

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: May 15, 2014

REGULAR _____ CONSENT X EFFECTIVE DATE May 16, 2014

DATE: May 7, 2014

TO: Public Utility Commission

FROM: Brittany Andrus *BA*

THROUGH: Jason Eisdorfer *J*, Maury Galbraith *MG*, and Aster Adams *AA*

SUBJECT: IDAHO POWER COMPANY: (Advice No. 14-04) Revises Schedule 27, Irrigation Efficiency Rewards Program.

STAFF RECOMMENDATION:

The Commission should allow Idaho Power Company's (IPC or Company) Advice No. 14-04 to go into effect on May 16, 2014.

DISCUSSION:

On April 8, 2014, IPC filed Advice No. 14-04 proposing revisions to Schedule 27, Irrigation Efficiency Rewards Program, and requesting an effective date of May 15. After Staff informed the Company of the change to the regular public meeting date, IPC made a supplemental filing requesting an effective date of May 16.

The Irrigation Efficiency Rewards program is implemented under three incentive structures: Custom Option, Menu, and Green Motors Initiative. This filing proposes changes to the Menu Option, which consists of a predetermined list of energy efficient irrigation equipment rebuild or repair measures and their respective incentives. Measure changes include: 1) combine separate pivot sprinkler measures into a low-pressure pivot sprinkler head, nozzle, and low pressure regulator package; 2) extend the two-item per acre limit to all measure types; 3) move the "new drains on pivots or wheel-lines" measure into its own category and increase the incentive; and, 4) add new wheel line levelers at the same incentive level as rebuilt wheel-line levelers.

In Oregon, 31 IPC customers participated in the Irrigation Efficiency Rewards Program during 2013, saving 500,925 kWh. The program's 2013 benefit/cost ratio based on total resource cost was 1.72.¹

Staff supports the proposed changes to Schedule 27 based on the following factors:

Combine separate pivot sprinkler measures into a low-pressure pivot sprinkler head, nozzle, and low pressure regulator package: This change is consistent with how these measures are typically purchased by irrigators, and it removes the need to estimate the savings from each measure individually. The deemed savings from the Northwest Power Planning Council's Regional Technical Forum (RTF) are based on the three components as a package.² The total incentive remains the same as the sum of the three component incentives. The Company proposes to retain the new nozzle measure for situations in which the customer only replaces the nozzle.

Extend the two item per acre limit to all measure types: The deemed energy savings for measures in the Menu Option of Schedule 27 are based on usage over a set number of hours during the irrigation season. If more than two items per acre are implemented, the hours per item may be reduced, and the energy savings could be eroded. This limit, which was already in place for several of the Menu Option measures, is now extended to all.

Move the "new drains on pivots or wheel-lines" measure into its own category and increase the incentive: IPC's cost effectiveness calculations for the drains as a stand-alone measure are consistent with the RTF. With the increased incentive, the benefit cost ratio based on total resource cost is 4.3.

Add new wheel line levelers at the same incentive level as rebuilt wheel-line levelers: This measure is cost effective based on RTF savings estimates, and the incentive for the new leveler is equal to the incentive for the rebuilt leveler.

Staff has reviewed the Company's supporting work papers and the RTF workbooks, and supports the proposed changes to Schedule 27.

¹ Idaho Power Demand-Side Management 2013 Annual Report, p. 159.

² <http://rtf.nwccouncil.org/measures/Default.asp>, RTF Unit Energy Savings (UES) Measures and Supporting Documentation, Agricultural Sector, Irrigation Hardware Measure, Latest RTF Decision 4/16/13.

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PROPOSED COMMISSION MOTION:

Idaho Power Company's Advice No. 14-04 be allowed to go into effect on
May 16, 2014.

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