

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION )  
OF IDAHO POWER COMPANY FOR )  
AUTHORITY TO INCREASE ITS RATES ) CASE NO. IPC-E-03-13  
AND CHARGES FOR ELECTRIC SERVICE )  
TO ELECTRIC CUSTOMERS IN THE STATE )  
OF IDAHO. )  
\_\_\_\_\_ )

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

SUSAN J. FULLEN

1 Q. Please state your name, address, and present  
2 occupation.

3 A. My name is Susan J. Fullen. My business  
4 address is 1221 West Idaho Street, Boise, Idaho. I am  
5 General Manager of Customer Services and Metering for Idaho  
6 Power Company.

7 Q. What is your educational background?

8 A. In 1988 I received a Bachelor of Science in  
9 Management Technology from Lewis-Clark State College, and  
10 in 1991 I received a Master of Business Administration from  
11 Portland State University. I am currently enrolled in the  
12 Doctor of Business Administration Program at the University  
13 of Phoenix.

14 Q. Please outline your experience with Idaho  
15 Power Company.

16 A. In July of 1980, I began my career with  
17 Idaho Power as a Collections Clerk in Hailey, Idaho.  
18 Shortly after that I relocated to the Southern Division  
19 headquarters in Twin Falls and became a Customer Service  
20 Representative. In 1982 I was promoted to Customer Service  
21 Supervisor in the Boise Customer Service Department. In  
22 1983, I relocated back to Twin Falls and was a Customer

1 Service Representative until 1985 when I was again promoted  
2 to Customer Service Supervisor. In 1987 I was promoted to  
3 Assistant Division Accounting Manager in the Idaho Power  
4 Western Division. In 1991 I was promoted to the Ontario  
5 District Manager position, and in 1992 I was promoted to  
6 the Southern Division Accounting Manager. From November of  
7 1994 through August of 1995 I was assigned to work on the  
8 Distribution Department reorganization. In September of  
9 1995, I was promoted to Manager of Energy Services of the  
10 Eastern Region. In 1997, my title was changed to Area  
11 Manager of the Southern Region. In 1999, I was promoted to  
12 Customer Services Manager. In 2002, I was promoted to my  
13 current position of General Manager of Customer Services  
14 and Metering. In this position, I oversee the customer  
15 care operations, the customer information system, the  
16 billing processes, including metering, the demand-side  
17 management activities, and the customer relations and  
18 research activities. I have been active in the Edison  
19 Electric Institute Customer Services Organization, serving  
20 as the Chair for this committee in 2002.

21 Q. What is the purpose of your testimony in  
22 this proceeding?



1 emphasis on customer satisfaction measurements. I will  
2 elaborate on each of these changes.

3 Q. Please describe the move to centralized  
4 business transactions.

5 A. Prior to the establishment of the Customer  
6 Service Center in 1994, Idaho Power operated with  
7 approximately 31 District Offices. These offices  
8 individually performed customer service functions. Those  
9 functions included taking and processing cash payments,  
10 work associated with customer movement, billing, credit and  
11 collections, answering outage and trouble calls, and the  
12 administrative aspects of new construction. Offices  
13 operated Monday through Friday from 8:00 AM. to 5:00 PM  
14 with smaller offices closing at noon. The difficulties  
15 with this type of operation at Idaho Power were: (1)  
16 limited office hours, (2) high operating expenses to  
17 maintain the offices, (3) difficult and costly deployment  
18 of customer service technology across 31 locations, (4)  
19 maintaining consistency in operations, (5) multiple phone  
20 contacts for customers needing to conduct business with  
21 more than one Idaho Power district office, and (6)  
22 inability to effectively measure and track performance

1 because of a lack of technology to capture the data.

2 In order to address these issues, in 1993 Idaho  
3 Power embarked on a transition to a more centralized  
4 operation beginning with the closing of the Shoshone  
5 district office. This transition continued over several  
6 years and has benefited our customers in a number of ways.

7 The benefits our customers experience from the new  
8 approach include: (1) expanded full service business office  
9 hours of 7:30 AM to 6:30 PM, Monday through Friday, (2) a  
10 single phone number for customers in the Treasure Valley  
11 and a toll-free 800 number for customers outside the  
12 Treasure Valley calling area, (3) consistency in service  
13 and information regarding our policies and procedures, and  
14 (4) prompt service with over 80 percent of our inbound  
15 calls answered within 30 seconds.

