



RECEIVED

2009 SEP -1 PM 4:53

IDAHO PUBLIC
UTILITIES COMMISSION

LISA D. NORDSTROM
Senior Counsel

September 1, 2009

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-09-23
Everett A. Jameson v. Idaho Power Company

Dear Ms. Jewell:

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

Very truly yours,

Lisa D. Nordstrom

LDN:csb
Enclosures

LISA D. NORDSTROM (ISB No. 5733)
BARTON KLINE (ISB No. 1526)
Idaho Power Company
1221 West Idaho Street
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5825
Facsimile: (208) 388-6936
lnordstrom@idahopower.com
bkline@idahopower.com

RECEIVED
2009 SEP -1 PM 4: 53
IDAHO PUBLIC
UTILITIES COMMISSION

Attorneys for Idaho Power Company

Street Address for Express Mail:
1221 West Idaho Street
Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

EVERETT A. JAMESON,)	
)	
Complainant,)	Case No. IPC-E-09-23
)	
vs.)	
)	ANSWER
IDAHO POWER COMPANY,)	
)	
Respondent.)	
_____)	

Respondent, Idaho Power Company ("Idaho Power" or the "Company"), hereby answers the Complaint of Everett A. Jameson in the above-entitled case as follows:

I. FACTUAL BACKGROUND

Mr. Everett Jameson is a customer of Idaho Power residing at 3206 McLeod Lane, New Meadows, Idaho. On January 5, 2009, Mr. Jameson called Idaho Power and

requested that he be allowed to make partial payments on his past due account when he is able to do so. Because he wished to make monthly payments of \$30 rather than \$56, which would be half of the Level Pay Plan amount, Mr. Jameson did not qualify for the Winter Payment Plan set forth in Utility Customer Relations Rule 306 (IDAPA 31.21.01.311). Due to the customer's age and health concerns, the Company's Customer Service Representative instead placed Mr. Jameson's account under the protection of the Winter Moratorium (also known as the "Cold Weather Rule") as provided by Utility Customer Relations Rule 306 (IDAPA 31.21.01.306). The Winter Moratorium protects customers with children and elderly or infirm residents from disconnection from December through February regardless of payment amount or whether any payment is made. The Customer Service Representative explained to Mr. Jameson that the Winter Moratorium ended on March 1, 2009, and that he would need to make formal payment arrangements prior to March 2009 for the remaining past due balance to avoid disconnection. The Customer Service Representative noted the following in the customer's account: "Everett called . . . set acct on CWR . . . is going to make partial payments when he can . . . aware ends the end of Feb."

Between his January 5 phone call and disconnection on March 10, 2009, Mr. Jameson made three payments of \$30 each on January 7, January 30, and March 1, 2009.

Idaho Power notified Mr. Jameson on four separate occasions after Mr. Jameson's January 5 phone call that he needed to make payment arrangements. As it did with all customers with a past due balance or subject to the Winter Moratorium, Idaho Power sent Mr. Jameson a payment reminder notice on January 29, 2009. On February 24, 2009, the Company sent Mr. Jameson an initial disconnection notice stating that disconnection was

scheduled for March 9, 2009, unless the account was brought current or payment arrangements were made. According to the Company's records, Idaho Power's automated system placed a call to the phone number listed on Mr. Jameson's account on February 27, 2009, at 1:43 p.m. and left a voice message on a message recording system. On February 29, 2009, Idaho Power sent Mr. Jameson a final disconnection notice stating that disconnection was scheduled for March 9, 2009, unless the account was brought current or payment arrangements were made. Mr. Jameson did not contact the Company in response to these four notices.

As of March 10, 2009, Mr. Jameson's account had a \$482.26 past due balance and Mr. Jameson had not entered into payment arrangements with the Company. Consequently, an Idaho Power Meter Specialist disconnected Mr. Jameson's electric service that day at 3:23 p.m. Mr. Jameson subsequently made a partial payment over the telephone and power was restored that same day.

Mr. Jameson filed a formal Complaint with the Commission on June 24, 2009, with regard to the disconnection of his electric service on March 10, 2009. Mr. Jameson's Complaint also referenced dissatisfaction with the resolution of a damage claim filed with Idaho Power in 2007.

II. DISCONNECTION NOTICE

In his formal Complaint to the Commission dated June 24, 2009, Mr. Jameson alleges that Idaho Power "disconnected my service on March 6, 2009 without a phone call or any written notice of their intent to do so" (date in original). Moreover, he claims Idaho Power did not knock on his door to provide him with a final opportunity to pay in person.

