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September 8, 2017

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. 17-07
Discontinuance of Schedule 70, Appliance Recycling Program

Attention Filing Center:

Pursuant to ORS 757.205, Idaho Power Company (“Idaho Power” or “Company”) hereby submits this tariff advice filing requesting to discontinue Schedule 70, Appliance Recycling Program (“Program”). The Company has determined cost-effectiveness of the Program is not expected to improve and seeks authority from the Public Utility Commission of Oregon (“Commission”) to close the schedule.

Background

The Appliance Recycling Program provides for the removal of qualified refrigerators and stand-alone freezers from residential homes in the Company’s Oregon service area. Idaho Power opened the Program to Oregon customers in 2009 (Tariff Advice No. 09-06), and initially, the Company paid a \$30 incentive to Program participants for the removal of a qualified appliance. In 2014, due to declining cost-effectiveness of the Program, the Company requested and the Commission authorized the elimination of the \$30 incentive (Tariff Advice No. 14-13). In 2015, in an effort to increase participation in the Program, the Company requested and the Commission authorized Idaho Power to provide two LED bulbs to each participating customer at the time of their refrigerator or freezer pick-up (Tariff Advice No. 15-10).

At the end of 2015, JACO Environmental, Inc., the vendor Idaho Power contracted with to administer the Program, abruptly closed its business. Idaho Power immediately suspended operation of the Program in its Idaho service area and filed Tariff Advice No. 15-13 seeking approval for 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. The Commission authorized the suspension of Schedule 70 on December 15, 2015. After entering into a contract with Appliance Recycling Centers of America to resume operation of the Program in the Company’s Idaho service area, Idaho Power requested and the Commission authorized to reinstate the Program in the Company’s Oregon service area (Tariff Advice No. 16-07). As part

of its request to reinstate the Program in Oregon, the Company sought a cost-effectiveness exception as permitted under conditions 13.c and 13.d of Commission Order No. 94-590. At that time, the Company anticipated recycling fewer units over the remainder of 2016 which would result in the Program passing the Total Resource Cost (“TRC”) test, but failing the Utility Cost Test (“UCT”). At the time the exception was requested, the Company estimated annual participation of approximately 1,800 units which would make the Program cost-effective from both the TRC and UCT perspectives. In authorizing the Company’s request, the Commission also adopted Staff’s recommendation to impose certain Program specific reporting requirements upon Idaho Power. Specifically, Staff requested that in 2017, the Company evaluate the Program’s cost-effectiveness using the unit energy savings (“UES”) based on vintage (e.g., ≤ 1992 and ≥ 1993) versus all. The Company submitted an informational filing to the Commission on March 31, 2017, which contained the requested information.

Participation and Cost-Effectiveness

Despite continued marketing efforts, Program participation has continued to decline since 2014 and the number of units has been below 1,800 system-wide since 2015. In 2016, there were 12 units collected from Oregon customers and in 2017 there have been 20 units collected from Oregon customers. Additionally, for both refrigerators and freezers, the trend for the past several years shows that more newer units (units that have lower savings than older units), are being recycled now than when the Program was initially launched. When the Program began in 2009, 90 percent of the freezers and 78 percent of the refrigerators were 1992 and older. As of July 2017, 51 percent of the freezers and 24 percent of the refrigerators are 1992 and older.

