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**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE FILING )  
BY IDAHO POWER COMPANY OF )  
ITS 2002 INTEGRATED RESOURCE )  
PLAN (IRP) )**      **Case No. IPC-E-02-08**  
**MOTION TO INITIATE**  
**FORMAL PROCEEDING**

COME NOW, Idaho Rivers United, NW Energy Coalition, Land and Water Fund of the Rockies, and Idaho Rural Council (“Clean Energy Advocates” or “Advocates”), pursuant to Rules 51-58 of the Rules of Practice and Procedure of the Idaho Public Utilities Commission, IDAPA 31.01.01.51-58, and moves this Commission for an Order opening a formal docket for the purposes specified below.

This Motion is supported by the comments of the Clean Energy Advocates filed herewith, and by the following points and authorities.

**ORIGINAL**

## ARGUMENT IN SUPPORT OF MOTION

The Clean Energy Advocates have filed comments in response to Idaho Power Company's 2002 Integrated Resource Plan, pursuant to the public comment provided in the July 18, 2002 Notice in this matter. As stated in those comments, the Advocates believe the 2002 IRP does not present a reasonable and prudent plan to meet Idaho Power's customer load in a cost effective manner. Moreover, the Advocates believe the IRP's deficiencies, as well as the important changes in planning direction reflected in the IRP, are of a sufficient magnitude to warrant greater scrutiny by the Commission and the public. Therefore, the Groups ask the Commission to open a formal docket and hold hearings for the purpose of investigating cost effective resources which should be pursued in the short and long term to the benefit of ratepayers, but which Idaho Power has chosen to disregard in its IRP.

First, although the IRP repeatedly recognizes that peak power demands will likely drive the need for more resource acquisition, the IRP does not include any meaningful analysis of load management and other demand-side resources. With Idaho Power now engaging in only the most minimal demand-side management, a careful exploration of which types of such resources could be acquired, and at what cost, is clearly warranted. The Groups are aware that Idaho Power is now initiating studies of the potential for demand-side management in its service territory, and will be increasing its DSM programs pursuant to Order No. 29026. Since better information is becoming available, it is now all the important that Idaho Power undertake a meaningful exploration of demand-side resources in the IRP. This proceeding also should include investigation of

financial incentives for Idaho Power and other utilities to engage in meaningful and effective demand-side management programs without incurring financial hardship.

We also believe it is appropriate for the Commission to investigate the prudence of Idaho Power's planning assumptions in the IRP, including the Company's move toward more extreme water and weather conditions. It also appears that the "Garnet" gas-fired power plant now will not be constructed, although the 2002 IRP appears to have been drafted assuming additional peaking generation would be available from that facility.

Moreover, the Groups note that in Case No. IPC-E-01-42, the Idaho Rural Council/Citizens for Responsible Land Use (IRC/CFRLU) filed extensive testimony and exhibits regarding many of the issues that are relevant to the Idaho Power 2002 IRP and to more far-reaching issues that transcend that utility and that particular IRP. Because of the manner in which that case was ultimately resolved, these issues never were substantively addressed by the Commission. It seems regrettable for the analysis engaged in not only by IRC/CFRLU, but the other parties to the case as well, to go to waste. Instead, a formal proceeding could be initiated to address those issues.

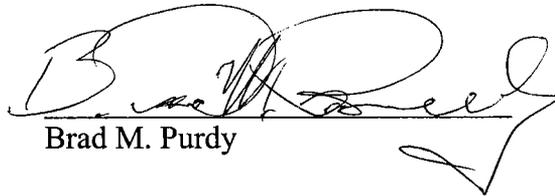
The Groups propose that the Idaho Power 2002 IRP be sent back to the Company pending the outcome of formal proceedings to be held in Fall 2002. We believe such proceedings could encompass numerous issues, but request that the Commission investigate the following: (1) changes to the IRP development process, including more rigorous public and Commission review, as well as meaningful development of alternative methods of meeting loads; (2) specific DSM (both load management and general efficiency) resources alternatives; (3) specific alternative resource options,

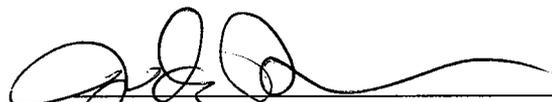
including increased acquisition non-hydropower renewable energy resources and other distributed generation; (4) Idaho Power's plans for meeting peak loads in the absence of the Garnet facility; and (5) investigation of the prudence of Idaho Power's new planning criteria for more extreme water and weather conditions.

This docket could be specific to Idaho Power, though the Groups believe that it would be in the best interests customers of regulated electric utilities in Idaho if the docket were generic and involved all the major electric utilities. The IRP process for Idaho Power, Avista and PacifiCorp has become increasingly lacking in public and Commission input. It is not the Group's intent for this formal proceeding to be adversarial, but rather more investigatory in nature, leading to a revised IRP process and the implementation of load management and alternative resource development.

The Groups request that the foregoing motion be granted, and that the Commission reject Idaho Power's 2002 IRP pending completion of formal proceedings addressing the issues outlined above.

RESPECTFULLY SUBMITTED, this <sup>th</sup> 29 day of August, 2002.

  
Brad M. Purdy

  
(for) William M. Eddie  
Land and Water Fund of the Rockies