

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER AND LIGHT COMPANY	DOCKET NO. EEP-08-1
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**ORDER DOCKETING PLAN, SETTING INTERVENTION
DEADLINE, ESTABLISHING PROCEDURAL SCHEDULE,
AND REQUIRING ADDITIONAL INFORMATION**

(Issued May 23, 2008)

On January 14 and March 5, 2008, the Utilities Board (Board) issued orders in Docket No. 199 IAC 35.4(1) (EEP-02-38, EEP-03-1, EEP-03-4) directing Interstate Power and Light Company (IPL) to file a new energy efficiency plan on or before April 23, 2008. IPL filed its proposed new plan on April 23, 2008. There are 27 energy efficiency programs contained in the proposed new plan. The plan includes several new programs, including a portfolio of renewable programs. In response to the Board's January 14, 2008, order, IPL included in its filing an estimate of benefits, costs, and rate impacts of assuming a 1.5 percent renewable resource acquisition target in the new plan and an analysis of its proposed plan reflecting the adoption of national carbon dioxide emissions standards. IPL's proposed annual energy efficiency budget is proposed to increase throughout the plan period, from about \$71 million in 2009 to about \$92 million in 2013.

The Board has reviewed IPL's filing and finds that it substantially complies with the filing requirements of 199 IAC chapter 35 and the Board's January 14, 2008, order. The Board will therefore docket the filing, establish a procedural schedule, and set an intervention deadline. However, in its initial review of the plan, the Board has determined that certain additional information is required for a thorough plan review. For example, several tables and graphs are not supported by links or references to underlying data or calculations, no numbers are available to support the calculation of goals, the calculations of costs and benefits are unsupported by data, spreadsheets, or explanations of inputs, the goals of the plan are not clearly related to the assessment of potential, and the Board cannot identify any data or calculations in the assessment of potential that supports the summary graphs or tables. IPL will be required to provide the following information within 20 days from the date of this order.

Item 1.1 Database for the Assessment of Potential

IPL shall provide all of the data and calculations performed to arrive at the numbers presented as the "Technical and Economic (Electric and Natural Gas) Energy Efficiency Potential" in IPL witness King's testimony in Chapters 1 and 2 and in Appendices I, J, and K. The data and calculations shall clearly show how IPL's consultant used forecast data, measure-level data, and any other data to arrive at the estimates of baseline use, technical potential, and economic potential. The data and calculations shall be provided in Microsoft Excel.

Item 1.2 Addenda to Appendix J

As addenda to IPL Appendix J, provide new versions of Tables 1, 2, 15, 16, and 17 expanded to address the Baseline Sales (GWh), Technical Potential (GWh), Economic Potential (GWh), and Economic Potential (MW) for each utility for each year 2009 through 2018. Also, provide new versions of Tables 3, 4, 18, 19, and 20 expanded to address the Baseline Sales (1,000 Dth), Technical Potential (1,000 Dth), Economic Potential (1,000 Dth), and Economic Potential (peak day dekatherms) for each utility for each year 2009 through 2018.

Provide new versions of Tables 21, 23, 25, 27, 29, and 31 expanded to address the sector-level data for each utility for years 2009 through 2018.

Provide new versions of Tables 22, 24, 26, 28, 30, and 32 expanded to address the end-use data for each utility for each year 2009 through 2018.

Item 1.3 Addenda to Appendix K

With respect to IPL Appendix K, sub-appendix C.2, Technical Measure Inputs, IPL shall reformulate and expand the tables providing measure-level data in Tables C.20 through C.25. These reformulated tables shall be filed as addenda to Appendix K, Tables C.20 through C.25. The tables shall be reformulated as Excel files (or Excel-compatible database files). The lines corresponding to each individual measure, in which the measure is applied to "Base Equipment, Customer Segment, and Building Type or Vintage," shall be designated with a line code that identifies each line as a unique record. The individual measure descriptions shall be expanded

to provide present value of lifetime savings in 2009 dollars based on the Participant (customer level) test.

Item 1.4 Baseline forecasts

IPL shall provide tables with numbers for each year, supporting figures C3 through C17 of sub-appendix C in Appendix K.

IPL shall explain the origin of the numbers in figures C3 through C17 of sub-appendix C in Appendix K.

Item 1.5 Measure screening in the Assessment of Potential

IPL shall explain why the Assessment of Potential shows no qualitative or feasibility screening. If the qualitative screening was performed but not included in the IPL plan filed April 23, 2008, the screening criteria shall be identified and each measure screened shall be clearly identified as passing or failing the qualitative screening process and the criteria which caused each measure to fail.

