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Lisa D. Nordstrom
Attorney II

IDAHO PUBLIC
UTILITIES COMMISSION

February 7, 2007

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P. O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-07-01
Phillips v. Idaho Power

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of the Answer of Idaho Power Company in the above-referenced matter.

I would appreciate it if you would return a stamped copy of this transmittal letter in the enclosed self-addressed, stamped envelope.

Very truly yours,

Lisa D. Nordstrom

LDN:sh
Enclosures

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Attorneys for Idaho Power Company

Street Address for Express Mail:

1221 West Idaho Street
Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

JERENE PHILLIPS,)	
)	CASE NO. IPC-E-07-01
Petitioner,)	
)	ANSWER OF IDAHO POWER
IDAHO POWER COMPANY,)	COMPANY
)	
Respondent.)	
_____)	

COMES NOW Idaho Power Company ("Idaho Power" or the "Company") and, in accordance with IPUC R.P. 057, hereby submits this Answer to the Formal Complaint submitted on January 11, 2007 by Jerene Phillips ("Ms. Phillips"), the Petitioner in the above-entitled matter. Idaho Power hereby denies all of the material allegations contained in Ms. Phillips' Complaint except as specifically admitted by Idaho Power in this Answer. Pursuant to Idaho Public Utilities Commission ("IPUC") Rule of Procedure 057.02(a), any material

allegation not specifically admitted in this Answer shall be considered by the Commission to be denied.

FACTUAL BACKGROUND

Jerene Phillips is an Idaho Power customer and has taken continuous service at 16625 Basin Way in Boise since it was constructed in 1994. Given the service requirements of her all-electric home, the construction plan called for a Current Transformer (CT) installation, thus requiring a meter multiplier (a.k.a. meter constant) to calculate the actual kWhs for billing. On March 26, 2006, during a periodic test Idaho Power visually inspected the CT wiring and exchanged the meter at Ms. Phillips' address for testing as part of a planned maintenance meter exchange. When processing the exchange order, the new meter information and the correct multiplier of 40 were entered into the billing software system.

Idaho Power sent the old meter to its Meter Test Facility and determined that it accurately performed its role towards recording energy usage. After Ms. Phillips called Idaho Power on June 13, 2006 regarding the high energy use on her bill, Idaho Power scheduled an appointment with Ms. Phillips on June 22nd at the premises to help determine why her energy usage had doubled. On June 23rd it was determined a meter error had occurred when a multiplier of 20 rather than 40 had been erroneously inputted into Idaho Power's billing system in 1994 when Ms. Phillips' service was initially established. As a result, Ms. Phillips was charged for only half of her electric usage during the subsequent 12 years.

Later that same day on June 23, the Company advised Ms. Phillips of the error and that an Idaho Power employee would return to the premises to verify that the multiplier of 40 was correct before a corrected billing would be sent. Idaho Power confirmed that the CTs are the correct size, are installed correctly and are still installed at the premises.

On July 12, 2006, an Idaho Power representative called Ms. Phillips to explain that the under-billed usage for the three-year period between April 2003 and March 2006 would be included on her August 8th bill.¹ The representative also explained that payment arrangement options were available, including increased payments over 36 months to pay the re-billed amount.

Ms. Phillips contested the amount of the corrected billing and attempts to settle the matter were not successful. Idaho Power representatives have visited with Ms. Phillips several times to help her better understand her power consumption. The Company also conducted an energy audit of her home and installed a survey meter that records 15-minute intervals to better identify areas in which energy savings can be achieved. Idaho Power has visited the residence several times to confirm the amount of energy the premises is using and provide information promoting energy saving opportunities.

In the fall of 2006, Idaho Power investigated the root causes of incorrect multipliers like the one used on Ms. Phillips' account. Idaho Power reviewed the system data for all transformer rated metering installations (approximately

¹ The August 8, 2006 bill attached as Exhibit "A" to the Complaint reflects inclusion of the \$6,306.34 re-billed amount, which can be found by subtracting the "Account Balance" minus "Current Charges" [6613.79 - 307.45 = 6306.34]. The \$307.45 represents the cost of current use from meter readings 07/06/2006 through 08/04/2006.