16 The Customer Service Center employs a well-trained  
17 staff with specific customer service skills and uses state  
18 of the art technology. Idaho Power monitors calls for  
19 quality and to provide on-going training support to  
20 personnel. All Customer Service Representatives (CSRs)  
21 have defined standard performance expectations. A  
22 performance management system is utilized that provides

1 feedback to ensure that our customers receive superior  
2 customer service.

3 Idaho Power employs bi-lingual CSRs that provide  
4 native language service to the Company's Spanish-speaking  
5 customers. Additionally, we provide an outside language  
6 line service to help Idaho Power communicate with other  
7 non-English speaking customers.

8 Q. How has Idaho Power's Customer Information  
9 System changed since the last general rate case?

10 A. In November of 2000, the Company installed a  
11 new Customer Information System (CIS) that provides many  
12 enhancements for customers as well as improved access to  
13 customer information for our CSRs, thus increasing our  
14 ability to be responsive. Bill presentation has been  
15 improved for easier customer understanding. The system is  
16 available nearly 24 hours a day, 7 days a week, and  
17 facilitates the use of self-service technologies such as  
18 Interactive Voice Response Units and integration with the  
19 Internet. Single account number and enhanced rate option  
20 capability, integrated trouble orders, and improved  
21 customer relationship management documentation are now  
22 standard.



1 communicating with the customer.

2           Should a customer's bill need to be revised or  
3 recalculated, the new system automatically calculates and  
4 prints a new bill, thus avoiding the manual calculations  
5 that were performed in the past.

6           Also, the new CIS provides customers with the  
7 opportunity to have duplicate bills and notices sent to a  
8 third party of their choice.

9           Q.       Please describe additional payment options  
10 provided by the Company.

11          A.       Idaho Power offers various payment options  
12 to customers including 61 pay stations dispersed throughout  
13 the Idaho service territory, electronic funds transfer,  
14 automatic deduction from the customer's bank account,  
15 internet payment options, payment by mail, check by phone,  
16 and credit card payments.

17          Q.       How has Idaho Power improved retail customer  
18 access to account information?

19          A.       Idaho Power provides customers with account  
20 information through an Interactive Voice Response Unit  
21 (IVRU) that allows customers to access their account  
22 information nearly 24 hours a day, 7 days per week. The

1 IVRU provides customers with the capability to make payment  
2 arrangements, retrieve billing, payment, and meter reading  
3 information, sign up for Budget Pay, and access  
4 conservation and usage information. Idaho Power's  
5 telephone menu has been recognized by Enterprise  
6 Integration Group as "above average" for both the utility  
7 industry and call center industry for overall quality,  
8 voice quality, information delivery, user friendliness, and  
9 ease of operation. Idaho Power's telephone menu scores are  
10 shown on Exhibit 51, a one-page exhibit entitled "Idaho  
11 Power Overall Score".

12 Q. Has Idaho Power also improved its outage  
13 management and communication systems?

14 A. Yes. Ten years ago Idaho Power's outage  
15 management system was not an integrated system. It  
16 consisted of separate dispatch centers with limited  
17 telephone lines and limited use of technology to convey  
18 information. Although 24 hours a day, 7 days a week  
19 coverage was available, it was often staffed by only one  
20 person with multiple urgent activities to respond to while  
21 keeping the electrical distribution system operational.  
22 The ability to provide relevant customer information was

1 limited until additional help arrived. Idaho Power had no  
2 system to contact customers prior to a planned outage, and  
3 very little technology to identify an outage location  
4 unless customers called to tell us they were out of  
5 service. Today, Idaho Power provides 24 hour a day, 7 days  
6 a week coverage for outage calls. The IVRU provides up to  
7 date information for up to 144 customers simultaneously.  
8 In case of unplanned outages, the Company has at least one  
9 customer service specialist available at all times (along  
10 with dispatch personnel), a monitoring system that notifies  
11 the Company of outages, and a state of the art outage  
12 management system that identifies outages by locations.  
13 Additionally, there is an outbound calling system to inform  
14 customers of planned outages prior to their occurrence.

