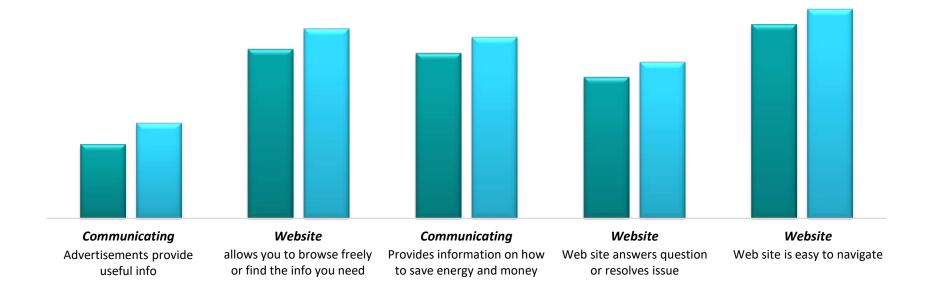
Customer Interaction Metrics

Customer Contacts



Customer Relationship Index

FY 2016 2017 Q4 12 Months Rolling



Outage Alerts

- Current Outage alerts
 - Text updates

- 2018 Initiatives
 - Outage Communication
 - IVR/OMS integration
 - Outage alerts

Outage Started: June 28 8:31

Customers Affected: 159

Status: Crew is dispatched (enroute) to event.

Estimated Restoration: June 28 10:00 AM

Receive text alerts



Account Alerts

- Current Account alerts (residential)
 - Past Due
 - Bill Threshold

2018 Initiatives

- Expanded account alerts
 - Tailored to specific customer classes

Hello, this is a friendly reminder that your account is past due.



Customer Relationship Management (CRM) - Update

- Customer Search
 - Provides a Systematic method to manage CAN SPAM regulation, manage email preferences, and will enable the customer-facing preference Portal
- Enhanced Communication
 - Enables better communication with its customers, the CRM system integrates with the company's text alert and email campaign Vendor



Hello Lori!

We've heard that you'd like us to communicate with you through email. Moving forward, we plan to do just that.

Idaho Power will begin sending information using the email address we have on file for you. Our aim is to send you only what you want to receive. Click here to select the types of emails you would like to get from Idaho Power. The options include company news, energy savings, green options and ways to pay.

Until you set your preferences, you will receive all email types. To opt out of an email category, select Yes in the Opt Out column. If you want to receive emails of a certain type (e.g., energy savings), select No in the Opt Out column.

We also recently updated our privacy policy to reflect these changes and encourage you to review the policy here.

Warm regards, Your Customer Care Team

Idaho Power 1221 W. Idaho St., Boise, ID 83702 Unsubscribe - Unsubscribe Preferences



CRM Update (cont.)

- Customer Segmentation
 - Part of Campaign Management can 'build' a segment, attach it to a campaign and email or mail to the selected segment



Hello CINDY,

Visitors hoping to spend Independence Day camping in Hells Canyon should reserve their spots now. The company's four campgrounds in Hells Canyon are filling quickly as campers take advantage of the company's new online reservation system.

Campsites at C.J. Strike Reservoir south of Mountain Home are also available, but summer weekends are being booked quickly at all Idaho Power campgrounds.

Idaho Power owns and maintains many recreational facilities along the Snake River. Overnight campsites can be reserved online at four parks in Hells Canyon and three in C.J. Strike.

- Campaign Management
 - Tracks aspects of a campaign including the results of a campaign's effectiveness and manages customer preferences collected during a campaign
 - Successfully completed email marketing campaigns to ≈ 150,000 customers during the months of May and June while tracking customer activity

Oregon Commission's Smart Grid Goal

Enhance the ability to develop renewable resources and distributed generation

• Energy Storage System

Energy Storage System Objective

- Jordan Valley seasonally overloaded transformer
- 200kW/200kWh Battery could defer replacement for 10 years



Energy Storage System RFP

- Low response rate
- Prices higher than estimated
- Lower cost smaller suppliers pose a higher financial risk



Questions?