IPL shall explain why the Assessment of Potential shows no measure-level results for economic screening. If economic screening of measures was performed, the screening criteria shall be identified and each line in reformulated sub-appendix C, Tables C.20 through C.25 shall indicate whether the measure passed or failed.

Item 1.6 Levelized cost calculations and results

IPL shall explain and provide the calculations for the "Levelized Cost" results that appear in the tables in Appendix J. The units listed for "Average Levelized Cost" shall be clearly identified, whether kWh, kW, therms, or peak day therms. The

measure parameters shall be explained, including: measure lifetimes, discount rates, measure savings, and the costs used to calculate the average levelized costs.

If levelized cost numbers are available for the individual measures in sub-appendix C, these levelized costs shall be included in the reformulated tables requested under Item 1.3.

Item 1.7 Assessment of Demand Response

Provide all of the data and calculations performed to arrive at the numbers represented as the "Technical and Market Potential" for demand response for Table 33 on page 43 of Appendix J. The data and calculations shall fully support all of the numbers presented in Appendices I and J.

IPL shall explain and support with data and calculations the "Levelized Costs and Market Potential" results in Table 35 in Appendix J.

Item 1.8 Renewable resources

Provide all of the data and calculations performed to arrive at the numbers represented as the market and economic potential for renewable resources in Appendix J. IPL shall explain and support with data and calculations all the levelized costs results in Appendix J.

Item 2 Energy efficiency plan goals

Explain in detail how IPL calculated future program goals, including detailed definitions of and data for estimated participation for each program and for each year

2009 through 2013. The participation numbers for each year shall be provided for individual measures or groups of measures.

The data for participation for each program shall be provided in Excel tables, with rows defined by program and measure and columns defined by the following items: end use, measure name, measure description, base equipment, baseline kWh, peak kW, therms, peak day therms, savings as a percent of end use energy and of end use capacity, measure life, measure costs, and estimated total incentives to be paid as percentages of incremental customer cost. The table shall be filed as addenda to the program descriptions in Chapters 4 through 8.

IPL must also file a master table compiling the data listed under Item 2 to be filed as an addendum to Chapter 2.

Item 3 Energy efficiency plan benefits and costs

For every program in Chapters 4 through 8 which includes benefit-cost results, provide a detailed Excel spreadsheet showing the calculations of benefits and costs for each economic test for each projected year of implementation (2009 through 2013). The spreadsheet for each program shall include a summary table listing for each economic test the discount rate and the following items:

Summary - Electric & Gas:
B/C Ratio
Net Benefits (\$)
Total Benefits (\$)
Total Costs (\$)

Summary - Electric Only:

- B/C Ratio
- Net Benefits (\$)
- Total Benefits (\$)
- Total Costs (\$)
- Levelized Cost (\$/kWh)

Summary - Gas Only:

- B/C Ratio
- Net Benefits (\$)
- Total Benefits (\$)
- Total Costs (\$)
- Levelized Cost (\$/therm)

Benefit Components in dollars:

- Customer Electric Bill Decrease
- Customer Gas Bill Decrease
- Customer Rebates Received - Electric
- Customer Rebates Received - Gas
- Utility Electric Production Savings
- Utility Electric Capacity Savings
- Gas Acquisition Cost Savings
- Externalities - Electric
- Externalities - Gas

Cost Components in dollars:

- Incremental Participant Cost - Electric
- Incremental Participant Cost - Gas
- Utility Electric Revenue Decrease
- Utility Gas Revenue Decrease
- Administrative Costs - Electric
- Administrative Costs - Gas
- Rebates Paid - Electric
- Rebates Paid - Gas

The spreadsheets shall project the future annual dollars for the following items needed to calculate benefits and costs, with rows defined by all future years in which impacts of measures resulting in benefits and costs occur and columns defined by the benefit and cost components listed above. Columns shall also include the total

present value in current (2008) dollars for the values in the column for each separate discount rate used.

