

A World Institute for a Sustainable Humanity  
 Advocates for the West  
 Alaska Housing Finance Corporation  
 Alliance to Save Energy  
 Alternative Energy Resources Organization  
 American Rivers  
 Audubon Washington  
 Bonneville Environmental Foundation  
 Central Area Motivation Program  
 Citizens' Utility Alliance  
 Citizens' Utility Board of Oregon  
 City of Ashland  
 Clackamas County Weatherization  
 Climate Solutions  
 Climate Trust  
 Cold Spring Conservancy  
 Community Action Directors of Oregon  
 Community Action Partnership Assoc. of Idaho  
 Davenport Resources, LLC  
 David Suzuki Foundation  
 Earth and Spirit Council  
 Emerald People's Utility District  
 Energy Trust of Oregon  
 Eugene Water and Electric Board  
 Friends of the Earth  
 Global Warming Action  
 Golden Eagle Audubon Society  
 Housing and Comm. Services Agency of Lane Co.  
 Housing Authority Of Skagit County  
 Human Resources Council, District XI  
 Idaho Community Action Network  
 Idaho Conservation League  
 Idaho Consumer Affairs  
 Idaho Rivers United  
 Idaho Rural Council  
 Idaho Wildlife Federation  
 Interfaith Network of Earth Concerns  
 Kootenai Environmental Alliance  
 Kootenay-Okanagan Electric Consumers Association  
 League of Utilities and Social Service Agencies  
 League of Women Voters - ID  
 League of Women Voters - OR  
 League Of Women Voters - WA  
 Metrocenter YMCA  
 Missoula Urban Demonstration Project  
 Montana Environmental Information Center  
 Montana People's Action  
 Montana Public Interest Research Group  
 Montana River Action  
 Montana Trout Unlimited  
 The Mountaineers  
 Multnomah County Weatherization  
 National Center for Appropriate Technology  
 Natural Resources Defense Council  
 Northwest Energy Efficiency Council  
 Northwest Resource Information Center  
 Northwest Solar Center  
 NW Sustainable Energy for Economic Development  
 NW Natural  
 Olympic Community Action Programs  
 Opportunities Industrialization Center of WA  
 Opportunity Council  
 Oregon Action  
 Oregon Energy Coordinators Association  
 Oregon Energy Partnership  
 Oregon Environmental Council  
 Oregon HEAT  
 Oregon State Public Interest Research Group  
 Pacific Energy Innovation Association  
 Pacific Northwest Regional Council of Carpenters  
 Pacific Rivers Council  
 Portland Energy Conservation, Inc.  
 Portland General Electric  
 PPM Energy  
 Puget Sound Alliance for Retired Americans  
 Puget Sound Energy  
 Renewable Northwest Project  
 Rocky Mountain Institute  
 Salmon For All  
 Save Our Wild Salmon Coalition  
 Seattle Audubon Society  
 Seattle City Light  
 Sierra Club  
 Sierra Club of British Columbia  
 Snohomish County PUD  
 Solar Energy Association of Oregon  
 Solar Information Center  
 Solar Washington  
 South Central Community Action Partnership, Inc  
 Southeast Idaho Community Action Agency  
 Southern Alliance for Clean Energy  
 Spokane Neighborhood Action Programs  
 Tahoma Audubon Society  
 Trout Unlimited  
 Union Of Concerned Scientists  
 United Steelworkers of America, District 11  
 Washington Citizen Action  
 WA CTED - Housing Division  
 Washington Environmental Council  
 Washington Public Interest Research Group  
 WA State Assoc. of Community Action Agencies  
 Washington State University - Energy Program  
 Washington Wilderness Coalition  
 Working for Equality and Economic Liberation  
 Zilkha Renewable Energy



# NW Energy Coalition

for a clean and affordable energy future

April 24, 2008

Jean Jewell  
 Commission Secretary  
 Idaho Public Utilities Commission  
 472 West Washington  
 Boise, ID 83702

Docket No. PAC-E-08-01

Ms. Jewell:

Please accept the following comments of the NW Energy Coalition on the application of Rocky Mountain Power (RMP) for an increase to the customer efficiency services rate adjustment and proposed changes to the Company's energy efficiency programs.

