

Electrical Power in Idaho

Idaho residents consistently enjoy some of the least expensive electric service in the nation, according to surveys conducted by the National Association of Regulatory Utility Commissioners (NARUC), the Edison Electric Institute and the Energy Information Administration of the U.S. Department of Energy.



Idaho Power Company

1999 Average Number of Customers/Avg. Revenue/kwh*

(*Computed from data available in FERC Form 1 Annual Reports)

300,072 Residential Customers/\$.0510

59,677 Commercial Customers/\$.0373

105 Industrial Customers/\$.0250



Avista Utilities

(formerly Washington Water Power)

87,131 Residential Customers/\$.0483

14,248 Commercial Customers/\$.0536

515 Industrial Customers/\$.0338



dba Utah Power & Light

42,878 Residential Customers/\$.0684

5,996 Commercial Customers/\$.0667

5,317 Industrial Customers/\$.0379

**Idaho's
Electricity
Rates Are
Among The
Lowest In
The Nation**

Electric Utility Case Reviews



Idaho Power Company
1220 W. Idaho Street
P O Box 70
Boise, ID 83707

800-488-6161
208-388-2323
(Treasure Valley)

Number of Customers
= 359,854

Residential Rate =
\$2.51/mo. + .050178
cents/kWh
(includes Power Cost
Adjustment)

Idaho Power Company

Idaho Power Co. is Idaho's largest electric utility. In 1999, it generated almost 60% of its electricity at hydropower dams on the Snake River, but receives increasing amounts of power from its share of coal-fired plants at Jim Bridger, Wyoming; Boardman, Oregon; and Valmy, Nevada. Idaho Power purchases about 4.4-percent of its energy from cogenerators and small power producers.

In 1999, the average Idaho Power household used 13,276 kWh, down 0.9 percent from the 13,396 kWh in 1998. This figure averages residential customers with electric space and water heating with those who do not use electricity for these high end uses.

April 13, 2000

Idaho Power To Continue Involvement In Regional Energy Group

Case No. IPC-E-99-13, Order No. 28333

Idaho Power Company's continuing five-year participation in a regional energy conservation consortium received the go ahead from the Idaho Public Utilities Commission.

The PUC re-authorized the utility's involvement in the Northwest Energy Efficiency Alliance (NEEA) from 2000 to 2004. Idaho Power's contribution to the program will be approximately \$1.3 million a year. The participation will have no impact on Idaho Power's current residential electric rates.

NEEA is a non-profit regional group of energy users represented by public and private utility companies, state and local governments, as well as public interest groups and private-sector interests. Idaho Power has been participating in the program since 1997. The organization is involved in plans and programs to identify and promote energy-efficient products, practices and choices.

Electric Utility Case Reviews

May 12, 2000

Low Water Increases Power Rates; Adjustments To Profits Allowed Idaho Power To Reduce Rates; Net Effect 8% Overall Increase

Case No. IPC-E-00-6, Order No. 28358

Low runoff in the Snake River resulted in higher power rates, but a previous decision by the Idaho Public Utilities Commission to hold back surplus profit-sharing funds of Idaho Power Co. helped offset those increases. That earlier decision directed Idaho Power to set aside revenue-sharing funds in an interest-bearing account to help defray the anticipated increased costs of power generation this year.

Based on the Power Cost Adjustment program initiated by the PUC in 1992, the Commission approved an Idaho Power Co. request for a temporary 7 percent increase for residential customers an average 9.5 percent boost for all customers. The adjustment results from projections from the National Weather Service (NWS) of reduced flows in the Snake River this spring and summer, based upon their measurements at Brownlee Reservoir.

The net result of actions taken by the PUC that go into effect May 16, was that residential rates went up approximately 6 percent, or \$3.62 for a customer using 1,200 kilowatt hours per month. The overall increase for all customers, which includes residential, commercial and industrial concerns, was approximately 8 percent. This means this year's PCA increase was being partially offset by a reduction of an average of about 1.5 percent for all customers and about 1 percent for residential users.

Electric Utility Case Reviews



PacifiCorp dba Utah Power & Light Company

Based in Salt Lake City, Utah Power & Light Company provides electricity in eastern Idaho and northeastern Utah. It is the third largest electric utility in Idaho.

UP&L relies more heavily on thermal generation facilities than any other electric utility in Idaho; the rates are correspondingly higher. In comparable classes, UP&L's rates range from two-to-four cents higher per kWh than the state's other, predominately hydropower utilities.

In 1999, the average UP&L residential customer used 13,276 kWh of electricity, a 1.3 percent increase from the 13,101 kWh average in 1998. This figure averages residential customers with electric space and water heating with those who do not use electricity for these high load uses.