15           Among 75 utilities, Idaho Power was ranked tenth in  
16 the nation in a 2003 national survey conducted by J. D.  
17 Powers and Associates in the outage notification category.  
18 Exhibit 52, a one-page exhibit entitled "Providing Outage  
19 Information - Top Rated Utilities", shows the ratings for  
20 the top-rated utilities in this category.

21           Q.       How does Idaho Power provide customer  
22 service outside of the Customer Service Center?

1           A.       Idaho Power has operation centers throughout  
2 the service territory to build, operate, and maintain its  
3 transmission and distribution facilities. These centers  
4 are open Monday through Friday for general business  
5 activities primarily related to the lines operations.

6           Idaho Power manages its operations to respond to  
7 emergency situations 24 hours a day, 7 days a week, and is  
8 staffed at designated locations throughout the service  
9 territory to ensure quick response, as well as a presence  
10 within the communities it serves.

11           As stated earlier, Idaho Power provides 61 pay  
12 stations serving 37 communities throughout the Idaho  
13 service territory to receive cash payments. In addition,  
14 each of the operation centers has a drop box available for  
15 check or money order payments. The operation centers also  
16 provide assistance to customers (via a direct telephone  
17 line to our customer service center) for most customer  
18 inquiries, and can direct customers to the appropriate  
19 personnel for other inquiries.

20           Idaho Power also has representatives staffed locally  
21 within the regions to accommodate customers at their home  
22 or business. Personal assistance is available for

1 customers in all rate classes regarding billing inquiries,  
2 energy efficiency programs, power quality, and other  
3 inquiries best accommodated through face-to-face  
4 communication.

5 Collection and service connection activities are  
6 performed out of the regional offices, and personnel are  
7 available 24 hours a day to respond to these requests. In  
8 addition, meter reading activities allow for personal  
9 interaction at the customer's premises. Idaho Power  
10 strives to provide information to all its employees in  
11 order to respond to customers' inquiries through any of  
12 these interactions.

13 Large industrial and commercial customers have a  
14 dedicated representative who actively manages their  
15 accounts. The representative is charged with ensuring that  
16 these customers are aware of any planned outages and  
17 changes to their service.

18 Q. How well are your metering and billing  
19 systems performing?

20 A. Idaho Power's systems are performing very  
21 well. Even though our service territory is more rural than  
22 most, the Company cost per meter read is comparable to the

1 EEI average (see Exhibit 53 entitled "Cost Per Meter  
2 Read"). The Company's meter reading accuracy rate is 99.8  
3 percent. Additionally, Idaho Power's system-estimated  
4 meter reads, corrected meter reads, and meter reread  
5 requests are minimal as indicated by Exhibit 54, entitled  
6 "Meter Reading Quality".

7 Q. In addition to the direct customer service  
8 activities previously described, has Idaho Power made  
9 improvements in the way it interacts with the communities  
10 it serves?

11 A. Yes. The Company has implemented an  
12 improved facility siting process, it maintains an active  
13 community relations program, and provides substantial  
14 corporate and employee contributions of both time and  
15 money.

16 Q. Please describe Idaho Power's improved  
17 distribution and transmission facility siting process.

18 A. In 2002, Idaho Power substantially revised  
19 its new distribution and transmission facility siting  
20 process to more actively promote community participation  
21 and gather public input. The primary objectives of this  
22 process are to develop, publish, and share long range plans

1 with jurisdictional authorities and customers in order to  
2 foster an understanding of the facilities needed to meet  
3 electricity needs, to purchase substation sites, and to  
4 acquire transmission rights in advance of the need and  
5 before physical development in a given area overtakes our  
6 ability to economically provide necessary infrastructure.  
7 The overall goal is to ensure that we provide the needed  
8 infrastructure in a timely fashion and in a manner that is  
9 compatible with community needs.

10 Q. How else is Idaho Power involved with the  
11 communities it serves?

12 A. Idaho Power continues to work with our  
13 communities and to encourage employee participation in  
14 local activities. Idaho Power has five community relations  
15 representatives and five community education  
16 representatives dedicated to working with the communities  
17 and schools to: (1) educate the public on energy usage,  
18 electrical safety, hydroelectric relicensing, and rate-  
19 related issues, (2) plan and manage growth, and (3) to  
20 promote the local economies.