The NW Energy Coalition supports the RMP filing and urges the Commission to approve the tariff increase and programmatic enhancements with some recommendations.

## Tariff Increase

The 2.2 percent proposed increase in the rider may seem dramatic yet in our view it reflects the latent opportunity to acquire energy savings. RMP has been under funding and under achieving energy savings and the time is ripe for a significant expansion of effort. Last year PacifiCorp released a comprehensive Demand Side Management assessment for its entire service territory. This assessment estimated achievable efficiency potential at 440 aMW of efficiency potential in three RMP states over 20 years. RMP states in its filing that it "hopes to achieve 13,140 MWh/year in energy savings", this modest level of savings is not possible without an increase in funding. That said, according to the Southwest Energy Efficiency Project<sup>1</sup>, the DSM assessment significantly under estimates the cost-effective efficiency opportunities available throughout all PacifiCorp's service territories.

<sup>1</sup> Comments on PacifiCorp's DSM Potential Study, Howard Geller, SWEEP, August 24, 2007

Now is a vital time for RMP to ramp up its efficiency services and enhance program offerings. Rising energy prices and power plant construction costs make DSM programs even more cost effective and increase consumer interest in adopting these measures. The tariff increase is necessary to facilitate more extensive delivery of a broader array of efficiency programs that will help Rocky Mountain Power customers reduce their electricity bills. Previous funding levels were insufficient. There is nothing more frustrating to customers than seeing a promotion for a program and then being told that there is no longer adequate funding or there is a waiting list contingent upon future funding. This program delivery history can make ramping up and instilling customer confidence a challenge. The State of Idaho clearly recognized the opportunity for efficiency in meeting Idahoan's energy needs in the 2007 State Energy Plan and with the elevation of energy policy within state government with the establishment of the Office of Energy Resources. In addition, growing concern about global warming, energy stability and new power plant proposals have raised public awareness of and interest in cost saving energy efficiency.

While the funding increase is warranted it is a concern to see 50% of the two year funding going to purchase and maintain load control equipment for irrigation customers and no programmatic increase in a number of programs. Capacity savings are important and should be pursued and should be acquired in addition to capturing all cost-effective efficiency savings. Given the comments of SWEEP and the low level of historic DSM activity in the RMP Idaho service territory, the opportunity for higher energy savings levels is great.

The Coalition is concerned that there is no proposed increase in support for the low-income weatherization program. Given rising energy costs in general and even the modest increase in bills due to this tariff increase, it is good policy, at a minimum, to include a proportional increase in low-income weatherization funding.

In Attachment 3 of the Company's application the 2009 budget is shown as \$4,529,244 and the 2008 budget is shown as 4,825,061. It is not clear why there is a \$295,817 decrease in the budget for 2009 if the rider remains unchanged unless the Company projects a decline in customers.

### **Program Enhancements**

As part of its approval of these new and expanded programs and increased funding, the Commission should make it clear that it will judge utility performance not on the expenditure of funds but on the savings acquired. The Coalition is pleased to see program evaluation built into the program budget. The Commission should ensure that the evaluation and verification of program savings and effectiveness are done by 3<sup>rd</sup> party evaluators and reported to the Commission.

To tap into customer willingness to undertake cost-effective energy efficiency measures and actions, RMP must market and promote its programs in a simple and compelling manner. Coalition allies in Utah support RMP's FinAnswer program but urged more aggressive marketing of this program as it is rolled out in Idaho..

While RMP provided information on programmatic changes to Schedule 118, Home Energy Savings, as an informational service to the Commission, I believe that RMP should expand this offering to include more incentives and education around a growing element of residential and commercial usage – plug loads. RMP should educate its residential and commercial customers to make them aware of plug load draw, to purchase lower power devices and how to use power management features. RMP should participate in national marketing and incentive programs such as the 80+ power supply program, ENERGY STAR PCs, monitors, TVs, TV signal converter boxes, battery chargers, and other ENERGY STAR electronic products. Electronic devices are evolving quickly and consumers make changes and upgrades on a similar pace. As a result, there will be many opportunities for cost-effective energy savings in the future and many ways for RMP to help customers capture these savings.

Thank you for your consideration of these comments. I am happy to participate further with the Commission in the ongoing review of implementation of these programs.

Sincerely,

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