Mr. Jameson also alleges that the Company did not leave a notice at the residence as required by Utility Customer Relations Rule 311 (IDAPA 31.21.01.311).

The Meter Specialist who disconnected Mr. Jameson's service states that it is his usual practice, when he arrives at the residence of a customer with a past due account, to pull up the account information on his mobile computer so that he can discuss the past due amount with the customer. He then knocks on the front door; if the customer answers the door, the Meter Specialist explains the amount owed and either accepts full/partial payment or disconnects the power. If the customer does not answer the door, the Meter Specialist leaves a door hanger explaining the time and grounds for disconnection of service, the steps the customer can take to secure reconnection, and the telephone number to call to have reconnection authorized. After disconnecting the power, the Meter Specialist completes the order on his mobile computer. This is Idaho Power's standard practice and is consistent with the training the Company provides its employees responsible for carrying out collection activities.

The Idaho Power Meter Specialist that disconnected Mr. Jameson's service completed 359 collections and 289 connections/disconnections in the greater McCall area during the four months between March 2009 and June 2009. Although he does not recall the specific instance during which he disconnected Mr. Jameson's service, the Meter Specialist is adamant that he knocked on Mr. Jameson's front door. The purpose of the Meter Specialist's visit was to collect the past due balance and to disconnect service *only* if the past due balance could not be collected. Failing to knock on the door would not have achieved the primary purpose of his visit – collecting the past due account balance.

During the week of March 9, 2009, Idaho Power rolled out its new Mobile Workforce Management system in the McCall area. The Mobile Workforce Management system is a computer-aided dispatching and data communication system that optimizes Idaho Power's crews and resources in the field. Prior to the Mobile Workforce Management System, Meter Specialists printed out their credit and collection orders prior to leaving the office. The second page of the collection order contained the specific account and reconnection information required by Utility Customer Relations Rule 311 (IDAPA 31.21.01.311) and was left at the customer premises. With the new Mobile Workforce Management System, the credit and collection information is electronic. The employees responsible for carrying out collection activities were instructed to fill out a new door hanger form with customer-specific account information. An example of the door hanger Idaho Power currently uses is enclosed as Attachment No. 1.

Uncertain about some of the new processes used during the implementation of Idaho Power's new Mobile Workforce Management system, the Meter Specialist who disconnected Mr. Jameson's service admits that he did not have the new door hanger forms for a short period of time coinciding with the first week of the system's rollout. Therefore, it is possible that a door hanger was not left on Mr. Jameson's door. When the Meter Specialist realized that he did not have the capability to print door hangers in the field and did not have the preprinted forms, he contacted a field office outside the McCall area for advice. (Due to the small number of customers in the McCall area, this Meter Specialist was the only employee in the McCall field office trained to do credit and collections.) The field office immediately sent him a supply of door hanger forms and instructed him to conduct only collection activities (not disconnections) until he received the

new forms. Idaho Power has employed the Meter Specialist in question since August 2004 and has no record of prior complaints or discipline. In short, Idaho Power believes this Meter Specialist to be an excellent employee.

Once made aware of the event by Mr. Jameson's Complaint, Idaho Power's management scheduled a meeting with its field leadership to review and reinforce compliance with the practices required by the Commission's Utility Customer Relations Rules. All field employees will have completed this review by the end of September 2009. In addition, the same requirements will be reinforced in the Company's refresher course on proper collection, disconnection, and reconnection practices that takes place each year in October and February.

III. 2007 DAMAGE CLAIM

Mr. Jameson's Complaint also references a 2007 claim he made seeking reimbursement for damage to his television. On August 7, 2007, at approximately 4:30 p.m., a wind storm caused tree limbs to fall onto an Idaho Power distribution line near Mr. Jameson's residence and locked out the recloser. When closing the recloser, a step-down transformer failed and needed to be changed out. When the new step-down transformer was energized at approximately 9 p.m. that evening, several customers received high voltage resulting in damage to electric appliances.

Idaho Power determined the new step-down transformer was faulty and replaced it, restoring service to customers. The Company hired an independent adjuster to interview employees about the event. Idaho Power brought the faulty transformer by semi truck to its Transformer Testing Department at the Boise Operations Center for inspection and

contacted Howard Industries, the transformer manufacturer, to put them on notice of the problem and the seventeen pending claims Idaho Power had received.

