

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
IDAHO POWER COMPANY FOR APPROVAL)	CASE NO. IPC-E-02-9
OF DEPOSIT REQUIREMENTS IN)	
SCHEDULES 24 AND 25 (IRRIGATION)	
CUSTOMERS).)	ORDER NO. 29132
)	

On August 20, 2002, Idaho Power Company filed an application requesting approval to revise Schedules 24 and 25 for electric service to irrigation customers. The Commission issued a Notice of Application and Notice of Modified Procedure on September 11, 2002, establishing a period for the filing of written comments. During the comment period, written comments were filed by the Commission Staff and the Idaho Irrigation Pumpers Association, Inc. (Irrigators).

Pursuant to Schedules 24 and 25, Idaho Power may collect a deposit from irrigation customers who have two or more late payments of \$100 or more during a 12-month period. The Company proposes to change the criteria to require a deposit from customers having two or more reminder notices, rather than late payments, for unpaid balances. This change would allow customers 45 days instead of 30 days to pay their bills without incurring the requirement of a deposit in the following year. The second change proposed by Idaho Power is to use a formula that relates deposit amounts to the electrical characteristics of the customer's pump and motor and the Company's irrigation rates rather than determining the deposit amount based on one and one-half times the customer's previous year highest monthly billing. According to Idaho Power, past billings are not necessarily indicative of bills for the upcoming year because other factors, like crop rotation and weather conditions, may play a part in determining electric use during the next growing season. Idaho Power asserts that its proposed changes are intended to be dollar neutral in the aggregate.

In its written comments, the Commission Staff supported the changes proposed by the Company. Staff noted that the new deposit formula produces the same total irrigation deposit revenue for the Company, although some customers will pay more under the proposed methodology while others pay less. Staff supported the new calculation because it establishes a

uniform methodology to determine deposit amounts, it is difficult to manipulate, and lends itself to automation. In its written comments, the Irrigators simply stated that they “do not oppose Idaho Power’s proposed revisions to the deposit requirements for irrigation customers.”

The Commission has determined to approve the changes to the deposit requirements in Schedules 24 and 25 for Idaho Power’s irrigation customers. Those schedules currently require deposits from customers who made two or more late payments of at least \$100 each during a 12-month period. One change proposed by Idaho Power puts the deposit requirement on customers who have actually received late notices from the Company, which should mean fewer customers will be required to provide deposits. Customers who make late payments can avoid the deposit requirement by making payments prior to the issuance of late notices by the Company. That change should more closely serve the purpose of the deposit requirement by placing its burden only on customers who have needed notification from the Company to make payments.

The Commission also finds reasonable the Company’s proposal for calculating the deposit amount. The current calculation is based on the customer’s highest monthly bill at the particular metering point during the past year. For various reasons, the resulting deposit amount may not reasonably reflect anticipated power use at that metering point during the next year. The proposed deposit calculation ties the deposit to the characteristics and anticipated usage of the particular pump, based on the customer’s estimated in-season bill. The proposed formula creates a more uniform deposit methodology, which should be simpler for customers to understand and for Idaho Power to administer. The Commission also notes that the Irrigators do not object to the changes in Schedules 24 and 25 proposed by Idaho Power.

The Commission approves the changes to Schedules 24 and 25, as proposed by Idaho Power, for service to the Company’s irrigation customers, effective as of the date of this Order.

ORDER

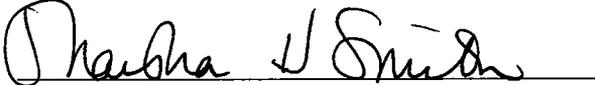
IT IS HEREBY ORDERED that the application of Idaho Power for changes to the deposit requirements in Schedules 24 and 25 is approved. The changes as set forth in the schedules attached to the Company’s application are approved, effective as of the date of this Order. Idaho Power is directed to refile Schedules 24 and 25 with the approved changes and the new effective date.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. IPC-E-02-9 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this Case No. IPC-E-02-9. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 18th day of October 2002.



PAUL KJELLANDER, PRESIDENT



MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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