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November 11, 2021

Public Utility Commission of Oregon Filing Center 201 High Street SE, Suite 100 P.O. Box 1088 Salem, Oregon 97301

Re: Tariff Advice No. 21-11 Proposed Modifications to Schedule 27, Irrigation Efficiency Rewards Program

Attention Filing Center:

Pursuant to ORS 757.054 and 757.205 and Order No. 94-590, Idaho Power Company ("Idaho Power" or "Company") transmits for filing to the Public Utility Commission of Oregon ("Commission") the following proposed modifications to Schedule 27, Irrigation Efficiency Rewards ("Schedule 27"):

Third Revised Sheet No. 27-2	Cancelling	Second Revised Sheet 27-2
Fourth Revised Sheet No. 27-3	Cancelling	Third Revised Sheet 27-3
Third Revised Sheet No. 27-4	Cancelling	Second Revised Sheet 27-4

In its filing, the Company is proposing changes to the Irrigation Efficiency Rewards Menu Option through measure removals or modifications.

# **IRRIGATION EFFICIENCY REWARDS PROGRAM**

The Irrigation Efficiency Rewards Program ("Program") is an incentive-based program designed to help cover a portion of the costs of designing and installing energy efficiency features into new or existing irrigation systems. The primary goal of the Program is to encourage agricultural customers to install or modify irrigation systems in order to reduce peak demand and energy consumption during their operations. The Program provides incentives for a variety of prescriptive menu items, as well as a custom path for existing or new irrigation system projects. During 2020, Idaho Power claimed 12,883,970 kilowatt-hours ("kWh") of annual savings for the Program on a system-wide basis, and 725,196 kWh of annual savings in its Oregon jurisdiction specifically.

In March 2018, the Regional Technical Forum ("RTF") updated the irrigation hardware measure analysis, which resulted in a reduction of savings between 34 to 94 percent for some measures from the previous workbook. The major assumption that drove the savings change involved the calculation of the leakage per hardware item, which caused savings to decrease nearly 80 percent on average for several irrigation hardware types. Based on the updated savings and costs, most of the measures within the Program remained cost-effective with the exception of (1) new or rebuilt brass impact sprinklers, (2) new complete low-pressure pivot sprinkler package, and (3) new wheel-line hubs. On November 16, 2018, Idaho Power filed a cost-

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effectiveness exception request for these three measures in Docket No. UM 1710. In Order No. 18-476, the Commission authorized the exceptions.

Since 2018, Idaho Power, along with other regional utilities, requested the RTF reconvene the irrigation hardware subcommittee to re-examine the leakage and flow rate assumptions and the calculation methodology behind all of the irrigation measures. As a result, the irrigation hardware subcommittee created a survey to be used by regional utilities to gather additional information on the maintenance practices of irrigation systems. The survey was meant to be a gauge of the maintenance practices of customers participating in the Program versus non-participants. Idaho Power mailed the survey to its irrigation customers in February 2020 and received a 23 percent response rate. The results of the survey were compiled and submitted to the RTF.

The irrigation hardware subcommittee met on March 3, 2021 to review the updated analysis based on the survey results. On March 16, 2021 and April 13, 2021, the subcommittee presented its recommendation to the RTF to proceed with the updated savings estimates, and in turn, the RTF accepted the recommendation. As a result, Idaho Power reviewed the Agricultural Irrigation Hardware v5.2 workbook and updated its cost-effectiveness models accordingly for all measures.

In this filing, the Company is seeking to make several modifications to the Program as a result of the updated savings estimates.

# PROPOSED PROGRAM CHANGES

Idaho Power proposes the following Menu Option measure changes listed in order as how they appear in the tariff along with a reason for the proposed change:

- New flow control nozzle: Increase incentive from \$1.50 to \$2.50 per nozzle based on RTF savings assumptions and to increase measure participation.
- New nozzles for impact, rotating or fixed head sprinklers: Increase incentive from \$0.25 to \$0.35 per nozzle based on RTF savings assumptions and to increase measure participation.
- New or rebuilt brass impact sprinklers: Reduce incentive from \$2.75 to \$0.50 per sprinkler based on RTF savings assumptions.
- New wheel line hubs: Remove from the Program due to the measure no longer being supported by the RTF.
- New gooseneck with drop tube or boomback: Remove from the Program due to the measure no longer being supported by the RTF.
- Cut and pipe press or weld repair: Remove from the Program due to the measure no longer being supported by the RTF.
- New or rebuilt wheel line levelers: Increase incentive from \$0.75 to \$1.00 per leveler based on RTF savings assumptions and to increase measure participation.
- New center pivot base boot gasket: Remove from the Program due to the measure no longer being supported by the RTF.

