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sent 2/14/05

✓ To A.V. ✓ To Commus
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IDAHO PUBLIC
UTILITIES COMMISSION

Public Utilities Commission
PO Box 83720
Boise ID 83720
(Fax 3343762)

Subject Case #IPC-E-04-29

Dear Sirs;

I noted in the Weiser Signal American, issue of 1/10/05, that the Commission is considering a request for an increase in our monthly surcharge to fund an expanded conservation program. Since I have a strong interest in how the funds from my power bill are spent, I accessed your web site, downloaded and analyzed the exhibits. I am deeply disturbed by my findings. It seems that the main thrust of this proposed program is directed to Demand Side Management (DSM), the object of which is to reduce the need for peaking power. I understand demand very well and know that there are essentially three ways to reduce peak load demand, namely (1) By shifting peak demand to off-peak periods with time clocks, (2) By increasing the efficiency of the utilization devices, (3) By limiting or controlling the amount of power that a customer can use at peak periods.

I found very little in the exhibits dealing with time clock control. The main thrust of the program seemed to be directed to increasing efficiency in the residential, commercial and industrial sectors and controlling the loads of air conditioners and irrigation pumps at times of peak load.

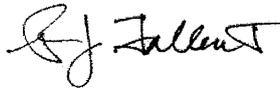
It should be recognized that the potential for significantly decreasing demand by increasing utilization efficiency in the residential, commercial and industrial sectors is very limited. Houses are already so well insulated and sealed that mold is problem, inefficient incandescent lights have nearly all been replaced in all sectors, variable speed motors are common place, and HVAC ducts and water heaters are well insulated. Admittedly, there are some areas where efficiency can be improved, but the improvements, with existing technology, will be small. This area of endeavor is definitely on the downhill side of the diminishing return curve. Thus, the request for increased spending in these areas should be closely scrutinized and the statistical uncertainties in the supporting analysis identified and quantified to assure that the measurable benefits are at least equal to the associated costs. I, personally, see nothing in the proposed program to justify the requested increase in expenditures. The programs should be continued at the present funding level.

The most disturbing of the proposals are those that will allow IPC to control air conditioner and irrigation pump loads. The implications of these proposals are very disturbing. I can tell you right now that the findings will be positive and show that IPC control of these loads will be a very effective way for reducing system demand. My concern is that these findings will provide the basis and rationale for implementing these controls on a Company-wide basis -- which will violate the long established rule that the change in ownership and control of electrical power takes place

at the meter. Under this rule, the power company owns, controls and is responsible for the power on the supply side of the meter and the user owns, controls and is responsible for the power on the users side of the meter. This arrangement has worked very well in the past, and is well established and recognized. It would seem that before this arrangement is changed by a simple rider as proposed, the implications and consequences of such a change should be carefully weighed and evaluated. As an example of one of the many things that could happen, consider the following melodramatic scenario. – Father, who is participating in the IPC program to cycle his air conditioner, comes home to a hot house. The air conditioner is not running, so he calls the local repairman (father doesn't fully understand that cycling means shutting down his air conditioner in hot weather). The repairman is busy, so father undertakes to fix the machine himself. He removes a few covers and checks for power – there is none. So he starts looking for bad connections. At about this time, the dispatcher cycles his machine. Father, who has his bare hands in the wrong spot at the wrong time, gets the full 240 volts. So, we now have a young family without a breadwinner and a situation which will make lawyers rich. We also have a situation which I hope the PUC will never allow to occur. If the PUC decides to adopt the rider allowing IPC control of customer loads, I strongly suggest that appropriate action be taken through changes in the National Electric code to assure that such control will not compromise in any way the health, safety and well being of the users.

I thank you for your consideration

Very Truly Yours

A handwritten signature in black ink, appearing to read "R J Tallent". The signature is written in a cursive style with a large, stylized initial "R".

R J Tallent