November 15, 1999

Pacificorp/Scottish Power Merger Approved Commissioner Hansen Dissents

Case No. PAC-E-99-1, Order No. 28213

Crediting public participation for helping to impose significant stipulations and limitations that will help protect interests of Idahoans, the Idaho Public Utilities Commission approved the merger application of PacificCorp and ScottishPower. Commission President Dennis Hansen voted against the merger, citing concerns with the evidence provided.

The order points out that testimony heard "during the course of four separate public hearings was at times passionate, but always motivated by genuine concern of those affected by the decision in this case. The comments articulated by the public are the basis for many of the 46 merger conditions imposed." The order stated, "we firmly believe that those conditions will lead to significantly improved service at reasonable rates for PacifiCorp's Idaho customers."

"Because of the conditions imposed by this Commission, the ratepayers should notice improved service quality with, at a minimum, a temporary rate reduction. Irrigators in particular should be better served with the addition of an irrigation specialist to PacificCorp's personnel," the order said.

**Pacificorp
dba
Utah Power & Light
1407 West N.Temple
Salt Lake City
Utah, 84116**

**801-220-2000
(SLC)
208-852-1916
(Preston)
208-356-7366
(Rexburg)**

**Number of Customers
= 54,191
Residential Rate =
\$9.57/mo. min. charge**

**9.4435-cents/kWh
May through October**

**7.2440-cents/kWh
November through
April
(BPA Credit Included)**

Electric Utility Case Reviews

May 25, 2000

IPUC Denies Utah Power & Light Request For “Green” Energy Rates

Case No. PAC-E-00-1, Order No. 28380

An application by Utah Power & Light Co., to give its Idaho customers an option of paying a premium for electricity generated by alternative energy sources such as geothermal, wind and solar was denied by the Idaho Public Utilities Commission.

In denying the application, the Commission noted that the proposed rate schedule appeared to be heavily weighted toward administration and marketing and not the actual renewable resource development program.

“While the Commission supports the development of renewable energy resources, we believe the company needs to refine its proposal. . . We encourage the company to file a ‘green’ tariff that supports deployment of renewable resources and is priced to foster customer acceptance.” The commission noted that while marketing and promotion are necessary, the majority of the revenue from this program should be directed toward resource development.

June 5, 2000

Reduction Of BPA Exchange Credit Approved

Case No. UPL-E-00-1, Order No. 28385

An application by Utah Power & Light Co. to implement the third step of a planned phase-out of regional exchange credits with the Bonneville Power Administration was approved by the Idaho Public Utilities Commission.

Scheduled to go into effect June 1, the phase-out increased average costs of a residential customer using 1,200 kilowatt hours by 3.35 percent or a monthly average of \$3.74 in the summer and \$2.40 in the winter. The cost increase to an average irrigation pumper was approximately 8 percent.

The exchange credit program began 20 years ago with the Pacific Northwest Power Planning and Conservation Act, which enabled the BPA to enter into 20 year agreements with UP&L and other Northwest investor-owned utilities. The Agreement specified that BPA would pass back to residential and small agricultural customers the benefit of the low-cost hydroelectric generating capacity within the BPA’s Columbia River hydro system.

With the Agreement set to expire in June 2001, a phase-out program was instituted by Congress beginning in 1998 to spread out the rate increases over three years, lessening the magnitude of the impact on residential and small agricultural customers in 2001.

Electric Utility Case Reviews

March 7, 2000

Sale Of Pacificorp's Stake In Centralia Power Plant Approved

Case No. PAC-E-99-2, Order No. 28296

PacifiCorp received approval from the Idaho Public Utilities Commission to sell its 47.5 percent ownership in the 1,340 megawatt Centralia, Wash., steam power-generating station.

Of the portion of the sale proceeds rebated to customers, less than one percent would apply to customers in Idaho. "The amount of gain allocated to Idaho customers related to Centralia is so very small that a rate adjustment to account for the gain not only is not required, but is practically speaking impossible" the Commission's order said. Idaho customers comprise only 3.6 percent of PacifiCorp's total service area. Additionally, PacifiCorp's investment in the Centralia plant had only been included in the utility's rate base for Idaho customers since the acquisition of Utah Power & Light by PacifiCorp.

As part of the Commission's order, most of Idaho's share of the proceeds from the sale will offset costs at other PacifiCorp generating facilities that serve Idaho customers. As a result, the utility's expenses upon which rates are set will decrease and be reflected in any future rate adjustments that the company may seek.

Electric Utility Case Reviews



Avista Utilities

Avista generates most of its electricity at hydropower dams located in Washington, Idaho and Montana. The company also receives power from thermal plants located in Washington and Montana.