21 In addition, Idaho Power contributed over \$640,000  
22 in 2002 to community, civic, health, educational, and other

1 non-profit organizations. These contributions are made on  
2 behalf of our shareholders and are not part of our current  
3 rate request.

4           The Company's employees are among the most giving in  
5 the region in both time and contributions. Idaho Power  
6 employees, families, and friends have a major impact in  
7 volunteering with several community projects and they have  
8 set the standard for several events. Idaho Power employees  
9 have consistently raised the most money per employee for  
10 Idaho Public TV and have had the highest employee  
11 participation rate for years. Company employees have  
12 raised the most money for the American Heart Association  
13 Heart Walk for 2002 and 2003. Idaho Power established a  
14 Boise citywide record in 2002 with Rake Up Boise, a program  
15 of the Neighborhood Housing Services, Inc., by raking 45  
16 yards of senior citizens. Idaho Power has also provided  
17 energy boxes to the more than 600 homes of senior citizens  
18 whose yards were raked. The energy boxes contained a  
19 florescent light bulb, an energy calculator and information  
20 on efficient use of energy.

21           Company employees tied the record at four homes in  
22 2003 for most homes painted as part of Paint the Town, a

1 program of the Neighborhood Housing Services, Inc., which  
2 paints the homes of economically disadvantaged senior  
3 citizens and disabled persons. Idaho Power also  
4 participates in similar paint projects in Pocatello and in  
5 Malheur County, Oregon.

6 In November and December, employees participate in  
7 "Take a Turkey to Work Day" which distributes turkeys,  
8 hams, and other food items to the Idaho Food Bank and other  
9 food distribution agencies throughout Idaho Power's service  
10 area. Idaho Power employees also participate in numerous  
11 civic and community organizations, Chamber of Commerce  
12 events, scouting groups, and fund raisers.

13 Q. What has Idaho Power Company done to assist  
14 low-income customers?

15 A. Idaho Power has actively promoted and  
16 managed the collection of contributions from customers for  
17 Project Share and has made direct corporate contributions  
18 in the amount of \$25,000 per year from 1999 through 2003 as  
19 well as an extra \$100,000 was contributed during the recent  
20 high energy cost years. In addition, for each dollar that  
21 is collected via customer contributions, Idaho Power adds  
22 10 percent to that amount for Salvation Army Project Share

1 administrative costs. Our regulatory department has  
2 informed me that Project Share contributions are not part  
3 of the Company's rate request.

4 In addition to Project Share, Idaho Power has spent  
5 approximately \$252,000 per year for Idaho's Low Income  
6 Weatherization Assistance (LIWA) program since 1989. Like  
7 the Project Share Program, these funds were also  
8 supplemented during the energy crisis. LIWA expenses are  
9 included in existing rates and continue to be included in  
10 the current rate request. Besides its assistance to low-  
11 income families, LIWA activities provide conservation  
12 benefits to all customers and the Company.

13 Q. Please describe the Company's efforts in the  
14 area of conservation or demand-side management (DSM) since  
15 1994.

16 A. Idaho Power has been engaged in some form of  
17 DSM activities since the last general rate case, although  
18 the emphasis, delivery mechanisms, and rate recovery have  
19 changed throughout the decade.

20 In the early 1990s, deferred accounting was used for  
21 conservation programs and they initially appeared on the  
22 utility's books as regulatory assets. Recovery of DSM

1 expenditures was deferred until regulatory authorization to  
2 begin amortizing the accumulated balances could be obtained  
3 and appropriate rates could be put into effect.

4           At first, annual expenditures for energy efficiency  
5 rose steadily from \$1.9 million in 1990 to a peak of \$6.9  
6 million in 1994. Please see Exhibit 55 for a summary of  
7 DSM spending from 1990 to 2002. In the last half of the  
8 decade, when it appeared that deregulation and increased  
9 competition might jeopardize the recovery of regulatory  
10 assets, the Company, with Commission approval, began  
11 winding down the traditional Company-administered DSM  
12 programs, and instead joined the Northwest Energy  
13 Efficiency Alliance (NEEA) to promote regional market  
14 transformation. Annual expenditures for energy efficiency  
15 activities declined to \$1.6 million by 2000.

