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##### May 15, 2012

***VIA ELECTRONIC FILING***

Washington Utilities and Transportation Commission

1300 S. Evergreen Park Drive SW

P.O. Box 47250

Olympia, WA 98504-7250

Attention: David W. Danner

Executive Director and Secretary

**RE: Residential Energy Efficiency Program-Energy Education in Schools**

 **Advice 12-03**

Dear Mr. Danner:

Pursuant to RCW 80.28.050, RCW 80.28.060, and WAC 480-100-195 PacifiCorp, d.b.a. Pacific Power & Light Company (PacifiCorp or Company) proposes to cancel Residential Energy Efficiency Program–Energy Education in Schools (Energy Education in Schools) administered under tariff Schedule 113. Energy Education in Schools is administered to educate sixth grade students in the Company’s Washington service territory on energy related topics so that they better understand how electricity is generated and the importance of using electricity efficiently. The Company respectfully requests that the cancellation of the tariff sheet become effective on June 30, 2012.

Canceling Original Sheet No. 113.1 Schedule 113 Residential Energy

 Efficiency Program-Energy

Education in Schools

Effective April 1, 2003, the Energy Education in Schools program was originally proposed by the Company in 2002 with Advice No. 02-08. The Energy Education in Schools curriculum was developed and operated by three partnering agencies (Blue Mountain Action Council in Walla Walla, Northwest Community Action Center in Toppenish and Opportunities Industrialization Center of Washington, both in Yakima). The agencies employ certified teachers to work with school administrators, teachers and students. They provide a minimum of 3 one-hour energy education sessions on topics such as electricity generation, conservation, how to read an electric meter and energy efficiency tips. Students receive a kit of measures including a compact fluorescent light bulb, a refrigerator/freezer temperature check card, an electroluminescent nightlight, a shower timer, a hot water temperature card, a kitchen faucet aerator and a wall plate thermometer. A low flow showerhead is provided to those students where the results of a water flow tests indicate a need.

Initiative 937 requires the company to acquire all conservation that is “cost-effective, reliable and feasible.” Historically, savings reported under this program have been based on savings estimates derived from student surveys, which raised concerns around measurement and verification. However, validating energy savings through parent surveys and in-home inspections would greatly increase program costs and prove challenging given the confidentiality of student and parent personal information. This led the Company to reclassify program costs for the 2011/2012 school year as education and outreach expenses and report no savings from the program towards the 2012-2013 biennial target. This decision and the proposed handling of it were incorporated in the Company’s 2012-2013 Conservation Business Plan provided as Appendix 7 to the Company’s 2012-2021 Ten-year Conservation Forecast and 2012-2013 Biennial Target approved by the Commission in the April 12, 2012, open meeting.

Compounding the increased costs and challenges to modify the program’s measurement and verification method are 1) declining savings from the program’s energy savings kit measures, and 2) potentially less expensive energy education alternatives now available to the Company. In response to the concerns raised by the Demand-side Management (DSM) Advisory Group regarding program measurement and verification, coupled with the other challenges just described, the Company respectfully requests to cancel the program effective June 30, 2012.

Other education alternatives are currently being explored by the Company, if the Company finds a program that provides similar educational value at a more cost-effective rate, the Company will bring it forward for review by the DSM Advisory Group as well as Commission acknowledgement before it would be added to the Company’s Washington conservation program.

The cancellation of the Energy Education in Schools program was presented to the DSM Advisory Group during the March 8, 2012, DSM Advisory Group meeting. In addition, a draft of this filing was provided to the group on April 30, 2012, along with a two-week comment period. Comments and edits to this letter from the DSM Advisory Group have been incorporated into this filing.

The Energy Efficiency in Schools program is funded through the Schedule 191 System Benefits Charge Adjustment. The Company is proposing an adjustment to the System Benefits Charge Adjustment in a separate filing that accounts for the cancellation of the Energy Efficiency in Schools program.

It is respectfully requested that all formal correspondence and Staff requests regarding this filing be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center

 PacifiCorp

 825 NE Multnomah, Suite 2000

 Portland, Oregon, 97232

By fax: (503) 813-7274

Informal inquiries regarding this matter may be directed to Carla Bird, Regulatory Manager, at (503) 813-5269.

Sincerely,

William R. Griffith

Vice President, Regulation

Enclosures