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September 19, 2003

HAND DELIVERY

Paul Kjellander
President/Commissioner

Dennis Hansen
Commissioner

Marsha Smith
Commissioner

IDAHO PUBLIC UTILITIES COMMISSION
472 W. Washington
Boise, ID 83720-0074

RE: IPC-E-03-05

Dear Mr. Kjellander, Mr. Hansen, and Ms. Smith:

I enclosed herewith a copy of the Idaho Irrigation Pumpers Association, Inc.'s Application for Intervenor Funding that was filed today. Given the procedural posture of this case being submitted on the Stipulation of the parties, I was unclear as to when the time period for filing the Application would begin under Commission Rule 164 because there was no evidentiary hearing or deadline for submitting briefs, proposed orders or statements of position. Further, in other cases such as PAC-E-02-1, the Commission has called for hearings after matters are submitted via the stipulation of the parties to the case. On the other hand, if the submission of the Stipulation by the parties is viewed as the operative event, then the Application could be viewed as untimely under Commission Rule 164.

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Paul Kjellander
Dennis Hansen
Marsha Smith
September 19, 2003
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It was always the Irrigators intent to file an Application for Intervenor Funding in this case. I have spoken to Lisa Nordstrom of Commission Staff about this matter. I have also spoken to Bart Kline at Idaho Power Company. Mr. Kline did not anticipate having any objection to the Application, but understood, as did Ms. Nordstrom, that it ultimately was up to the Commission to consider the Irrigators' Application. The Irrigators respectfully request that the Commission accept its Application and make a determination as to whether the Irrigators have met the substantive requirements for qualifying for an award.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Eric L. Olsen for".

ERIC L. OLSEN

ELO/np
Enclosure
c: Service List (w/o encl.)

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Attorneys for Idaho Irrigation Pumpers Association, Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR) Case No. IPC-E-03-5
AUTHORITY TO IMPLEMENT A POWER)
COST ADJUSTMENT (PCA) RATE OF)
ELECTRIC SERVICE FROM MAY 16, 2003)
THROUGH MAY 15, 2004)
_____)

APPLICATION FOR INTERVENOR FUNDING OF
THE IDAHO IRRIGATION PUMPERS ASSOCIATION, INC.

COMES NOW the Idaho Irrigation Pumpers Association, Inc. ("Irrigators"), by and through counsel of record, Eric L. Olsen, and hereby respectfully makes application to the Idaho Public Utilities Commission ("Commission") for intervenor funding pursuant to Idaho Code § 61-617A and IDAPA 31.01.01.161 through .165 as follows:

(A) A summary of the expenses that the Irrigators request to recover broken down into legal fees, consultant fees and other costs and expenses is set forth in Exhibit "A" attached hereto and incorporated by reference. Itemized statements are also included as Attachments 1 and 2 to Exhibit "A" in support of said summary and are incorporated by reference.

(B) The detail of the Irrigators' proposed findings and recommendations are set forth in its comments dated May 8, 2003, are summarized in Order No. 29243, and are incorporated in the

parties Stipulation which was filed in this case on August 20, 2003.

The Irrigators objected to Idaho Power Company's ("Idaho Power") use of the 1993 normalized sales data in establishing the true-up rate for 2003-2004 Power Cost Adjustment ("PCA"). This objection was based on the possibility that the use of this stale sales data could result in a over collection of target true-up revenue. The Commission Staff also expressed the same concern. To remedy this situation, the parties agreed in the Stipulation to a true-up of the target true-up revenue in future PCA cases.

The Irrigators objected to Idaho Power's calculation of the 2002-2003 PCA deferral amounts for Schedules 7, 19, and 24 that were to be added to the 2003-2004 PCA rate. The deferral amount for schedule 24 was approximately 14% higher than what the Commission authorized to be deferred in the 2002-2003 PCA case because Idaho Power used 1993 normalized sales data rather than the 2000 normalized sales data that was initially used to calculate the deferral amount. To address this issue, the parties agreed in the Stipulation that schedules 7, 19, and 24 would get a credit in the 2004-2005 PCA in an amount equal to the difference between the amount Idaho Power is currently projected to collect for the 2003-2004 PCA and what they would be projected to collect if the 2000 sales data was used to calculate the deferral amount for the same period.

The Irrigators also had concerns about Idaho Power's normalized sales data. However, given the eminence of a new general rate case, this issue was not pursued further in the parties settlement negotiations.