16           However, then came the California energy crisis that  
17 had dramatic ripple effects throughout the west including  
18 extraordinarily high wholesale market prices in 2000 and  
19 2001. One of the reactions to these high energy prices was  
20 a renewed focus on DSM activities. In 2002, the Company,  
21 with Commission approval, established the Energy Efficiency  
22 Advisory Group (EEAG) and implemented the Energy Efficiency

1 Rider that exists today. The rider is Schedule 91 of the  
2 Company's Idaho Tariffs.

3           Since 2002, in addition to its continued  
4 participation in the NEEA, the Company has worked closely  
5 with the EEAG in reestablishing a broader portfolio of DSM  
6 activities at Idaho Power. Material progress has been  
7 made. The Compact Fluorescent Lighting (CFL) and the  
8 Energy Star room air-conditioning pilot program have been  
9 successfully completed. Ongoing energy efficiency programs  
10 for residential customers includes the air-conditioner  
11 cycling pilot program, Bonneville Power Administration  
12 (BPA) CFL packets, BPA Energy Check-ups, and BPA Super Good  
13 Cents/Energy Star manufactured homes incentives. Idaho  
14 Power's ongoing commercial programs are the school building  
15 operator training initiative conducted in partnership with  
16 the Northwest Building Operators Association and Air Care  
17 Plus Program, which is a Heating, Ventilating, and Air  
18 Conditioning Efficiency Program. We are currently  
19 implementing new programs for irrigation efficiency and for  
20 industrial efficiency. Additionally, we have a new  
21 residential construction program, a new commercial program  
22 for both existing and new construction, and a BPA program

1 for multi-family construction in the planning stages.

2 Q. What is the purpose of the Northwest Energy  
3 Efficiency Alliance and how does it benefit Idaho Power  
4 customers?

5 A. Idaho Power was one of the founders of the  
6 NEEA and has been a funder and an active participant since  
7 it's inception in 1997. NEEA's mission is to catalyze the  
8 Northwest marketplace to embrace energy efficient products  
9 and services. This mission is accomplished through a  
10 portfolio of projects that works to generate financial  
11 return for consumers in the region by encouraging the  
12 acceptance of energy-efficient products and services in the  
13 marketplace. This acceptance, in turn, will transform  
14 markets in the region so that consumers purchase these  
15 products as a normal part of their buying habits.

16 The primary benefit to Idaho Power customers is low-  
17 cost electricity savings. In 2002 alone, the NEEA has  
18 saved 45 average megawatts (aMW) in the region at a cost of  
19 about a penny per kilowatt-hour. NEEA estimates that Idaho  
20 Power customers have saved about 3 aMW of this energy. The  
21 savings have come about through the availability of more  
22 energy-efficient products in Idaho stores, through the

1 adoption of newer efficient technologies and through  
2 education of customers on the ways to be more efficient.

3           The following are examples of benefits provided to  
4 our customers over the past year facilitated by the  
5 coordination between NEEA-supported projects and Idaho  
6 Power.

7           1.           Compact fluorescent light bulb sales from  
8 the coupon promotion with local retailers totaled 42,642  
9 (as of February 2003). We expect approximately 2.8 million  
10 kilowatt-hours saved each year for utility customers.

11           2.           The year 2002 closed with a market  
12 penetration of ENERGY STAR clothes washers of 27.52 percent  
13 in the state of Idaho, up from 11.47 percent during first  
14 quarter 2001.

15           3.           In November 2002, the Northwest Building  
16 Operators Association launched a Level 1 training series  
17 for Building Operator Certification in partnership with  
18 Idaho Power. As a result, 27 school operators were  
19 certified from 25 school districts within the Idaho Power  
20 service territory. The estimated savings from these 25  
21 school districts is 750,000 kilowatt-hours annually.

22           4.           One NEEA measure, termed "commissioning", is

1 the act of providing documented confirmation that building  
2 systems function in compliance with design criterion. By  
3 incorporating commissioning into the construction of the  
4 Ada County Courthouse project in downtown Boise, the  
5 project is expected to use 20-30 percent less energy than  
6 if it had moved ahead without commissioning. The measure  
7 is saving about 460,000 kilowatt-hours per year at the  
8 340,000 square-foot building.

