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**Atlanta Power Company Inc.**  
**P.O. Box 100**  
**Fairfield, Idaho 83327**  
**208-764-2310**

UTILITIES COMMISSION

Jean D. Jewel  
Commission Secretary  
Idaho Public Utilities Commission  
P.O. Box 83720  
Boise, Idaho 83720-0074

Case No. ATL-E-03-1

Dear Commission Secretary,

The purpose of this letter is to thank the Commission Staff for taking a day out of their weekend to travel to Atlanta and conduct a workshop for Atlanta Power customers. I would also like to thank all of our customers that were able to attend the meeting and provide input to the Staff and Company.

One point that was made at the meeting and quite clearly so, is that the vast majority of customers were not in agreement with the original petition filed by two individuals that began this case. I find it ironic that these former customers, now claiming to be Atlanta Power customers again, applied for reconnection under another persons name to avoid paying the higher re-connection fee for resumption of service. Their filing of revised comments on June 29, 2003 was basically a repeat of prior questions and more distortion of facts that they filed after the proposed order of June 4, 2003. The Staff more than adequately answered their question in writing and again at the workshop. Their comments are not worthy of any further reply.

#### **Annual Report**

The Company delinquent Annual Reports are being prepared by our accountant and will be filed by August 10, 2003.

#### **Senator Kennedy's Comments et el.**

Comments by Senator Fred Kennedy while I'm sure are poised to satisfy his constituents, are not factual and have little practical benefit for the customers. Senator Kennedy seems to have forgotten the fact that Atlanta Power Company Inc. has limited resources. It is a privately owned, not tax supported entity, with limited man power, is extremely remote, is not tied to the electrical grid and does not have multiple operators and employees that require detailed plans to perform preventive maintenance and restoration of power after an outage occurs. In other words, this is a one-man operation. Atlanta Power Company Inc. does provide reliable affordable electricity to the community 99% of the time.

Senator Kennedy has never met with me or been willing to listen to the Company's side of his perceived problems with Atlanta Power Company. The outage log he suggests would be expensive to purchase and install and essentially be of no value to the Company or customers. We know when the power goes off.

The records kept by the Company are adequate. A full time bookkeeper along with a C.P.A. to prepare tax returns, annual reports and other filing requirements are employed. If a receipt or invoice is lost there is a canceled check or credit card statement to prove the expenditure.

Preventative maintenance is an ongoing operation with the Company. Both myself and Dave Gill are constantly watching for potential problems that may need attention. We would rather repair a cross arm or pole problem in good weather rather than during the winter months.

A preventative maintenance plan per se in Atlanta is not feasible because it is impossible to predict when a tree will fall on the lines or a storm may down lines and require an expensive rebuild of a section of line. If preventative maintenance had not been regularly performed over the past 20 years the system would certainly not be operating today.

A plan to restore power after an outage occurs has similar, but more complex, problems as a plan of preventative maintenance. When the power goes off someone has to make a determination of what caused the problem. The power line must be inspected to see if a tree may be on the line or brought the lines down on a building or residence or a vehicle could have hit a pole. The problem could be in the water supply to the turbine or the control gates on the dam. There could be a problem in the generator or voltage regulator system, the governor on the turbine or the air compressor at the dam. All of the scenarios have to be analyzed before "throwing the switch back on". Then according to what the problem is, parts may have to be brought in from Boise or Salt Lake City. Our inventory of poles, cross arms, line hardware and conductors is kept on hand to repair common line problems. It is in the best interest of the Company, as well as the customers to get the power restored as safely and as soon as possible.

Senator Kennedy's letter as well as three other individuals seem to indicate that they want the IPUC to micro manage the operation of Atlanta Power Company. That is not the purpose of the IPUC and I feel that if the few individuals that express serious dissatisfaction with the service provided, to please request disconnection from the system.

#### **Major Events**

Atlanta Power Company Inc. is providing adequate service at reasonable rates to customers in the Atlanta area. Four major events in the past four years have impacted the Company.

During 1998 the requirement by the Forest Service for a Federal Energy Regulatory Commission License. In 2000 the burnout of the hydro generator and associated costs with that event.

In 1999 the winter time damage and repair of approximately  $\frac{3}{4}$  miles of power line on the mine hill and the reconstruction of line and transformers lost to the Trail Creek fire in 2001.

The Company has survived these events without bringing a general rate case before the Commission. The slowly increasing customer base and a small additional amount of financing of the debt has allowed the Company to continue operating. With the new generator in place and operating and much new line built we should be able to improve the outage situation as long as the Company does not become bogged down in extra expense created by a few customers who apparently place form over substance.

#### **A Challenging Future**

We need to replace our 30-year-old line truck. It is serviceable but it needs to be upgraded. Our liability insurance just increased by a factor of three and the county taxes have doubled in the last 5 years. These are some of the challenges that the Company faces in the future.

The Company is operating on rates that were established in 1993, we are hopeful that we will be able to continue at that level into the near future.

Respectfully Submitted,



Lynn Stevenson, President  
Atlanta Power Company Inc.