



An IDACORP Company

IDAHO POWER COMPANY
P.O. BOX 70
BOISE, IDAHO 83707

RECEIVED
FILED



2004 NOV 29 AM 9:28

IDAHO PUBLIC
UTILITIES COMMISSION

JEANNETTE C. BOWMAN
Senior Analyst
Pricing and Regulatory Services

(208) 388-2718
FAX (208) 388-6449

November 24, 2004

Ms. Beverly Barker
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

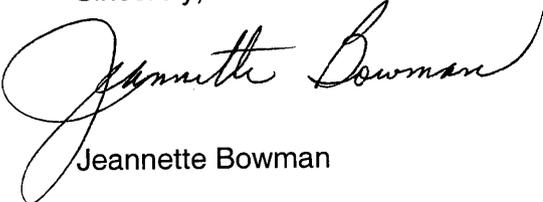
RE: Case No. IPC-E-04-20
Revision of Irrigation Deposit Requirements

Dear Ms. Barker:

In the Idaho Public Utilities Commission Order No. 29639, it instructs Idaho Power Company to provide at least 30-days notice to those irrigation customers with current outstanding balances in excess of \$1,000 prior to implementing the new Tier 2 deposit requirement upon them (no later than December 1, 2004). Attached is the template of the letter Idaho Power Company sent today to 123 Idaho irrigation customers who currently have outstanding balances of over \$1,000 and are, therefore, at risk of being required to make a Tier 2 irrigation deposit in 2005.

If you have any further questions, please feel free to contact me at 388-2718 or jbowman@idahopower.com.

Sincerely,



Jeannette Bowman

Attachment

c: Ric Gale
Maggie Brilz
P&RS/Legal Files



**IDAHO
POWER**

An IDACORP Company

«Farm»
«Address_1»
«Address_2»
«City_State»

November 24, 2004

Dear «Name»:

Idaho Power Company has made changes to its deposit requirements for its Idaho irrigation customers. Certain customers will now be required to make a deposit in one of two categories, depending on their payment and credit history. In the "Tier 1" category, a deposit will be required from customers who have received two or more reminder notices for past due payments over \$100. In the new "Tier 2" category, a larger deposit will be required from customers who have an outstanding past due balance greater than **\$1,000** as of December 31.

Our records indicate the past due balance on your most current Idaho Power bill is greater than \$1,000. You may avoid the requirement to pay a Tier 2 deposit by paying this balance prior to December 31. Tier 2 deposits are computed using the following formula:

- (a) The Monthly Billing Demand is determined by multiplying 80 percent times the connected horsepower for your pumps.
- (b) The Monthly Energy (billing kWh) is determined by multiplying 50 percent times 720 hours times the Monthly Billing Demand.
- (c) The Monthly Billing Demand and the Monthly Energy are multiplied by the current rates and added to the Irrigation In-Season Service Charge to determine the estimated monthly bill.
- (d) The estimated monthly bill is multiplied by a factor of four (4) to determine your required deposit amount.

Your monthly bill will be deducted from your Tier 2 deposit balance, which includes accrued interest, until the balance is depleted. Once the deposit balance is depleted, all subsequent billings will be due and payable each month. Any deposit balance remaining at the time your September billing is prepared or you request service be disconnected, whichever is earlier, will be applied to your account at that time.

If your past due balance is below \$1,000 on December 31, you may still be required to pay a Tier 1 deposit if you received two or more reminder notices for past due payments over \$100. Tier 1 deposits are computed on the same basis as the Tier 2 deposit outlined above except the estimated monthly bill is only multiplied by a factor of one and one-half (1.5). For Tier 1 deposits, the deposit plus accrued interest is only applied to your account at the time your September billing is prepared or you request service be disconnected, whichever is earlier.

A deposit may be paid directly or an irrevocable letter of credit may be provided in the amount of the deposit from a financial institution acceptable to Idaho Power.

Regardless of whether you are required to pay a Tier 1 or a Tier 2 deposit, the deposit plus all outstanding past due balances must be paid in full in order to receive electrical service for the upcoming irrigation year.

If you need to request your current balance or have any other questions, please contact the Customer Service Center at 388-2323 from within the Treasure Valley, or 1-800-488-6151 from all other areas. Please say "irrigation" when prompted on the phone menu.

Sincerely,

IDAHO POWER COMPANY