9           5.           The 2000 International Energy Code, which  
10 includes the International Energy Conservation Code, was  
11 adopted in the state of Idaho in March 2002. NEEA  
12 contributed to this process through funding of liaison  
13 work, city and county education, and training for  
14 architects, engineers, and inspectors. Estimated  
15 additional costs to the residential sector will be \$12.5  
16 million, with a return-on-investment of \$20.5 million in  
17 energy savings. On the non-residential side, the  
18 additional cost of \$713,000 will result in \$4.3 million in  
19 energy savings.

20           6.           Woodgrain Millwork, with plants in Fruitland  
21 and Nampa, has launched a complete motor inventory of their  
22 more than 500 motors and replaced some with energy

1 efficient models. The replacement of just one 250  
2 horsepower motor with a higher efficiency model has  
3 resulted in an annual electric savings of \$600 a year for  
4 the company. The potential savings of upgrading the  
5 efficiency of the 500 motors as they fail is \$300,000 a  
6 year.

7           7.           Henggeler Packaging in Fruitland, Henningsen  
8 in Twin Falls, and Idacold Storage in Nampa are saving over  
9 a million kilowatt-hours a year because of variable  
10 frequency drive installations in their fruit and cold  
11 storage facilities. That translates to about \$50,000  
12 annually for these companies.

13           8.           The city of Emmett, Idaho is saving over  
14 \$37,000 a year in net operations costs at its wastewater  
15 treatment plant because of efficiency improvements  
16 instituted there by BacGen.

17           Idaho also benefits from the NEEA's research into  
18 new innovative products and services. In addition, the  
19 NEEA brings together regional energy efficiency players in  
20 a collaborative effort so that ideas and methods can be  
21 shared. The NEEA provides a background and structure for  
22 Idaho Power to implement local delivery programs so that

1 Idaho Power can bring DSM programs to customers faster and  
2 largely developed.

3 Idaho Power continues to actively participate on the  
4 NEEA Board and will be evaluating continued participation  
5 once the present term expires in 2004.

6 Q. Is Idaho Power participating in other  
7 conservation activities?

8 A. The Company has participated in Bonneville  
9 Power Administration's Conservation and Renewables Discount  
10 since 2001. This program will deploy \$525,600 annually for  
11 programs targeted to Idaho low-income residential customers  
12 through 2006.

13 Q. How does DSM fit into the Company's planning  
14 process?

15 A. The Company has submitted its 2002  
16 Integrated Resource Plan (IRP) that identifies demand-side  
17 resources as a part of the overall resource portfolio. The  
18 2002 IRP viewed demand-side activities as an alternative to  
19 help address future system deficiencies. At the same time,  
20 the document cautioned that conservation and demand-side  
21 measures must be carefully targeted to cost-effectively  
22 address the projected deficits due to the nature and timing

1 of the projected peak deficits and transmission overloads.

2 Idaho Power is actively engaged in the development  
3 of its 2004 IRP. It is my understanding, from discussions  
4 with Mr. Gale and Mr. Said, that this 2004 process will  
5 place a greater emphasis on a more collaborative approach  
6 than has been the case in recent IRP efforts. The process  
7 change is driven by the changing energy environment and by  
8 Commission direction. It is also my understanding that DSM  
9 activities will be evaluated and integrated with supply-  
10 side activities in the 2004 IRP.

11 Q. What is Idaho Power Company's corporate  
12 position with respect to conservation or DSM?

13 A. In light of the changes in our industry, and  
14 the political, and regulatory landscape, Idaho Power has  
15 developed a new policy direction for demand-side  
16 management. This policy focuses on four core values: (1)  
17 customer efficiency and satisfaction, (2) resource planning  
18 and acquisition, (3) environmental ethics and stewardship,  
19 and (4) responsibility to all stakeholders. Idaho Power  
20 will pursue a balanced approach to DSM program selection  
21 that reflects these four core values.

22 Q. Is the Company truly committed to pursuing

1 that goal?

2 A. Yes. I have fully reviewed our DSM  
3 activities and plans with senior management and have the  
4 complete support of Mr. Keen and the rest of the Idaho  
5 Power's executive management team.