(C) The expenses and costs incurred by the Irrigators set forth in Exhibit A and accompanying attachments are reasonable in amount and were necessarily incurred (1) in reviewing and evaluating Idaho Power's Application in this case, filing comments, and preparing data requests

for a possible hearing and (2) participating in the scheduling conference and participating in the subsequent settlement negotiations and the resulting Stipulation that was presented to the Commission.

(D) The costs described in (A) above constitute a financial hardship for the Irrigators. The Irrigators currently have approximately \$25,000 in the bank and substantial accounts payable as a result of participation in this case as set out in Exhibit "A" and anticipate substantial expenses to be incurred in Idaho Power's upcoming general rate case and in the rumored general rate case for PacifiCorp. The Irrigators are an Idaho nonprofit corporation qualified under I.R.C. § 501(c)(5) representing farm interests in electric utility rate matters affecting farmers in southern and central Idaho. The Irrigators rely solely upon dues and contributions voluntarily paid by members, together with intervenor funding to support activities and participate in rate cases. Each year a mailing is sent to approximately 7500 Idaho Irrigators (approximately two-thirds in the Idaho Power Company service area and one-third in the Utah Power Company service area), soliciting annual dues. The Irrigators recommend that each member make a voluntary contribution of thirty cents (\$.30) per horsepower for each pumping installation. Member contributions have been falling mainly due to the extremely depressed agricultural economy that has ben exacerbated by the extremely poor water conditions these past years. From member contributions the Irrigators must pay all expenses, which generally include mailing expenses, meeting expenses and shared office space in Boise, Idaho, in addition to the expenses relating to participation in rate cases. The Executive Director, Lynn Tominaga, is the only part-time paid employee, receiving a small retainer plus expenses for office space, office equipment, and secretarial services. Officers and directors are elected annually and serve without compensation.

It has been and continues to be a financial hardship for the Irrigators to fully participate in all rate matters affecting its members. As a result of financial constraints, participation in past rate cases and in this case has been selective and, primarily, on a limited basis.

(E) The Irrigators' position with respect to the calculation of the 2002-2003 deferral amount for schedules 7, 19, and 24 differed materially from the positions taken by the Commission Staff. The Irrigators pointed out that Idaho Power's deferral amounts for schedules 7, 19, and 24 were too high because Idaho Power used the 1993 customer class sales data as apposed to the 2000 sales data. See Order No. 29243, at p.8.

(F) The Irrigators' participation addressed issues of concern to the general body of users or consumers on Idaho Power's system because the PCA true-up rate affects all customer classes. By pointing out, along with the Commission Staff, that the PCA mechanism suffered from using stale sales data, the parties were able to craft a resolution that seeks to minimize the possibility of over or under collection of the PCA rate.

(G) The Irrigators represent the irrigation class of customers under Schedule 24.

Based on the foregoing, it is respectfully submitted that the Irrigators are a qualifying intervenor and should be entitled to an award of costs of intervention pursuant to Idaho Code § 61-617A and IDAPA 31.01.01.161 through .165.

DATED this 19th day of September, 2003.

RACINE, OLSON, NYE, BUDGE &
BAILEY, CHARTERED

By *Eric L. Olsen for*
ERIC L. OLSEN

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 19th day of September, 2003, I served a true, correct and complete copy of the Idaho Irrigation Pumpers Association, Inc.'s foregoing Application for Intervenor Funding to each of the following, via U.S. Mail, e-mail or hand delivery:

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

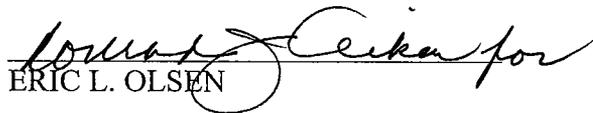
Hand delivery

Barton L. Kline
Monica B. Moen
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707-0070

Hand Delivery

Peter Richardson
Richardson & O'leary
P.O. Box 1849
Eagle, Idaho 83616

US Mail/e-mail


ERIC L. OLSEN

**EXHIBIT A TO APPLICATION FOR INTERVENOR FUNDING
IPC-E-03-5**

LEGAL - ERIC L. OLSEN:

| | |
|---|------------|
| Legal Fees: 30.5 hours @ \$150 (See Attachment 1 for Detail) | \$4,590.00 |
|---|------------|

| | |
|--|-----------|
| Costs: travel and long distance expenses: | \$ 430.15 |
|--|-----------|

| | |
|--------|-------------------|
| Total: | <u>\$5,020.15</u> |
|--------|-------------------|