Chart 1: Freezer Vintage

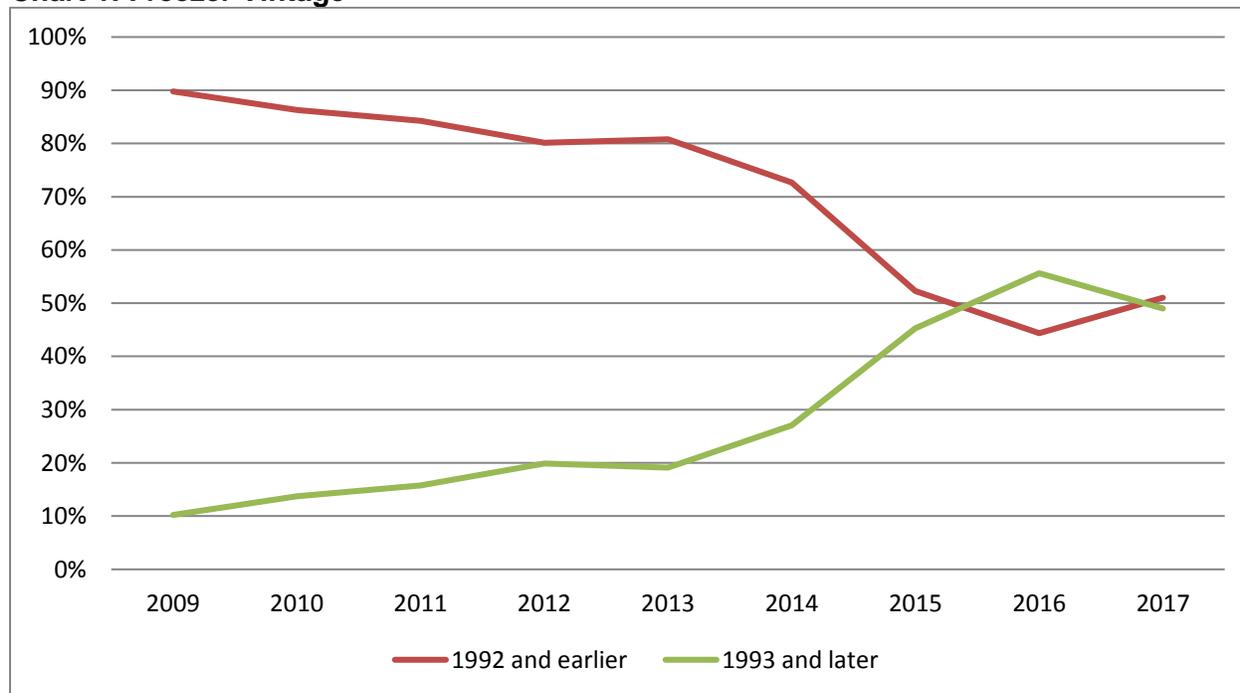
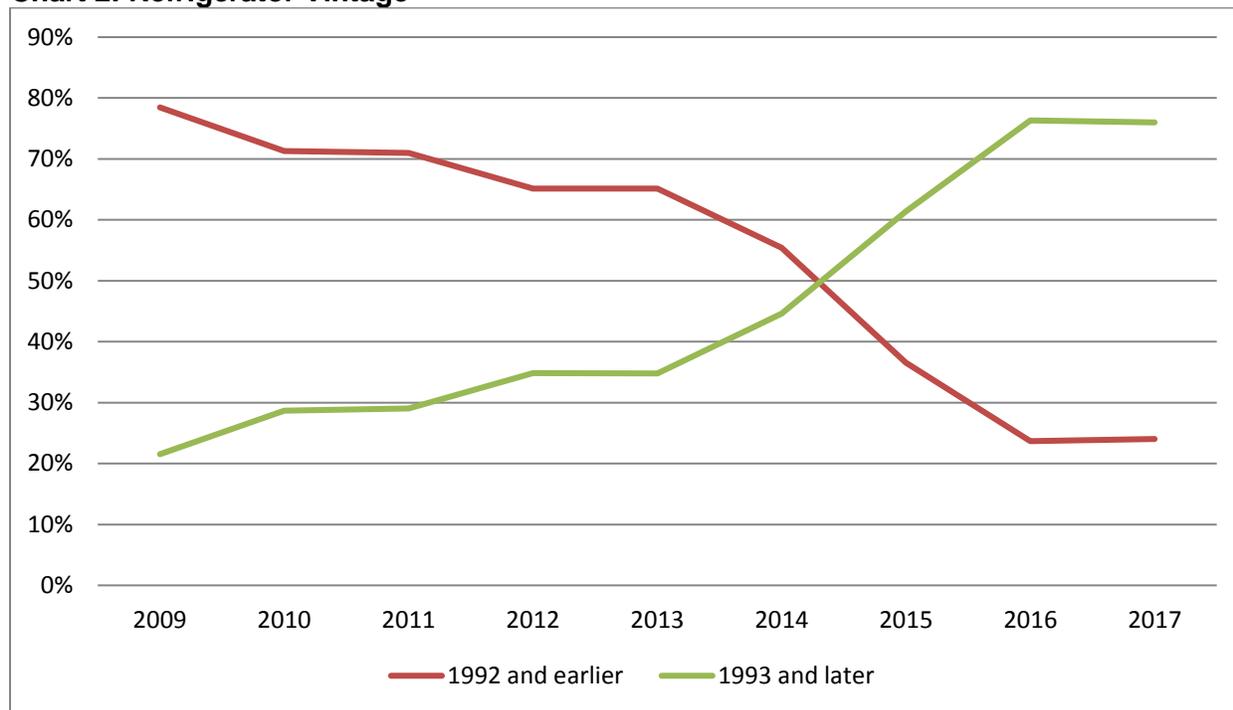