For the IPL plan as a whole, for Tables 1.2 and 1.3 in Chapter 1, a spreadsheet which includes combined program benefit-cost results, presented via a detailed Excel spreadsheet showing the calculations of benefits and costs for each economic test for all projected years of implementation (2009 through 2013). The spreadsheet shall include a summary table listing for each economic test the discount rate and the following items:

Summary - Electric & Gas:

- B/C Ratio
- Net Benefits (\$)
- Total Benefits (\$)
- Total Costs (\$)

Summary - Electric Only:

- B/C Ratio
- Net Benefits (\$)
- Total Benefits (\$)
- Total Costs (\$)
- Levelized Cost (\$/kWh)

Summary - Gas Only:

- B/C Ratio
- Net Benefits (\$)
- Total Benefits (\$)
- Total Costs (\$)
- Levelized Cost (\$/therm)

Benefit Components in dollars:

- Customer Electric Bill Decrease
- Customer Gas Bill Decrease
- Customer Rebates Received - Electric

Customer Rebates Received - Gas
Utility Electric Production Savings
Utility Electric Capacity Savings
Gas Acquisition Cost Savings
Externalities - Electric
Externalities - Gas

Cost Components in dollars:

Incremental Participant Cost - Electric
Incremental Participant Cost - Gas
Utility Electric Revenue Decrease
Utility Gas Revenue Decrease
Administrative Costs - Electric
Administrative Costs - Gas
Rebates Paid - Electric
Rebates Paid - Gas

The spreadsheets shall project the future annual dollars needed to calculate benefits and costs, with rows defined by all future years in which impacts of measures resulting in benefits and costs occur and columns defined by the benefit and cost components listed above. Columns shall also include the total present value in current (2008) dollars for the values in the column, for each separate discount rate used.

IT IS THEREFORE ORDERED:

1. The energy efficiency plan filed by Interstate Power and Light Company on April 23, 2008, is docketed pursuant to Iowa Code § 476.6(16) and 199 IAC 35.6(2) and an investigation is instituted to determine the reasonableness of IPL's proposed energy efficiency plan. This matter will be identified as Docket No. EEP-08-1, a formal contested case proceeding. The expenses reasonably

attributable to this investigation shall be assessed to IPL in accordance with Iowa Code § 476.10.

2. The following procedural schedule is established:
 - a. Any petitions to intervene shall be filed on or before July 3, 2008.
 - b. The Consumer Advocate Division of the Department of Justice and any intervenors shall file prepared direct testimony, with underlying workpapers and exhibits, on or before July 25, 2008. If a party references a data request in its prepared testimony, the data request shall be filed as an exhibit.
 - c. If Consumer Advocate and any intervenors find it necessary to file testimony in rebuttal to each other's direct testimony, they may file rebuttal testimony on or before August 8, 2008.
 - d. IPL shall file its rebuttal testimony, with underlying workpapers and exhibits, on or before September 5, 2008.
 - e. Consumer Advocate and any intervenors shall file surrebuttal testimony, with underlying workpapers and exhibits, on or before September 12, 2008. Any such surrebuttal testimony is limited to issues raised for the first time in that party's initial testimony and responded to by IPL in its rebuttal testimony.
 - f. The parties shall file a joint statement of the issues on or before September 16, 2008.

g. All parties who choose to file a prehearing brief may do so on or before September 19, 2008.

h. A hearing shall be held beginning at 9 a.m. on October 7, 2008, for the purpose of receiving testimony and the cross-examination of all testimony. The hearing shall be held in the Board's Hearing Room, 350 Maple Street, Des Moines, Iowa. The parties shall appear one-half hour prior to the time of the hearing for the purpose of marking exhibits. Persons with disabilities requiring assistive services or devices to observe or participate should contact the Utilities Board at (515) 281-5256 in advance of the scheduled date to request that appropriate arrangements be made.

i. All parties may file briefs on or before November 7, 2008.

3. In the absence of objection, all underlying workpapers shall become a part of the evidentiary record of these proceedings at the time the related testimony and exhibits are entered into the record.

4. In the absence of objection, all data requests and responses referred to in oral testimony or on cross-examination which have not been previously filed shall become a part of the evidentiary record of these proceedings. The party making reference to the data request shall file an original and six copies of the data request and response with the Board at the earliest possible time.

5. In the absence of objection, when the Board has called for further evidence on any issue and the evidence is filed after the close of the hearing, the evidentiary record will be reopened and the evidence will become part of the record five days after the evidence is filed with the Board. All evidence filed pursuant to this paragraph shall be filed no later than seven days after the close of the hearing in this proceeding.

6. IPL shall file the additional information identified in this order within 20 days from the date of the order.

UTILITIES BOARD

/s/ John R. Norris

/s/ Krista K. Tanner

ATTEST:

/s/ Judi K. Cooper
Executive Secretary

/s/ Darrell Hanson

Dated at Des Moines, Iowa, this 23rd day of May, 2008.