CONSULTING FEES - TONY YANKEL:

| | |
|--|------------|
| Consulting Fees: 56.5 hours @ \$100 (See Attachment 2 for Detail) | \$5,650.00 |
|--|------------|

| | |
|---------------------------------|---------------------------|
| TOTAL FEES AND EXPENSES: | <u>\$10,670.15</u> |
|---------------------------------|---------------------------|

ATTACHMENT 1

| <u>Date</u> | <u>Description</u> | <u>Hours</u> | <u>Total</u> |
|-------------|---|--------------|--------------|
| 4-23-03 | Telephone conference with Tony Yankel Re: Idaho Power PCA case and making data request | 0.30 | |
| 4-28-03 | Review email from Tony Yankel; Call and leave message with Randy Lobb Re: handling data request; See that request is prepared in PCA case | 0.50 | |
| 5-5-03 | Telephone conference with Tony Yankel re: getting data requests back; Call and leave message with Bart Kline Re: same | 0.70 | |
| 5-7-03 | Review draft comments of Tony Yankel; telephone conference with Tony Yankel Re: same; Draft comments Re: Idaho Power PCA case | 3.50 | |
| 5-8-03 | Finalize Irrigator comments and see that same are filed with the Commission | 1.70 | |
| 5-9-03 | Telephone conference with Lisa Nordstrom Re: decision meeting on PCA and Staff's comments; Review Staff's comments on PCA mechanism; Telephone conference with Tony Yankel Re: same | 0.50 | |
| 5-12-03 | Email Lisa Nordstrom at Commission Re: IPC's filing of comments; Call and leave message with Tony Yankel Re: same; Review comments of Idaho power on PCA methodology; Telephone conference with Tony Yankel Re: review of same | 0.70 | |
| 5-13-03 | Telephone conference with Lisa Nordstrom Re: format of PCA decision meeting and participation via conference call | 0.50 | |
| 5-19-03 | Review PCA order favorable toward irrigator positions; Telephone conference with Tony Yankel Re: PCA order | 0.80 | |
| 5-28-03 | Telephone conference with Lisa Nordstrom Re: status of PCA case and upcoming status conference; See that data requests are prepared and served upon the parties; Email Tony Yankel Re: service of data requests | 0.60 | |

| | | |
|---------|---|-----------|
| 5-30-03 | Set up for conference call for commission pre-hearing conference; Participate in pre-hearing conference and set negotiation meeting deadline; Telephone conference with Tony Yankel Re: results of pre-hearing scheduling conference | 1.80 |
| 6-5-03 | Telephone conference with Tony Yankel Re: Settlement position of the Irrigators; Telephone conference with Bart Kline and Greg Said Re: proposed deferral amount; call and leave message with Lynn Tominaga Re: upcoming settlement meeting | 0.50 |
| 6-6-03 | Email Barton Kline Re: getting a copy of Idaho Power's settlement proposal | 0.10 |
| 6-9-03 | Review Commission orders on PCA case and Idaho Power's settlement proposal; Call and leave message with Tony Yankel | 0.50 |
| 6-10-03 | Telephone conference with Tony Yankel Re: review of Idaho Power's settlement proposal; Call and leave message with Peter Richardson Re: same | 0.90 |
| 6-10-03 | Telephone conference with Tony Yankel Re: Idaho Power's position on the settlement conference | 0.70 |
| 6-13-03 | Travel to Boise for settlement conference | No Charge |
| 6-13-03 | Attend settlement conference with Idaho Power and Commission staff | 3.20 |
| 6-13-03 | Travel back to Pocatello | No Charge |
| 6-25-03 | Review Tony Yankel's comments on settlement proposal; Telephone conference with Toy Yankel Re: same; Review the Idaho Power's Proposed stipulation | 0.80 |
| 7-1-03 | Telephone conference with Lisa Nordstrom Re: Irrigator's position on size of credit that Idaho Power is proposing; Email to Lisa Nordstrom our thoughts on calculation of the credit; Telephone conference with Tony Yankel Re: same | 0.50 |
| 7-2-03 | Telephone conference with Bart Kline Re: issue with the amount of the credit proposed by Idaho Power; Telephone conference with Tony Yankel Re: same | 0.30 |
| 7-6-03 | Fax Yankel's comments to Bart Kline, Greg Said, and Ric Gail | 0.20 |

