



IDAHO POWER COMPANY
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BARTON L. KLINE
Senior Attorney

IDAHO PUBLIC
UTILITIES COMMISSION

December 23, 2003

Ms. Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 W. Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-02-12
Idaho Power Company's Compliance Filing

Dear Ms. Jewell:

In compliance with Order No. 29362 issued on October 24, 2003, enclosed herewith for filing with the Commission are an original and seven (7) copies of Idaho Power Company's Advanced Meter Reading Phase One Implementation Plan.

I would appreciate it if you would return a stamped copy of this transmittal letter for our files in the enclosed self-addressed stamped envelope.

Very truly yours,

Barton L. Kline

BLK:jb
Enclosures

c: Service List w/enclosure

Advanced Meter Reading Phase One Implementation Plan

Background

Idaho Public Utilities Commission (the Commission) Order No. 29362, dated October 24, 2003, directed Idaho Power Company to collaboratively develop a Phase One Implementation Plan for the installation of an advanced meter reading (AMR) system in selected service areas by December 31, 2004. A collaborative workshop to gather input from interested parties was held on Tuesday, December 2, 2003. Company and Staff personnel, vendors, and interested individuals were in attendance.

Operating Areas to be included in Phase One

AMR will be installed in the Emmett and McCall operating areas. The different characteristics of each of these areas will provide the opportunity to evaluate the capabilities of AMR under different geographic and climatic conditions. The composition of customers in the Emmett area is very representative of the Company as a whole while the McCall area is predominately composed of residential customers. Geographically the Emmett area is part of the Treasure Valley while the McCall area is more mountainous and more rural. Outside of the Treasure Valley, the McCall area is the Company's fastest growing area. Finally, consumption reaches its peak during the summer in the Emmett area and during the winter in the McCall area. Approximately 10,500 metered service points are included in the Emmett operating area and approximately 13,000 metered service points are included in the McCall operating area.

Features to be Evaluated

Idaho Power Company will evaluate several capabilities inherent in the AMR technology. The specific capabilities that will be evaluated are:

Integration of AMR Readings into Billing Process. Customer billings will be generated from the meter readings obtained through the AMR system. Therefore it is critical that the equipment function properly and the information transmitted be accurate. Idaho Power Company will evaluate the changes in business processes resulting from the implementation of AMR and the integration of the new technology into daily operations.

Theft Detection. Idaho Power Company will evaluate the theft detection capabilities of AMR and any impact on business processes resulting from the integration of these capabilities into Idaho Power Company's current theft detection program.

Outage Confirmation. Idaho Power Company will evaluate the integration of AMR into its current outage management processes and system.

Other Features to be Considered

In addition to the specific features to be evaluated during Phase One, Idaho Power Company will look for other capabilities enabled by AMR that might be beneficial. Among the initial features that will be considered are:

- voltage monitoring
- potential to improve distribution planning, engineering, and operation
- remote disconnection and reconnection

Idaho Power Company will also identify and implement ways to provide customers included in Phase One with information regarding their energy usage.

Other Projects following Phase One Implementation

Following the implementation of the basic AMR equipment and the collection of base line data from the customers included in Phase One, Idaho Power Company will investigate and file with the Commission load control and time-of-use pricing projects (including critical peak time-of-use pricing) that utilize the AMR technology.

Meter Data to be Collected

Hourly usage data for each customer included in Phase One will be collected in order to provide base line information for evaluation purposes.

Implementation Timetable

Idaho Power is currently negotiating contracts with various vendors for the delivery of the equipment necessary to begin the AMR installation in the Emmett and McCall areas. Barring any unforeseen problems which may cause a delay in the delivery of the equipment from the various vendors or a delay in the ability of contractors to install the metering equipment, Idaho Power Company will strive to have all equipment installed in the Emmett area by June 1, 2004 so that the collection of the hourly data can begin on that date. Idaho Power Company will target the completion of the installation for the McCall area by November 1, 2004 with the collection of the hourly data to begin on that date as well. Based on the information collected, Idaho Power Company will investigate potential load control and time-of-use pricing projects that have the potential to provide value in the two operating areas. The targeted implementation dates for any programs submitted by Idaho Power and approved by the Commission will be June 1, 2005 in the Emmett area and November 1, 2005 in the McCall area.