Additionally, Idaho Power is recommending the removal of the incentive restriction for the three measures in which the maximum incentive amount is equal to either the lesser of the stated incentive amount or 50 percent of the purchase invoice cost. The Company is proposing to remove the incentive restriction because the updated costs now make the restriction unnecessary

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and would likely have no impact on the incentive paid. With this proposed change, the 100 percent of purchase invoice cost will now be consistent and apply to all program measures.

# **COST-EFFECTIVENESS EXCEPTIONS**

As previously indicated, there are three existing exceptions in the Program authorized by the Commission in 2018, however, with the modificiatons proposed in this filing, the exceptions are no longer applicable:

- New or rebuilt brass impact sprinklers: The Company is proposing to reduce the incentive and the measure is expected to be cost-effective;
- New complete low-pressure pivot sprinkler package: While the Company is not proposing any changes to the incentive level, when the updated RTF assumptions are applied, the measure is now expected to be cost-effective;
- New wheel-line hubs: The Company is proposing to remove this measure from the Program since it is no longer being supported by the RTF.

The Company respectfully requests that the proposed modifications to Schedules 27 become effective January 1, 2022. If you have any questions regarding this filing, please contact Regulatory Analyst Zack Thompson at (208) 388-2982 or <u>zthompson@idahopower.com</u>.

Sincerely,

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Connie Aschenbrenner

CA:sg Enclosures

### SCHEDULE 27 IRRIGATION EFFICIENCY REWARDS PROGRAM

### AVAILABILITY

Service under this schedule is available to agricultural irrigation customers taking service under Schedule 24 throughout the Company's service area within the State of Oregon and who meet the qualifications of the Irrigation Efficiency Rewards Program.

#### APPLICABILITY

Service under this schedule is applicable to energy efficiency projects related to existing or new agricultural irrigation systems that meet the requirements of the Irrigation Efficiency Rewards Program.

## PROGRAM DESCRIPTION

The Irrigation Efficiency Rewards Program is an incentive based program designed to help cover a portion of the costs of designing and installing energy efficiency features into a new or existing irrigation system. The primary goal of this program is to encourage agricultural irrigation Customers to install or modify irrigation systems in order to reduce peak demand and energy consumption in their operations. The Irrigation Efficiency Rewards Program also encourages and assists agricultural irrigation Customers to use electricity in an economically efficient manner through education and information, expert energy audits, annual workshops, energy efficiency demonstration projects, motor rewinds, and expert system analysis by a Company agricultural representative.

### **INCENTIVE OPTIONS**

The three incentive options available to Customers under the Irrigation Efficiency Rewards Program are the (D)(N) Custom Option, Menu Option, and Green Motors Initiative. (D)(N)

#### Custom Option.

Under the Custom Option, Customers who wish to receive a financial incentive are required to submit an energy efficiency project proposal for review by the Company to determine project viability and cost-effectiveness. Upon approval by the Company, a financial incentive is paid to the Customer on the basis of the estimated annual energy savings or demand reduction that is expected to result from the project.

Project viability will be determined by the Company. New and existing system project proposals submitted to the Company for consideration will be evaluated for program eligibility based upon the following information supplied by the Customer:

- 1. An itemized cost estimate from the equipment dealer, which must include the make, model and equipment specifications for both new and existing irrigation systems.
- 2. An irrigation system drawing that includes:
  - a. Location of the pumps and water sources
  - b. Mainline sizes, lengths, types and locations
  - c. Elevations
  - d. Number of irrigated acres
- 3. A pump curve detailing the number of stages and impeller diameter.

OREGON Issued: December 16, 2010 Effective with Service Rendered on and after: January 26, 2011 (N)

### SCHEDULE 27 IRRIGATION EFFICIENCY REWARDS PROGRAM (Continued)

## **INCENTIVE OPTIONS** (Continued)

Custom Option (Continued)

- 4. A topographical map of the irrigation system area.
- 5. An aerial map of the irrigated acres.

