

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF IDAHO POWER COMPANY FOR ) CASE NO. IPC-E-04-20  
AUTHORITY TO REVISE DEPOSIT )  
REQUIREMENTS IN SCHEDULES 24 AND ) NOTICE OF APPLICATION  
25 FOR ELECTRIC SERVICE TO )  
IRRIGATION CUSTOMERS ) NOTICE OF MODIFIED  
 ) PROCEDURE  
 )  
 ) ORDER NO. 29609**

---

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that on September 17, 2004, Idaho Power Company filed an Application requesting authority to revise the deposit requirements under Schedules 24 and 25 for electric service to irrigation customers. In the Application Idaho Power requests an effective date of October 18, 2004, and that its Application be processed under Modified Procedure. The Company states that letters were sent to its current irrigation customers to advise them of the Application's filing with the Commission.

YOU ARE FURTHER NOTIFIED that, according to the Application, Idaho Power indicates that it has experienced an increase in unpaid irrigation bills (accounts receivable) and a corresponding increase in bad debt (net write-offs). At the same time, the number of service locations has been increasing while the number of persons responsible for those service locations has been decreasing. The Company states that consolidation of accounts into the hands of fewer customers raises the level of risk to which it is exposed.

YOU ARE FURTHER NOTIFIED that in order to minimize its exposure to uncollectables, Idaho Power proposes to revise its deposit policy for irrigation customers by collecting a higher deposit from those customers who pose a higher credit risk. Customers asked to pay a deposit will continue to have the option of providing an irrevocable Letter of Credit from a financial institution. If approved, a customer who owes an outstanding balance of over \$1,000 on December 31 will be required to pay a "Tier 2" deposit based upon a formula that in essence collects the customer's bill for the next irrigation season in advance. A customer who has been discharged from bankruptcy or who has had receivership proceedings terminated will also be required to pay a Tier 2 deposit. The Tier 2 deposit will be applied to each monthly bill

as it becomes due throughout the season. A customer who owes less than \$1,000 on December 31 but who has received two or more reminder notices of \$100 or more during a 12-month period or customers whose service is disconnected during the out-of-season period due to non-payment (i.e., customers who meet the current criteria for requiring a deposit) will be required to pay a "Tier 1" deposit. The deposit criteria and formula currently in use for calculating deposit amounts would be applied to calculate Tier 1 deposits. A customer required to pay a Tier 2 deposit one year will be required to pay a Tier 1 deposit the following year.

YOU ARE FURTHER NOTIFIED that the Application filed in this case may be viewed online at [www.puc.state.id.us](http://www.puc.state.id.us) by clicking on "File Room" and "Electric Cases," or it can be viewed during regular business hours at the offices of the Idaho Public Utilities Commission, 472 West Washington Street, Boise, Idaho.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Application in this case. The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that Modified Procedure and written comment have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that if no protests or written comments are received within the deadline, the Commission will consider the matter and enter its Order without a hearing. If protests or comments are filed within the deadline, the Commission will consider them and may, in its discretion, set the matter for hearing or decide the matter and issue its Order on the basis of the written positions before it. IDAPA 01.01.01.204.

#### **NOTICE OF COMMENT/PROTEST DEADLINE**

YOU ARE FURTHER NOTIFIED that **the deadline for filing written comments or protests** with respect to the Application and the Commission's use of Modified Procedure in

Case No. IPC-E-04-20 is **21 days from the service date of this Order**. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. IPC-E-04-20 should be mailed to the Commission and to Idaho Power Company at the addresses reflected below.

Commission Secretary Idaho Public Utilities Commission PO Box 83720 Boise, ID 83720-0074  Street Address For Express Mail: 472 W. Washington Street Boise, ID 83702-5983	Monica B. Moen Maggie Brilz Idaho Power Company PO Box 70 Boise, ID 83707  Street Address for Express Mail: 1221 W. Idaho Street Boise, ID 83702  E-mail: <a href="mailto:mmoen@idahopower.com">mmoen@idahopower.com</a> <a href="mailto:mbrilz@idahopower.com">mbrilz@idahopower.com</a>
---	--

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's homepage located at [www.puc.state.id.us](http://www.puc.state.id.us). Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Idaho Power at the address listed above.

### DISCUSSION

Idaho Power Company is operating or managing electric plant for compensation within the state of Idaho, and is a public utility as defined by Idaho Law. *Idaho Code* §§ 61-104, 61-118, 61-119, 61-129.

Idaho Power has submitted a proposed revision in the deposit requirements applicable to irrigation customers to become effective on and after October 18, 2004. We find the Application requires the Commission's investigation into the reasonableness of the proposed revisions. The Commission is unable to consider the proposed revisions before October 18, 2004, and therefore finds it reasonable to suspend those revisions for a period of 60 days. This will provide time for interested persons to review the Company's proposed revisions and submit comments.

## CONCLUSIONS OF LAW

The Idaho Public Utilities Commission has jurisdiction over Idaho Power Company, its Application for Authority to Revise Deposit Requirements for Electric Service to Irrigation Customers, and the issues involved in this case by virtue of Title 61, Idaho Code and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

The Commission has the authority under *Idaho Code* § 61-622 to suspend the proposed revisions that are the subject of the Application.

It is necessary to suspend the rates proposed in the Application for a period of 60 days, or less if the Commission acts sooner, from the effective date of October 18, 2004, to receive customer and Staff comments, to provide sufficient time to calendar further procedure if required, and to consider and determine the issues presented in this Application.

## ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure must do so no later than 21 days from the service date of this Order.

IT IS FURTHER ORDERED that the proposed revisions of deposit requirements in schedules 24 and 25 for electric service to irrigation customers in Case No. IPC-E-04-20 should be, and hereby are, suspended for a period of 60 days from October 18, 2004, or until such earlier time as the Commission may issue an Order accepting, rejecting, or modifying the Application in this case. No change in the existing deposit requirements is permitted without prior Commission approval.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8<sup>th</sup>  
day of October 2004.

  
PAUL KJELLANDER, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

O:IPCE0420\_dw