Each Customer presenting a claim was mailed a claim packet, including a claim form, and contacted by telephone. They were advised of the pending liability investigation and that this could take some time to resolve. The transformer was then sent to the manufacturer, per its request. The manufacturer ultimately determined that the transformer had been assembled incorrectly. Idaho Power determined that its crew had properly installed the transformer. Consequently, the customers' damages – including Mr. Jameson's – resulted directly from the defective transformer and not from negligence or fault on the part of Idaho Power.

Idaho Power expected Howard Industries to accept responsibility for the resulting damages, and it initially appeared that it would as the manufacturer requested information on all of the claims. However, Howard Industries continued to delay settlement and Idaho Power ultimately decided in January 2008 to issue payments on the claims. These payments were not made to compensate for any liability on the Company's part but as a good will gesture to its customers.

Howard Industries has admitted fault but still has not paid Idaho Power. A copy of the manufacturer's Root Cause Analysis Report admitting fault is enclosed as Attachment No. 2 to this Answer. Idaho Power received a letter from Howard Industries dated August 11, 2009, stating that it will reimburse Idaho Power for the amounts it paid on the related claims. Idaho Power is optimistic that the manufacturer will reimburse the Company soon.

With regard to Mr. Jameson's specific claim, it should be noted that although he reported the power outage and indicated that he heard a loud pop in his television on

August 7, 2007, Mr. Jameson did not notify the Company that his television had been damaged or indicate that he wished to make a damage claim until August 13, 2007. Idaho Power immediately set up a claim and mailed a claim packet to him. Idaho Power attempted to call Mr. Jameson on August 14, 2007, to discuss his damage claim and left a message on his message machine. The Company also mailed a damage claim status letter to all affected customers, including Mr. Jameson, on September 7, 2007.

On September 10, 2007, Idaho Power's Damage Claims department received a call from Mr. Jameson. Mr. Jameson advised the Company that he is an electrical engineer and believes Idaho Power installed the transformer incorrectly, that this caused the failure, and as a result Idaho Power should pay his damages. He also advised the Company that he threw away the claim form as he was too angry to look at it.

On October 27, 2007, Idaho Power sent Mr. Jameson another damage claim status letter along with another claim form. Idaho Power received Mr. Jameson's completed claim form on November 1, 2007, requesting Idaho Power pay damages in the amount of \$1,600. Mr. Jameson reiterated that he knows the transformer was not defective and that it was installed incorrectly.

After receiving a copy of the manufacturer's Root Cause Analysis Report (Attachment No. 2) that indicated a manufacturing defect, Idaho Power mailed a claim denial letter to Mr. Jameson on November 23, 2007. During a December 3, 2007, telephone call, Idaho Power supplied Mr. Jameson with the manufacturer's contact information; Mr. Jameson advised that he would contact them about presenting a damage claim.

When Idaho Power advised Mr. Jameson on January 17, 2008, that Idaho Power would reimburse the affected customers as a good will gesture for damages caused by the defective transformer, Mr. Jameson indicated that he did not retain the damaged television and did not have any pricing information on it. The model number Mr. Jameson provided Idaho Power was invalid according to the television's manufacturer. Idaho Power's Damage Claims department then searched for a comparable product to determine the value of his equipment. Idaho Power contacted Mr. Jameson on January 29, 2008, to advise him of its findings and that a check would be forthcoming in the amount of \$1,600 – the entire amount claimed by Mr. Jameson. Idaho Power mailed Mr. Jameson a check in satisfaction of the damage claim on February 7, 2008.

IV. COMPANY POSITION

The Company contends that it substantially complied with the Commission's Utility Customer Relations Rules as they pertain to the March 10, 2009, disconnection of Mr. Jameson's electric service. Idaho Power has since instituted measures to reinforce the practices required by the Utility Customer Relations Rules, emphasizing which practices are required by the Commission in addition to the Company's standard practices.

The Company also contends that it provided an appropriate response to Mr. Jameson's 2007 damage claim. Although Mr. Jameson continues to blame the Company for causing damage to his television, Idaho Power went beyond what was legally required of the Company when it paid claims for which it was not ultimately responsible in an effort to give customers a timely resolution.

V. COMMUNICATIONS AND SERVICE OF PLEADINGS

Service of pleadings and communications with reference to this case should be sent to the following:

Lisa Nordstrom
Barton L. Kline
Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702
lnordstrom@idahopower.com
blkine@idahopower.com

Ric Gale
Scott Sparks
Idaho Power Company
1221 West Idaho Street
Boise, Idaho 83702
rgale@idahopower.com
ssparks@idahopower.com

VI. REQUESTED RELIEF

For the reasons stated above, Idaho Power requests that the Commission deny Mr. Jameson's Complaint.

