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IPC-E-07-03

March 10, 2007

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Dear Public Utility Commissioners:

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Some time ago I commented against Idaho Power about their attempts to deny signing power contracts with various wind power entrepreneurs who were investing millions of dollars in the attempt to develop alternate energy resources in Idaho. Wisely the Commission required Idaho Power to complete certain contract power agreements with those wind power producers prior to August 4, 2005.

IDAHO PUBLIC
UTILITY COMMISSION

As a disclosure I have no financial interest or stock with Idaho Power or any of the wind power investors. My motivation as a power user in Idaho is that we the consuming public need to be protected from unfair practices of monopolistic power providers and that we should receive reliable, safe, and hopefully low cost power in the future. It is hoped that whatever the Commission decides that they do not eliminate the small alternative source provider that may wish to install a solar power or wind power system for their own use and run any excessive electricity back into the Idaho Power grid. The small independent provider should be exempt from any changes in the current laws that require Idaho Power to allow hook up to their electrical grid and reimburse that provider for their generation of surplus energy. Over the years I have vacillated with the idea of installing a wind or solar system to provide power to my residence, but current cost payback formulas have so far prohibited that idea.

Now I see Case No. IPC-E-07-03 is before the Commission. Based solely upon my cursory reading of local news and Idaho Power's petition plus my limited knowledge I have the following comments and observations to convey:

1. It is my understanding that Idaho Power has paid substantial dollars for their study from an independent source. The results of that study may be substantially accurate. However, in the past it has been customary that several companies pay for an independent study skewing the results biased toward the party paying for the study. Usually the results downplay the negative and embellish statistics and costs in favor of the provider of funding. I am hopeful the Commission will carefully scrutinize this study with a jaundiced eye.
2. I am once again very disappointed in Idaho Power's overall strategic plan. For years they have allowed reverse turbines and smaller alternate power projects to hook up to their system with minimal or no cost to the provider. Now, when power costs have finally raised high enough to attract independent entrepreneurs, along with State and Federal incentives, Idaho Power appears to now look at these new entrepreneurs as competition to their monopoly. As a businessman I realize that certain up front investment costs are necessary in hope of a greater return in the future. It would appear that Idaho Power wants their "cake and eat it", while still harboring desires of establishing their own wind power systems sometime in the future. It is my understanding Idaho Power also has aspirations of building more coal-fired plants to handle our energy appetites. It has become apparent that we as a society, particularly those in positions of authority, need to begin to take

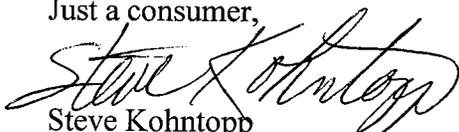
responsibility for the long term environment we will pass on to our descendants. There will most likely be no future hydro projects, but hopefully there will be many more wind and solar projects, and hopefully no more coal fired plants without controlled emissions. Even though these wind power projects may increase the cost of the infrastructure to Idaho Power, Idaho Power should not solely think about their financial bottom line and how a reduction in net income may affect their shareholders. Idaho Power should be sent a message that inhibiting the proliferation of pollution free energy sources by trying to pass through their exorbitant costs will reduce the financial incentive of wind and solar providers to develop their projects. This is not the correct approach for a monopoly to operate.

3. A disturbing article in a March Times News article indicated that one of the potential wind power individuals has been delayed long enough by the moratorium to create their bankruptcy.
4. Idaho Power's requests in Items 1, 2, 3, and 4 should be denied. The Commission's previous order should stand for item one. Item two: Obviously the wind power companies are not going to invest millions of dollars without already conducting their own wind power studies for their own evaluation. Besides, approval of any financial institutions loaning them money will require a solid business plan along with those studies. If Idaho Power wants to use some other wind forecasting service they should do so at their cost. Even hydro facilities are affected by Mother Nature. If Mother Nature does not cooperate in the future the wind companies will suffer more than Idaho Power who will just come back to you with a request to raise rates.
5. If Idaho Power is granted these requests I am fearful that the profit incentive for green energy under the old rules will evaporate and Idaho will suffer greatly in the long term.

PURPA's 1978 law was intended that the energy rates offered to private providers by utility companies be favorable to the producer, and it was intended to encourage more production of environmentally friendly commercial energy production as a means of reducing emissions and dependence on other unfavorable sources of energy.

Even though your decision is difficult it is hoped that it will be based substantially on PURPA's goal. If we in Idaho have to pay more for this type of green energy I am willing to shoulder my share of that burden as long as Idaho Power shoulders their share.

Just a consumer,


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