

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: December 18, 2012**

REGULAR **CONSENT** **EFFECTIVE DATE** January 1, 2013

DATE: December 10, 2012

TO: Public Utility Commission

FROM: Brittany Andrus

THROUGH: Jason Eisdorfer and Maury Galbraith

SUBJECT: IDAHO POWER COMPANY: (Advice No 12-16) Revises Schedule 87, Manufactured Housing Energy Efficiency Programs.

STAFF RECOMMENDATION:

Staff recommends that the Commission allow Idaho Power Company's (IPCO or Company) Advice No. 12-16 to go into effect on January 1, 2013.

DISCUSSION:

On November 15, 2012, IPCO filed proposed tariff revisions in Advice No. 12-16 to update Schedule 87, Manufactured Housing Energy Efficiency Programs. The proposed changes increase the customer incentive and the sales bonus under the Rebate Advantage Manufactured Home Incentives Program ("Rebate Advantage Program").

The Rebate Advantage Program provides incentives to IPCO customers to reduce the initial, incremental cost of purchasing a new, all-electric ENERGY STAR® qualified manufactured home. The customer incentive has been at \$500 since 2007, and the sales bonus is set at \$100.

Participation in the program has been declining in recent years, corresponding to the national economic downturn. In Oregon, five customers received incentives in 2010, three received incentives in 2011, and one customer has received an incentive so far in 2012. The Company proposes to increase the customer incentive to \$1,000, and the sales bonus to \$200, in order to increase participation. The average incremental cost of an ENERGY STAR® qualified home is approximately \$1,300.

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Staff has reviewed the Company's calculations demonstrating the cost-effectiveness of the Rebate Advantage Program after incorporating the increase in customer incentives and sales bonuses. The program changes proposed in Advice No. 12-16 are reasonable, and the tariff revisions should be allowed to go into effect.

PROPOSED COMMISSION MOTION:

Idaho Power Company's Advice No. 12-16 be allowed to go into effect on January 1, 2013.