In 1999, the average Avista household used 11,723 kWh, down 1.1-percent from the 11,854 kWh in 1998. This figure averages residential customers with electric space and water heating with those who do not use electricity for these high load uses.

March 7, 2000

Avista Idaho Customers To Receive Reduced Power Rates Following IPUC Approval Of Sale Of Utility's Stake In Washington Power Plant

Case No. AVU-E-99-6, Order No. 28297

Idaho customers of Avista Corp. will see a reduction in power rates following Idaho Public Utilities Commission approval of the sale of the utility's 17.5 percent stake in the 1,340 megawatt Centralia, Wash., steam power-generating station.

Avista and seven other utility companies and districts are in the process of selling their respective equity positions in the power-generating complex to units of TransAlta Corp., a Canadian energy concern. Avista's after-tax gain on the sale of its ownership position in the plant will be approximately \$29.6 million. The utilities had decided to sell the generating facility because of future environmental capital expenditure requirements.

The Commission in its ruling ordered that Idaho's proportionate share of the proceeds, or approximately \$6.8 million, be returned to Idaho customers in the form of a 1.3 percent rate reduction over the next eight years. Special contract customers will not share in the gain from the sale.

Avista Utilities

(physical address)
E 1411 Mission Ave.

(mailing address)
P O Box 3727
Spokane, WA 99220

800-727-9170

509-489-0500

(Spokane)

208-664-0421

(Coeur d'Alene)

208-743-5541

(Lewiston)

208-882-7511

(Moscow)

Number of Customers

= 101,894

Residential Rate =

\$4.00/mo.

+ 4.4080-cents/kWh

1st 600 kWh

Over 600 kWh ~

5.156-cents/kWh

(includes power cost

adjustment, Energy

Efficiency Rider and

Centralia Sale Adjustment)

Also Under IPUC Jurisdiction:

Atlanta Power Company

319 River Road

Bliss, ID 83314

208-352-4692 (Bliss)

208-764-2310 (Fairfield)

Idaho Natural Gas Utilities

The Idaho Public Utilities Commission regulates two natural gas utilities: Intermountain Gas Company and Avista Utilities. Questar Gas provides service to a small number of customers in southeast Idaho, but is regulated by the Utah Commission.

Intermountain Gas supplies natural gas to southern Idaho, serving more than 199,000 customers. Avista has gas operations in eastern Washington and northern Idaho, serving nearly 53,000 customers in northern Idaho.

In June 1990, Questar Gas - then known as Mountain Fuel Supply Co. - of Salt Lake City, Utah, applied to the Commission for authority to serve Idaho customers in the Preston area. Together, the Commission and the Idaho Legislature amended *Idaho Code 61-505*, clarifying the Commission's ability to contract with neighboring state regulators to regulate rates in Idaho border communities served by the neighboring states' utilities. The amendment encourages such utilities to extend service into Idaho without incurring undue regulatory expense.

When natural gas reached Idaho communities in the 1950s, local distribution companies' supply came from the Northwest Pipeline Corporation of Salt Lake City. The pipeline serves much of the Pacific Northwest, connecting the Four Corners fields of the southwest with Canadian supply.

Customers of Intermountain Gas and Avista face significant increases in their rates during the summer season, a period when rates are historically low.

Explanations given for the increase in price during an off-season time are varied, but there appears to be general agreement that the root cause is increased demand for gas during the "off season." Also of specific note is the opening of the Alliance Pipeline which has allowed low-cost Canadian gas to be transported to markets in the Mid-west where gas prices are generally much higher. Additionally, there has been an increase in the number of natural gas fired turbines for electric power generation which has increased competition for gas supply during the summer months, a period which historically has been used by gas companies to purchase and store gas at low prices for use during the winter months when demand and prices are generally higher.

**Idaho Gas Prices
Have Increased
Following
National Trends.**

**Sales Continue
To Increase.**

	Intermountain	Avista	Questar	Total
No. of Customers	199,489	52,946	1,487	253,922
% of Total Custs.	78.56%	20.85%	0.59%	100.00%
Therms (millions)	521.8	68.1	1.6	591.4
% of Total Therms	88.23%	11.51%	0.26%	100.00%
Revenue (\$millions)	\$128.42	\$27.7	\$0.99	\$149.1
% of Total Rev.	79.80%	19.61%	0.59	100.00%

Idaho Natural Gas Utilities

INTERMOUNTAIN GAS COMPANY

Idaho services only

	Residential	Commercial	Industrial	Transportation	Total
No. Customers	177,329	22,045	116	0	199,489
% of Total Custs.	88.89%	11.05%	0.06%	0.00%	100%
Therms (millions)	144.1	87.3	4.0	286.4	521.8
% of Total Therms	27.61%	16.73%	0.77%	54.88%	100%
Revenue (millions)	\$74.21	\$40.08	\$1.15	\$12.98	\$128.42
% of Total Rev.	57.79%	31.21%	0.90%	10.11%	100%

