

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT**

**PUBLIC MEETING DATE: September 5, 2023**

**REGULAR**  **CONSENT**  **EFFECTIVE DATE** September 6, 2023

**DATE:** August 28, 2023

**TO:** Public Utility Commission

**FROM:** Joe Abraham

**THROUGH:** JP Batmale and Sarah Hall **SIGNED**

**SUBJECT:** IDAHO POWER COMPANY:  
(Docket No. ADV 1532/Advice No. 23-07)  
Modifies Schedule 71 to update Student Energy Efficiency Kit and  
Giveaway Programs.

**STAFF RECOMMENDATION:**

Approve Idaho Power's Advice No. 23-07, modifying Schedule 71 to update Student Energy Efficiency Kit and Giveaway Programs.

**DISCUSSION:**

Issue

Whether the Commission should approve Idaho Power's advice filing requesting to modify Schedule 71 to update Student Energy Efficiency Kit and Giveaway Programs.

Applicable Rule or Law

Under ORS 757.210, the Commission may approve tariff changes if they are deemed to be fair, just, and reasonable. Tariff revisions may be made by filing revised sheets with the information required under the Commission's administrative rules, including OAR 860-022-0025.

According to ORS 757.220 and OAR 860-022-0015, filings that propose any change in rates, tolls, charges, rules, or regulations must be filed with the Commission at least 30 days before the effective date of the change.

OAR 860-027-0310 encourages energy utilities to acquire cost-effective conservation resources. Energy utilities may apply for Commission approval of programs designed to promote the acquisition of cost-effective conservation resources.

Under OAR 860-027-0310(2), the Commission reviews proposed programs and modifications to programs to consider whether the program (1) includes cost-effective measures, incents cost minimization, and is not easily manipulated by the utility; (2) is predictable; (3) is simple; and (4) fairly allocates risks and rewards between shareholders and ratepayers, minimizes cross-subsidization by non-participants, and does not impose rate pressure. In developing cost-effective conservation programs, energy utilities may balance the emphasis given to each policy listed above. Greater focus on one policy may come at the expense of another policy if the whole proposal is reasonable.

### Analysis

#### *Background*

In February 2016, Idaho Power (IPC) filed Advice No. 16-03, requesting to implement Schedule 71 to provide direct energy savings and promote energy efficiency education to its customers in Oregon.<sup>1</sup> Schedule 71 includes educational offerings that are low- and no-cost, delivered directly to customers, and intended to increase awareness and demand for energy efficiency programs.

On March 9, 2016, the Commission approved the implementation of Schedule 71, which includes the Student Energy Efficiency Kit (SEEK or Kit) Program and Give-Away Opportunities.<sup>2</sup> IPC's SEEK Program provides grade school students with instruction regarding the wise use of electricity. Participating students receive an energy efficiency kit that includes items specifically intended to encourage energy savings at home and engage families in activities that support and reinforce the concepts taught at school. IPC's Give-Away Opportunities includes distribution of energy-saving items to IPC customers free of charge either through direct mail or at events including home and garden shows, county fairs, and community presentations.

In April 2022, the U.S. Department of Energy (DOE) issued a Final Rule pursuant to requirements of the Energy Independence and Security Act (EISA) that requires a 45 lumen-per-watt backstop for light bulbs. The new standard is currently effective, and DOE began full enforcement and penalties on July 1, 2023. In practice, the standard raises the baseline efficiency of light bulbs to that of an LED bulb. Because the SEEK

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<sup>1</sup> Advice No. 16-03. <https://edocs.puc.state.or.us/efdocs/UAA/uaa161037.pdf>.

<sup>2</sup> Notice of Commission Decision re: Docket No. ADV 212/Advice No. 16-03. <https://edocs.puc.state.or.us/efdocs/UBA/adv212uba101921.pdf>.

kits include LED bulbs, the new standard impacts the cost-effectiveness of IPC's SEEK Program.

#### *Summary of Proposed Changes*

IPC proposes changes in Schedule 71 to modify Kit contents. IPC cites the EISA lighting standard as a driver for the proposed changes. Rather than eliminate LED bulbs from Kits, IPC proposes to reduce the number of bulbs in each Kit because higher wattage bulbs are still being replaced in student homes and therefore realizing savings. IPC also proposes to add language that allows IPC to adjust Kit components as needed by stating that Kit contents are "not limited to." This same language is used in Schedule 71 for IPC's Residential Energy Efficiency Kits under the Give-Away Opportunities offering. IPC states the added language will support adjustments for subsequent school years to maintain and/or improve cost-effectiveness resulting from changes in the curriculum, energy efficiency technology, and markets.

Staff supports the changes to Schedule 71. IPC provides sufficient rationale for reducing but not eliminating the number of LED bulbs in its Kits. Staff also supports adding the "not limited to" tariff language for adjusting Kit components. Staff agrees that it will offer IPC additional flexibility to adapt the Kits to changes in curriculum, technology and markets without impacting the requirement that the SEEK Program must remain cost-effective.

IPC also proposes to modify tariff language for Give-Away Opportunities. Currently Schedule 71 states that energy-saving measures may be distributed to IPC customers by Idaho Power field representatives. IPC would like to clarify that that Give-Away items may be distributed by all Idaho Power employees. With this clarification, employees from IPC's corporate headquarters or the Customer Interaction Center, who are frequently called upon to represent IPC at events and presentations, would be able to also distribute items. IPC would also like to remove LED bulbs from the list of energy savings measures, as they are no longer cost-effective due to the new EISA lighting standard.

Staff supports IPC's proposed modification to Schedule 71 to allow all IPC employees to distribute Give-Away items. Staff finds it is reasonable to expect that this will have no adverse impact on Program performance or cost-effectiveness. Staff also finds it will likely improve energy savings among IPC's customers in Oregon as more IPC employees will be able to distribute Give-Away items at more events.

#### *Stakeholder Engagement and Feedback*

IPC has consistently engaged the utility's Energy Efficiency Advisory Group (EEAG) in consideration of the Student Energy Efficiency Kit offering. The Company discussed its

intent to modify the Kits during the August and November 2022 EEAG meetings. At these meetings, stakeholders did not voice opposition to the proposal to modify the Kits, add the “not limited to” language, allow all IPC employees to distribute Give-Away items, and remove LED bulbs from the list of Give-Away energy savings measures.

### Conclusion

Staff supports IPC’s proposal to modify tariff language in Schedule 71 to update its SEEK and Give-Away Opportunities Programs. IPC’s proposed modifications will provide beneficial Program flexibility that will help its Oregon customers realize greater energy efficiency without impacting Program performance.

### **PROPOSED COMMISSION MOTION:**

Approve Idaho Power’s Advice No. 23-07, modifying Schedule 71 to update Student Energy Efficiency Kit and Giveaway Programs.