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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR)
AUTHORITY TO INCREASE ITS RATES) CASE NO. IPC-E-09-07
DUE TO THE INCLUSION OF)
ADVANCED METERING INFRASTRUCTURE)
("AMI") INVESTMENT IN RATE BASE.)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

GREGORY W. SAID

1 Q. Please state your name and business address.

2 A. My name is Gregory W. Said and my business
3 address is 1221 West Idaho Street, Boise, Idaho.

4 Q. By whom are you employed and in what
5 capacity?

6 A. I am employed by Idaho Power Company as the
7 Director of State Regulation in the Pricing and Regulatory
8 Services Department.

9 Q. Please describe your educational background.

10 A. In May of 1975, I received a Bachelor of
11 Science Degree in Mathematics with honors from Boise State
12 University. In 1999, I attended the Public Utility
13 Executives Course at the University of Idaho. I have
14 attended numerous additional educational conferences
15 throughout my career at Idaho Power.

16 Q. Please describe your work experience with
17 Idaho Power Company.

18 A. I became employed by Idaho Power Company in
19 1980 as an analyst in the Resource Planning Department. In
20 1985, the Company applied for a general revenue requirement
21 increase. I was the Company witness addressing power
22 supply expenses.

23 In August of 1989, after nine years in the Resource
24 Planning Department, I was offered and I accepted a

1 position in the Company's Rate Department. With the
2 Company's application for a temporary rate increase in
3 1992, my responsibilities as a witness were expanded.
4 While I continued to be the Company witness concerning
5 power supply expenses, I also sponsored the Company's rate
6 computations and proposed tariff schedules in that case.

7 Because of my combined Resource Planning and Rate
8 Department experience, I was asked to design a Power Cost
9 Adjustment ("PCA") which would impact customers' rates
10 based upon changes in the Company's net power supply
11 expenses. I presented my recommendations to the Idaho
12 Public Utilities Commission in 1992, at which time the
13 Commission established the PCA as an annual adjustment to
14 the Company's rates. I sponsored the Company's annual PCA
15 adjustment in each of the years 1996 through 2003. I
16 continue to supervise PCA-related regulatory filings.

17 In 1996, I was promoted to Director of Revenue
18 Requirement. I have managed the preparation of revenue
19 requirement information for regulatory proceedings since
20 that time.

21 In 2008, I was promoted to Director of State
22 Regulation, adding the area of Rate Design to my
23 responsibilities.

1 Q. What is the purpose of your testimony in
2 this proceeding?

3 A. My testimony in this proceeding is intended
4 to address policy issues related to the Company's filing
5 for a change in rates to reflect the investments in
6 Advanced Metering Infrastructure ("AMI").

7 Q. Please summarize the Company's request.

8 A. The Company is requesting a rate increase
9 consistent with the Company's understanding of Commission
10 Order No. 30726 issued in Case No. IPC-E-08-16. As
11 detailed in Ms. Waites testimony, the Company has prepared
12 a June 1, 2009, through May 31, 2010, test year evaluation
13 of (1) additions to plant investment resulting from monthly
14 estimates of AMI investments to be made during the test
15 year period, (2) deductions to plant investment resulting
16 from accelerated depreciation of existing metering
17 equipment during the test year period, (3) changes in
18 depreciation expense resulting from the accelerated
19 depreciation of existing metering equipment, and (4)
20 operational benefits that will arise from having AMI
21 installations in place. The Company believes that this
22 request is consistent with the methodology proposed in Case
23 No. IPC-E-08-16 and envisioned in Order No. 30726.

1 Q. Are there factors that may affect the
2 Company's ongoing policy related to the conversion to AMI?

3 A. Yes. Acquiring adequate funding for not
4 only the conversion to AMI but also the Company's other
5 investment requirements given unknown changing economic
6 conditions may affect the Company's ongoing policy related
7 to AMI.

8 Q. Please discuss the Company's near term
9 investment requirements.

10 A. In 2009, the Company has a \$200 million
11 capital budget that includes generation, transmission, and
12 distribution projects necessary to continue to provide
13 safe, reliable service to the Company's customers. In
14 addition to these immediate projects, on February 6, 2009,
15 the Company filed for a Certificate of Public Convenience
16 and Necessity for construction of a baseload gas-fired
17 plant to be completed by year-end 2012. A number of
18 transmission projects including the Boardman to Hemingway
19 line are also envisioned to be constructed by 2012.

20 Q. How can these construction projects affect
21 ongoing policy related to AMI?

22 A. The Company does not have unlimited access
23 to funds to support any and all construction projects.
24 Given limited funding sources and identified projects with

1 costs that exceed funding capabilities, the Company will
2 need to prioritize projects on an ongoing basis. While the
3 conversion to AMI has current Commission support and
4 Company commitment as a priority project, the Company wants
5 the Commission to be aware that at some time in the future
6 priorities may change. In the event that the Company
7 cannot raise sufficient funding for all identified
8 projects, conversion to AMI may require a slowdown or
9 temporary halt to ensure that other required projects can
10 proceed. This is certainly not the Company's desire;
11 however, the Commission needs to be aware that given the
12 current economic situation and unknown economic futures,
13 changes to the planned conversion to AMI may necessarily
14 occur.

15 Q. Is there anything relating to the current
16 economy that may help conversion to AMI proceed to
17 conclusion in three years?

18 A. Yes. While there are many uncertainties
19 related to the federal stimulus package plan, one area that
20 has been mentioned for possible funding support is
21 AMI. The Company will continue to monitor the stimulus
22 proposals to take advantage of any opportunities that may
23 arise to facilitate the conversion to AMI.

1 Q. How would you summarize the Company's policy
2 position with regard to the conversion to AMI?

3 A. The Company continues to recognize the long-
4 term value of AMI. As a result, the Company proposed a
5 three-year conversion to AMI meters with the intent to have
6 AMI metering throughout the entire service territory by
7 year-end 2011. The Company is proceeding with the
8 conversion as per that intent. Based upon economic
9 conditions today, the Company is proceeding with the
10 conversion plan but has concerns based upon uncertain
11 future capital funding capabilities. As a result, the
12 Company would like to continue to proceed with AMI
13 conversion and requests Commission approval of its current
14 funding request. However, the Company also requests that
15 the Commission recognize that in the event that the funding
16 of other projects is jeopardized by AMI conversion funding,
17 the Company may be forced to request a change of plan in
18 the future.

19 Q. Does that conclude your testimony?

20 A. Yes, it does.