19,000) and identified nearly 500 installations with questionable meter multipliers for which field verification orders were produced. The results of these field inspections yielded nine (9) accounts with billing errors due to incorrect multipliers and four (4) accounts with billing errors due to wiring installation problems. As a result of this investigation, Idaho Power has corrected these errors and changed its reporting and monitoring processes to improve billing accuracy. In addition, Idaho Power is presently conducting field inspections to independently verify that 62 previously un-inspected installations are receiving a correct bill.

RESPONSE TO ALLEGATIONS

Except as specifically admitted by Idaho Power in this Answer, Idaho Power Company hereby denies all of the material allegations contained in Ms. Phillips' Complaint filed with the Commission on January 11, 2007. The numbers listed in the following paragraphs correspond to numbering used by Ms. Phillips in her Formal Complaint.

I.

Idaho Power admits the allegations contained in Paragraphs 1, 2, 3, 4, 7 and 9 of the Complaint.

II.

Idaho Power denies allegations in Paragraphs 5, 8, 12 and 22 that the Company installed the wrong CT and meter at Ms. Phillips' residence as well as any claims that its equipment malfunctioned. In 1994 Idaho Power Company installed the appropriate CTs and meter to serve Ms. Phillips' energy needs and

this equipment functioned properly. However, Idaho Power admits that an incorrect multiplier of 20 was inadvertently entered into the Company's billing system. As a result Idaho Power inaccurately prepared Ms. Phillips' bills, thus billing her for only half of her actual usage since the account was opened in 1994.

III.

Idaho Power neither admits nor denies Paragraphs 11, 14 and 21 of the Complaint. The statutes, rules and cases referred to therein speak for themselves.

IV.

Idaho Power denies allegations in Paragraphs 12 and 15 that it lacks authority to issue a corrected billing to Ms. Phillips for the months of April 2003 through March 2006. The Company's billing practices are governed by the Commission and its Rules, specifically Utility Customer Relations Rules 204 and 313 (IDAPA 31.21.01.204 and -.313), which the Commission promulgated pursuant to the legislative authority vested in it by *Idaho Code* §61-507. Idaho Power's actions are in keeping with these Rules and established Commission practice. See Order Nos. 28212 and 28298 (finding Avista properly back billed customers for the maximum three year period after use of an incorrect multiplier was discovered). Accordingly, Idaho Power likewise denies the allegations contained in Paragraphs 16, 18 and 19 of the Complaint.

CONCLUSION

Idaho Power respectfully requests that Ms. Phillips' Complaint be dismissed and that, pursuant to the provisions of the Commission's Utility Customer Relations Rules 204.03 and 313, Ms. Phillips be ordered to pay Idaho Power Company \$6306.34 for electrical service received for the three-year period between April 2003 and March 2006.

RESPECTFULLY SUBMITTED this 7th day of February 2007.



Lisa Nordstrom

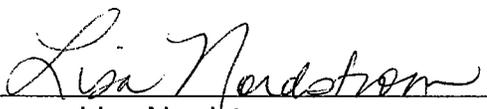
CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 7th day of February 2007, I served a true and correct copy of the within and foregoing Answer of Idaho Power Company upon the following party by the methods indicated below and addressed to the following:

Stanley J. Tharp	<input type="checkbox"/>	Hand Delivered
Eberle, Berlin, Kading, Turnbow,	<input checked="" type="checkbox"/>	U.S. Mail
McKlveen & Jones, Chartered	<input type="checkbox"/>	Overnight Mail
P.O. Box 1368	<input type="checkbox"/>	Electronic Mail
Boise, ID 83701	<input type="checkbox"/>	FAX

Jerene Phillips	<input type="checkbox"/>	Hand Delivered
16625 Basin Way	<input checked="" type="checkbox"/>	U.S. Mail
Boise, ID 83714	<input type="checkbox"/>	Overnight Mail
	<input type="checkbox"/>	Electronic Mail
	<input type="checkbox"/>	FAX

Cecelia A. Gassner	<input type="checkbox"/>	Hand Delivered
Deputy Attorney General	<input checked="" type="checkbox"/>	U.S. Mail
Idaho Public Utilities Commission	<input type="checkbox"/>	Overnight Mail
P.O. Box 83720	<input checked="" type="checkbox"/>	Electronic Mail
Boise, ID 83720-0074	<input type="checkbox"/>	FAX



Lisa Nordstrom