6 Q. Does Idaho Power conduct benchmarking with  
7 other utilities and measure its customer service  
8 performance?

9 A. Yes. Idaho Power actively monitors its  
10 Customer Service Key Performance to ensure that excellent  
11 customer service is provided. One key performance  
12 indicator is "Automated Call Distribution" Service Level.  
13 Exhibit 56 shows Idaho Power's performance in this area.  
14 Exhibit 57 is a "Call Handle Time Comparison" between Idaho  
15 Power and the 2002 average of EEI-surveyed companies.  
16 Exhibit 58, entitled "Call Volume", is a breakdown of the  
17 number of calls handled by the customer service interactive  
18 voice response (CSIVR) unit, the outage interactive voice  
19 response (Outage IVR) unit, and customer service  
20 representatives calls (CSR calls).

21 The customer care operation also benchmarks with  
22 peer utilities by utilizing the Edison Electric Institute's

1 DataSource Tool, which provides operating data from 63  
2 energy companies across the nation. This data indicates  
3 that the Company performs at a level comparable with or  
4 above our peers. A comprehensive breakdown of all of Idaho  
5 Power's benchmark statistics, that indicate how the Company  
6 performs in the areas of customer calls and billing and  
7 payment statistics, is included in my workpapers.

8 Q. Does Idaho Power survey its customers for  
9 levels of customer satisfaction and, if so, what are the  
10 results of those surveys?

11 A. Yes, it does. Idaho Power relies primarily  
12 on two studies for customer satisfaction measurement.  
13 Idaho Power has contracted with Burke Customer Satisfaction  
14 Associates (CSA) to conduct quarterly customer relationship  
15 surveys since 1995. In addition to the Burke CSA surveys,  
16 Idaho Power acquires the results of the annual J.D. Powers  
17 and Associates Electric Utility Residential Customer  
18 Satisfaction Study. The J.D. Powers and Associates study  
19 is used primarily as a benchmark to other electric  
20 utilities.

21 During the 2000-2001 energy crisis, Idaho Power's  
22 satisfaction levels dropped in tandem with those of other

1 western utilities. Upon implementation of the Company's  
2 new business model, Idaho Power began to experience  
3 improved customer satisfaction ratings from all customer  
4 segments. Idaho Power's customer satisfaction has steadily  
5 improved since 2001 and Idaho Power is hoping to exceed  
6 pre-energy crisis satisfaction levels.

7 Idaho Power's primary measure for customer  
8 satisfaction in the Burke CSA surveys is the Customer  
9 Relationship Index (CRI). The CRI encompasses responses  
10 from all customer segments to five questions related to  
11 overall satisfaction, overall quality, overall value,  
12 likelihood to recommend, and Idaho Power's caring. Burke  
13 CSA's most recent survey results show Idaho Power's CRI at  
14 82 percent which indicates a higher level of satisfaction  
15 than at any other time since Burke CSA has been conducting  
16 surveys for Idaho Power. According to this report, not  
17 only has Idaho Power improved its customer satisfaction  
18 level in every customer segment, but Idaho Power is also  
19 approaching customer satisfaction levels of what Burke CSA  
20 considers a "Superior Performing Firm". See Exhibit 59,  
21 which includes a "Summary of Overall Measures and Customer  
22 Relationship Index for Idaho Power" and "Strength of

1 Customer Satisfaction".

2           In addition to the Burke CSA studies, J.D. Powers  
3 and Associates also surveys Idaho Power customers in its  
4 annual Electric Utility Residential Customer Satisfaction  
5 Study. In 1999, Idaho Power was ranked second in the  
6 nation and tied for first in the western region in the J.D.  
7 Powers and Associates' customer satisfaction study. In the  
8 2002 study, Idaho Power was reclassified as a medium-sized  
9 utility along with eighteen other utilities that have  
10 between 250,000 and 400,000 residential customers. The  
11 2003 survey results indicate that Idaho Power rated eighth  
12 in the nation in the medium-sized utility group and was  
13 first among northwest utilities. (See Exhibit 60). The  
14 2003 J.D. Powers and Associates study shows Idaho Power  
15 providing significantly high levels of customer  
16 satisfaction in the areas of Customer Service, Billing and  
17 Payment Options, Power Quality and Reliability (especially  
18 regarding keeping customers informed about an outage),  
19 Company Image, and Price and Value. Idaho Power is pleased  
20 with our current customer satisfaction performance and  
21 remains committed to providing superior service to our  
22 customers.

1           Q.       Does this conclude your direct testimony in  
2 this case?

3           A.       Yes, it does.