Chart 2: Refrigerator Vintage



When determining cost-effectiveness, both types of revised UES values (vintage versus all) were used to evaluate the Program. When the Company submitted the informational filing on March 31, 2017, the Company used the 2016 participation data to estimate the Program’s 2017 cost-effectiveness and at that time the Company estimated that 2017’s participation levels would be 1,800 units. Based on those assumptions, the program did not appear to be cost-effective from either the TRC or the UCT perspective using the vintage specific UES values.

After monitoring the 2017 participation levels, the Company has determined that the Appliance Recycling program will continue to not be cost-effective from the perspective of either the TRC or the UCT using the specific vintage UES values in 2017. Participation is projected to be less than 1,500 units for the year 2017 and most recycled units are vintage 1993 or later.

The following are the results of the units picked up in 2016 and 2017 year-to-date (“YTD”).

Measure	Vintage	Savings (annual kWh)	Number of Units (2016)	Number of Units (2017 YTD)
Freezers	1992 and earlier	605	130	50
Refrigerators	1992 and earlier	535	295	199
Freezers	1993 and later	66	163	48
Refrigerators	1993 and later	79	951	630
Total			1,539	927

2017 Projected Cost-Effectiveness – Any Vintage

Program Measure	With Program Administration Costs		
	Number of Units (Based on 2017 data)	UC (admin \$/unit)	TRC (admin \$/unit)
Program	1,500	0.69	1.16
Freezer Recycling	159	0.89	1.30
Refrigerator Recycling	1,341	0.66	1.03
LED bulb measure (give away)	3,000	1.69	4.69

2017 Projected Cost-Effectiveness – By Vintage

Program Measure	With Program Administration Costs		
	Number of Units (Based on 2017 data)	UC (admin \$/unit)	TRC (admin \$/unit)
Program	1,500	0.47	0.92
Freezer Recycling (≤ 1992)	81	0.82	1.19
Refrigerator Recycling (≤ 1992)	322	0.86	1.22
Freezer Recycling (≥ 1993)	78	0.20	0.47
Refrigerator Recycling (≥ 1993)	1,019	0.19	0.47
LED bulb measure (give away)	3,000	1.69	4.69

While the Program passes the TRC using the “any vintage” UES values, participation levels over the years show that using the “any vintage” UES value would likely overstate energy savings.

Other Pacific Northwest regional utilities such as Avista, Rocky Mountain Power, and Energy Trust of Oregon have recently ended their programs and Seattle City Light is in the process of suspending its program later this year. These findings were presented at the August 2, 2017, Idaho Power Energy Efficiency Advisory Group (“EEAG”) meeting. At that EEAG meeting, the Company presented its recommendation to sunset the Program across its service area, effective December 31, 2017. EEAG members in attendance supported the recommendation to end the Program, effective December 31, 2017.

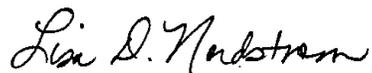
Request to Discontinue the Program

The Company is seeking authorization from the Commission to discontinue the Program in Idaho Power’s Oregon service area. Idaho Power will be ending the Program in its Idaho service territory effective December 31, 2017.

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The Company respectfully requests that the enclosed Schedule 70 be discontinued effective December 31, 2017. If you have any questions regarding this filing, please contact Regulatory Analyst Jill Simpson at (208) 388-2517 or jsimpson@idahopower.com.

Sincerely,

A handwritten signature in black ink that reads "Lisa D. Nordstrom". The signature is written in a cursive style with a large initial "L".

Lisa Nordstrom

LDN:kkt
Enclosure

SCHEDULE 70
APPLIANCE RECYCLING PROGRAM

DISCONTINUED