| | | | |
|---------|---|-----------|------------|
| 7-8-03 | Email to Tony Yankel Re: status of PCA case | 0.10 | |
| 7-9-03 | Telephone conference with Lisa Nordstrom Re: setting up second settlement negotiations meeting on PCA case; Email irrigators position to Peter Richardson and Don Reading | 1.00 | |
| 7-11-03 | Dictate letter to Idaho Power Re: settlement position on size of credit | 0.10 | |
| 7-11-03 | Review proposed stipulation; Review Yankel's comments on IPC proposed credit and revise letter to Bart Kline IIPA calculation of the same | 2.10 | |
| 7-18-03 | Call and leave message with Bart Kline; Call and leave message with Lisa Nordstrom Re: upcoming PCA meeting | 0.20 | |
| 7-21-03 | Telephone conference with Bart Kline Re: discussion of settlement positions; Telephone conference with Tony Yankel Re: settlement positions and patching him in by conference call; Telephone conference with Randy Lobb Re: PCA case; Email to Bart Kline Re: setting up conference call | 0.90 | |
| 7-22-03 | Trave to and from Boise to attend settlement conference | No Charge | |
| 7-22-03 | Prepare for and attend settlement conference | 2.80 | |
| 7-28-03 | Email to Tony Yankel Re: Status of PCA case; Telephone conference with Tony Yankel Re: Same | 0.10 | |
| 8-13-03 | Prepare comments on the stipulation and email same to Bart Kline, Lisa Nordstrom and Peter Richardson; Draft application for intervenor funding | 1.90 | |
| 8-18-03 | Sign stipulation and dictate letter to PUC secretary Re: same | 0.10 | |
| 9-19-03 | Finalize application for Intervenor funding | 2.00 | |
| | For Current Services Rendered at \$150.00 per hour | 30.6 | \$4,590.00 |

Costs:

| | | | |
|---------|----------------------------------|--------|----------|
| 6-13-03 | Airline Ticket to Boise and Back | 200.00 | |
| 6-30-03 | Long Distance Telephone Expense | 17.22 | |
| 7-22-03 | Airline Ticket to Boise and Back | 200.00 | |
| 7-31-03 | Long Distance Telephone Expense | 6.63 | |
| 8-31-03 | Long Distance Telephone Expense | 6.30 | \$430.15 |

Total Current Work & Costs \$5,020.15

Balance Due \$5,020.15

ATTACHMENT 2

Idaho Power PCA

| | <u>Date</u> | <u>Hours</u> | <u>Description</u> |
|-------|-------------|--------------|--|
| April | 18 | 3 | Review PCA filing; investigate the basis for the different percentage change to the Irrigators; review old Orders associated with same. |
| | 23 | 3 | Continued review of PCA filings and investigating the basis for the different percentage change to Irrigators; conversation with Staff regarding calculations. |
| | 24 | 3 | Continued review of past PCA procedures; review this filing; talk to Staff regarding calculations. |
| | 25 | 6 | Continued review of past PCA procedures; review this filing; talk to Staff regarding calculations. |
| | 26 | 2 | Continued review of past PCA procedures; review this filing; develop data requests. |
| May | 5 | 4 | Review past PCA's; calculate impacts; draft comments. |
| | 6 | 6 | Continued review of past PCA's; calculate impacts; draft comments. |
| | 12 | 2 | Review Staff comments and respond to Olsen. |
| | 20 | 4 | Review historic usage data, Commission Order, and Company position in order to define what will be needed in the way of additional data. |
| | 23 | 2 | Continued review of Commission Order to define what will be needed in the way of additional data for a hearing. |

| | <u>Date</u> | <u>Hours</u> | <u>Description</u> |
|------|-------------|--------------|--|
| | 28 | 3 | Continued review of historic usage data, Commission Order, and Company position in order to define what will be needed in the way of additional data for a hearing, develop interrogatories. |
| June | 9 | 1 | Review IPCo proposal. |
| | 10 | 2.5 | Review IPCo proposal; talk to Olsen and Lobb; prepare comments. |
| | 16 | 2 | Conversations with Olsen and Lobb regarding IPCo proposed settlement; review data. |
| | 17 | 2 | Review proposed settlement terms; conversation with Lobb regarding the proposed settlement and the differences in our expectation of the language in the agreement. |
| | 25 | 2 | Review IPCo's Proposed Stipulation; review files, prepare response to settlement proposal. |
| July | 1 | 4 | Review materials regarding problems with the PCA and write a memo regarding their problem and possible solutions. |
| | 9 | 2 | Conversations with Lobb and Olsen; review position regarding PCA deferral; develop simple settlement document. |
| | 22 | 3 | Prepare for and attend settlement conference via conference call. |

Total: 56.5 x \$100.00 per hour = \$5,650.00