AVISTA UTILITIES

Idaho services only

	Residential	Commercial	Industrial	Transportation	Total
No. Customers	46,399	6,437	110	0	52,946
% of Total Custs.	87.63%	12.16%	0.21%	0.00%	100%
Therms (millions)	38.1	24.7	5.30	0	68.1
% of Total Therms	55.95%	36.32%	7.73%	0.00%	100%
Revenue (millions)	\$19.08	10.61	\$1.87	\$0.00	\$31.57
% of Total Rev.	60.44%	33.62%	5.94%	0.00%	100%

QUESTAR GAS COMPANY

Idaho services only

	Residential	Commercial	Industrial	Transportation	Total
No. Customers	1,486	1	0	0	1,487
% of Total Custs.	99.93%	0.07%	0.00%	0.00%	100%
Therms (millions)	1.5	0.1	0.0	0.0	1.6
% of Total Therms	93.90%	6.10%	0.00%	0.00%	100%
Revenue (millions)	\$0.91	\$0.04	\$0.00	\$0.00	\$0.95
% of Total Rev.	95.82%	4.18%	0.00%	0.00%	100%

Gas Utility Case Reviews

Intermountain Gas Company

555 S. Cole Road
P O Box 7608
Boise, ID 83707

208-377-6840

(Boise)

208-365-3004

(Emmett)

208-788-3488

(Hailey)

208-522-6095

(Idaho Falls)

208-467-7491

(Nampa)

Residential Rates
(RS2, customers using
gas for both space and
water heating)

Summer

\$2.50/month

\$0.65004/therm

Winter

\$6.50/mo

\$0.61641/therm

Intermountain Gas Company

June 29, 2000

Intermountain Gas Gets Cost-Of-Gas Rate Increase

Case No. INT-G-00-1, Order No. 28426

The Idaho Public Utilities Commission approved an Intermountain Gas Co. request for a price increase of about 27 percent for residential customers. The increase follows a national trend of increasing gas supply prices.

The price change was made through the Purchased Gas Cost Adjustment (PGA) mechanism, which allows a once-yearly pass-through of direct costs, up or down, that the utility must pay to its suppliers and transporters for natural gas. None of the revenue from this year's price increase will profit the company. In the 13 years the PGA has been in effect, the cost of gas to consumers has actually decreased about 4 percent, prior to this PGA increase.

The Commission said even with the increase, Idaho natural gas prices remain among the lowest in the country. With the increase, residential customers using natural gas for space and water heating will see their monthly bills go up about 27 percent to 68.3 cents per therm. Residential customers who use natural gas for space heating only, will see an increase of about 28 percent to 81.5 cents per therm.

The Commission encouraged the company to help provide customers information about assistance programs available to low-income and other qualified customers and for customers to consider a company-provided level-pay option to spread the impact of the increases. Additionally, Commissioners encouraged customers to implement conservation practices where possible, such as lower thermostat settings, shorter showers and regularly serviced furnace filters.



Avista Utilities

P O Box 3727
Spokane, WA 99220

509-489-0500

(Spokane)

208-664-0421

(Coeur d'Alene)

208-743-5541

(Lewiston)

208-882-7511

(Moscow)

Residential Rates
Basic Charge \$3.28
\$0.47011/therm



Questar Gas Company

180 E. First South
Salt Lake City,
UT 84139

801-324-51120

Residential Rates

Summer

\$5.00/mo

\$0.433548/therm

\$0.330883/therm over
45 therms

Winter

\$5.00/mo

\$0.518495/therm

\$0.405118/therm over
45 therms

November 2, 1999

Avista Corp Receives Natural Gas "Tracker" Rate Increase On Average Of 8.58%; Residential Rate Increase Lower At 8.41% or \$3.20 per Month

Case No. AVU-G-99-2, Order No. 28189

The Idaho Public Utilities Commission granted Avista Corp's request for an overall 8.58 percent "gas tracker" rate increase for its natural gas customers in northern Idaho. As opposed to general rate cases which consider a utility's overall cost of doing business, "trackers" reflect increases or decreases in the price Avista must pay for natural gas. In 1996, 1995 and 1994, the "gas tracker" produced lower rates to reflect a decrease in gas prices paid by the utility during those years.

The current rate increase will boost Avista's annual revenue by approximately \$2.7 million. The increase to residential customers - totaling about 48,000 of Avista's total customer base in Idaho of 48,600 - will be 8.41 percent, or about \$3.20 for a typical residential customer who uses an average of 80 therms per month. The rate increase went into effect Nov. 1.