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2009 APR 20 AM 8:22

IDAHO PUBLIC
UTILITIES COMMISSION

Steven L. Kauer
695 North 700 W
Blackfoot, Idaho 83221

Idaho Public Utilities Commission

Dear Sirs:

In this months power bill from Idaho Power we received an insert that informed us that Idaho Power is seeking three new increases in power bills (copy enclosed). I would like to make comments to the proposed new increases.

Increase one is stated for Efficiency Program Funding. We have never been recipients of any of the items in this program but have payed into it since Idaho Power started it. I do not support this program nor an increase of the funding for the simple fact it is socialistic in that it is required to be paid by all and the benefits are secured to the favored few. Idaho Power can maneuver the benefits program as it sees fit to the benefit of those it favors. I believe that each power user should pay for their own efficiency upgrade of its own facilities. The increase of this funding only makes the burden on everyone greater to the benefit of the few at Idaho Powers choice. I am against this funding and any increase in it.

Idaho Power argues for an increase in Energy Efficiency Program Funding yet at the same time Idaho Power also wants an increase for the second item for Fixed Cost Adjustment based in part due to the same thing it wants an increase in funding to increase customer efficiency. Quote from the insert back page first paragraph, "During 2008 Idaho Power's energy use per customer decreased in part due to increased energy efficiency," This is stated as a basis in part for Idaho Power's reasoning for a Fixed cost Adjustment increase. Idaho Power seeks an increase in EE and then supports its contention for FCA in part due to energy efficiency. I am against a fixed cost adjustment for this reason.. I am one of probably many Idaho Power customers that have used less power because of the increased cost charged by Idaho Power due to all of these programs and I in the future will seek to use other power sources for items I can like heat. I believe that a decrease in power use is mostly due to the higher cost Idaho power seeks each year to the already high cost it charges.

Idaho Power seeks and increase in customer rates for Advanced Metering Infrastructure and for the purpose of reducing operating costs associated with meter reading, meter reading accuracy, outage management, and theft. The reduction in cost in all of these areas increases the bottom line income to Idaho Power and the cost of the infrastructure should be payed for by the future savings in these management areas and not by an increase in costumer rates. Idaho Power seeks to have our rates increased (indeterminately) so that Idaho Powers income may be increased forever by this fee increase. Idaho Power should be required to pay for Advanced Metering Infrastructure from the savings it will realize in the future decrease in the operating

costs. Clearly to have a customer increase in rates for Advanced Metering Infrastructure as Idaho Powers puts it is to really increase customer rates so income will be increased for Idaho Power. I am against an increase for this item because it is only a disguise to increase future company income

Sincerely

A handwritten signature in black ink, appearing to read "David A. Kauer", written over a horizontal line. The signature is stylized and cursive.

Important Information About Your Electricity Bill

Idaho Power is committed to diligent execution of energy efficiency initiatives, and in partnership with customers is demonstrating its commitment to securing our energy future. Meeting these commitments requires periodic filings with the Idaho Public Utilities Commission (IPUC) to adjust the prices customers pay for electricity. Idaho Power filed three energy efficiency-related requests with the IPUC in March which may affect your rates. These rate actions complement our expanded energy efficiency activities and underscore Idaho Power's commitment to helping our customers increase their energy efficiency, providing more opportunity for them to control their electric bill.

Energy Efficiency (EE) Program Funding

Our energy efficiency programs provide cash incentives, information and services to residential, general service, large power and irrigation customers. As a result of continued expansion of these programs Idaho Power is seeking approval to adjust the amount collected through the existing Energy Efficiency Services charge from 2.5 percent of monthly energy bills to 4.75 percent. All of the funds collected by this charge go directly to energy efficiency programs. None of the funding goes to the earnings of the company. The filing proposes to collect an additional \$15.6 million annually or an increase of 1.91 percent over the current annual Idaho revenue.

Energy efficiency programs help customers save energy and money. They also help Idaho Power reduce the amount of electricity it buys or generates. This ensures the company meets its commitment to responsible planning for the growing need of electricity. To learn more about Idaho Power's energy efficiency programs or to enroll, visit www.idahopower.com/eeprograms.

Fixed Cost Adjustment (FCA)

The FCA is a pilot rate adjustment that trues up fixed cost recovery as energy efficiency programs and other activities strive to reduce usage per customer. Its purpose is to encourage the company to invest in energy efficiency programs and activities. The FCA provides for an IPUC-determined amount of fixed costs to be recovered from these customers. If, because of reduced

electricity use during the year, the company under-collects the authorized fixed cost amount, it can collect the difference through a surcharge. If Idaho Power over-collects the authorized amount, the company refunds the difference through a credit. During 2008, Idaho Power's energy use per customer decreased, in part due to increased energy efficiency, and the company under-collected fixed costs from both residential and small general service customers. The filing proposes to collect an additional \$5.2 million for one year. Therefore, these two customer groups are proposed to receive a 0.0529 cents/kilowatt-hour (kWh) charge beginning June 1.

Advanced Metering Infrastructure (AMI)

Responding to a changing technological environment and past directives from the IPUC, Idaho Power is installing advanced metering across its service area. Installation of AMI will reduce operating costs associated with meter reading and improve meter reading accuracy, outage monitoring and management, and electricity theft detection. It will eventually allow customers to monitor electric prices and become more energy efficient by adjusting their usage to take advantage of lower price periods. AMI will also allow more customers to participate in more programs, such as our A/C Cool Credit air conditioner cycling program. If approved, this action will increase residential, small business and irrigation customers' rates uniformly by an average of 1.37 percent, and would produce an estimated \$11.2 million in additional revenue per year.

Overall Impact of These Actions

If approved, these requests collectively will have differing impacts on the rates paid by our customers. The table below shows the average change:

	Residential Service	General Service	Large-Power Service	Irrigation Service	Overall Change
EE Funding					
FCA	0.15%	0.09%	0.00%	0.00%	0.04%
AMI					
Overall Change	0.17%	0.34%	0.00%	0.00%	0.92%

For a typical residential customer using 1,050 kWh of electricity each month, the monthly bill would increase by \$3.99 per month during June, July and August and by \$3.89 during non-summer months.

Idaho Power's applications are proposals open to public review and comment and subject to IPUC approval. They are available on the company's Web page at www.idahopower.com/idahoratefilings. Copies also are available at Idaho Power offices or at the Idaho Public Utilities Commission office in Boise.