Applicable Projects			
Project Type	<u>Incentive</u>	Eligibility Requirements	
Existing system project	\$0.25 per annual kilowatt- hour saved (kWh/yr) or \$450.00 per kilowatt of demand reduction (kW)	Existing system project eligibility will be determined based upon the energy and demand savings estimated by the Company. The incentive for existing systems is limited to a cap of 75% of the total project cost.	
New system project	\$0.25 per annual kilowatt- hour saved (kWh/yr)	New system project eligibility will be determined based upon the energy savings estimated by the Company. The incentive for new systems is limited to a cap of 10% of the total project cost.	

## Menu Option.

Under the Menu Option, Customers select from a predetermined list of approved energy efficient equipment rebuild or repair measures. Customers selecting the Menu Option receive a financial incentive paid on the basis of the number of units per measure type installed, replaced or repaired as documented by a copy of the purchase invoice provided to the Company by the Customer. The incentive amounts available under the Menu Option are limited to 100% of the purchase invoice cost and up to two items per acre under each measure type. All customer invoices must be provided to the Company no later than one year after the purchase date of equipment units to be eligible for incentives.

Applicable Measures				
<u>Measure Type</u>	Incentive	Eligibility Requirements		
New flow control nozzles	\$2.50 per nozzle	New flow control nozzles must replace existing brass nozzles or worn out flow control nozzles of the same flow rate or less to be eligible for an incentive under this option.		
New nozzles for impact, rotating or fixed head sprinklers	\$0.35 per nozzle	New nozzles must replace worn out nozzles of the same flow rate or less, excluding nozzles that are part of a complete pivot package, to be eligible for an incentive under this option.		

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## SCHEDULE 27 IRRIGATION EFFICIENCY REWARDS PROGRAM (Continued)

# INCENTIVE OPTIONS (Continued)

Menu Option (Continued)

Applicable Measures (Continued)			
<u>Measure Type</u>	Incentive	Eligibility Requirements	
New or rebuilt brass impact sprinklers	\$0.50 per sprinkler	New or rebuilt brass impact sprinklers replacing existing sprinklers on hand-lines, wheel-lines or solid type systems are eligible for an incentive under this option. Impact sprinklers must be rebuilt to like-new condition and are subject to verification by the Company.	(R) (C)
New complete low- pressure pivot sprinkler package	\$8.00 per sprinkler head, nozzle, and low pressure regulator package	New low-pressure pivot sprinkler head, nozzle and low pressure regulator must be installed as a complete package combination to be eligible for an incentive under this option.	
New riser caps and gaskets for hand- lines, wheel-lines or portable mainlines	\$1.00 per measure type	Replacement of riser caps and gaskets for components of existing hand-lines, wheel-lines or portable mainlines are eligible for an incentive under this option.	(C)
New drains for pivots or wheel-lines	\$3.00 per drain	Replacement of drains on existing low pressure pivots or wheel-lines are eligible for an incentive under this option.	(C)
New or rebuilt wheel line levelers	\$1.00 per leveler	New or rebuilt levelers replacing existing levelers are eligible for an incentive under this option. Completed levelers must be in like new condition and are subject to verification by the Company.	(D) (I) (D)

Green Motors Initiative.

The Green Motors Initiative employs industry best practices when rewinding motors (Green Rewind). The certified rewind process ensures that the motor maintains its original efficiency when the rewind is complete. Motors between 15 and 5,000 horsepower are eligible. Idaho Power pays participating service centers \$2.00 per horsepower for each motor that received a verified Green Rewind. Each motor receiving Green Rewind is verified by a non-profit trade organization, Green Motors Practice Group. Motors must be rewound in a certified participating service center that has the equipment and training to perform Green Rewind. For a current list of motor service centers offering Green Rewind please see https://www.greenmotors.org/motor-service-centers. Some motors may not be able to qualify as a green rewind due to extenuating circumstances, such as a damaged stator or rotor. (M)

Issued by IDAHO POWER COMPANY By Timothy E. Tatum, Vice President, Regulatory Affairs 1221 West Idaho Street, Boise, Idaho

### THIRD REVISED SHEET NO. 27-4 CANCELS SECOND REVISED SHEET NO. 27-4

## SCHEDULE 27 IRRIGATION EFFICIENCY REWARDS PROGRAM (Continued)

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