Dated this 1st day of September 2009.


LISA D. NORDSTROM
Attorney for Idaho Power Company

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 1st day of September 2009 I served a true and correct copy of the within and foregoing ANSWER upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff

Don Howell
Lead Deputy Attorney General
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, Idaho 83702

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email Don.Howell@puc.idaho.gov

Everett A. Jameson
3206 McLeod Lane
New Meadows, Idaho 83654

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email



Lisa D. Nordstrom

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-09-23

IDAHO POWER COMPANY

ATTACHMENT NO. 1

Electric Service Disconnected

Date _____

Time _____ am / pm

This action was taken as the result
of a past due balance.

Reconnection of Electric Service

Please pay the total amount due:

\$ _____

To arrange payment and service
reconnection, contact:

Customer Service Center

208-388-2323 (Treasure Valley Area) or
1-800-488-6151 (Toll Free)

Idaho



An IDACORP Company

In Idaho...

The following charges apply
to residential and commercial services:

Field Visit

\$20

Service Connect, Mon-Fri

7:30 a.m. – 6 p.m.	\$20
6:01 p.m. – 9 p.m.	\$45
9:01 p.m. – 7:29 a.m.	\$80

Service Connect, Holidays & Weekends

7:30 a.m. – 9 p.m.	\$45
9:01 p.m. – 7:29 a.m.	\$80

The following charges apply to irrigation,
industrial and non-metered services:

Field Visit

\$40

Service Connect, Mon-Fri

7:30 a.m. – 6 p.m.	\$40
6:01 p.m. – 9 p.m.	\$65
9:01 p.m. – 7:29 a.m.	\$100

Service Connect, Holidays & Weekends

7:30 a.m. – 9 p.m.	\$65
9:01 p.m. – 7:29 a.m.	\$100

Customer Service Center

208-388-2323 (Treasure Valley Area) or
1-800-488-6151 (Toll Free)

CID# 29379/06-08
© 2008 Idaho Power

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-09-23

IDAHO POWER COMPANY

ATTACHMENT NO. 2

HOWARD INDUSTRIES, POLETYPE DIV. CUSTOMER COMPLAINT ACTION MEMO ROOT CAUSE ANALYSIS REPORT

CUSTOMER: IDAHO POWER CO.
SERIAL NUMBER: 549081-4406 **CUSTOMER ID NO.:** 1345
KVA: 500 **HI CATALOG NUMBER:** 1494-418569-800
CCAM: 25968 **VOLTAGE:** 34500GrdY/19920 - 12470GrdY/7200
HI PROBLEM CODE:

PROBLEM PART	PROBLEM SUBJECT	FURTHER INITIAL DETAILS
COIL FAILURE	ASSEMBLED WRONG	Failed when energized-connected wrong internally

INITIAL PROBLEM AS REPORTED BY CUSTOMER/AGENT:

An email from Jeff Foxworth in HI Marketing stated, "This is the one Gary Betts called about a few days ago. They had a storm come through and took one unit out. They replaced it with this unit and it blew the top after it was energized." Photos supplied by customer showed the jumper connection at the left white block on LV side to be loose. A later email from Rene Jones of Idaho Power to Tilesa Beasley at Rogers-Strong stated, "Our damage claims department was needing to know what the cause of the failure was. This is the unit that caused customer equipment to be destroyed. Idaho Power has outstanding claims from our customers for personal property damage. Is this information available?" Date of installation and failure were not reported. Transformer originally shipped from HI to Idaho Power on 12/19/06.

FINDINGS-DESCRIPTION OF UNIT AS RECEIVED:

Customer had previously opened transformer. PRV pull ring and bug-out disc were missing. Customer had removed the arresters. Both cover mounted bushings were still mounted securely to the cover. There was no oil spray around the PRV. X0 bushing was still connected to tank wall with copper ground straps. PRV was holding vacuum. Customer had drained oil to halfway of coil. Remaining oil was black with a burned odor. We found no rust or water in the tank. The nut at the left white block electrical connection on LV side was loose. The transformer was incorrectly connected internally. The point that should have been connected to the X1 bushing was instead connected to the X0 bushing and vice versa. Coil teardown analysis revealed turn to turn and layer to layer failures in the HV winding. The coil failed under iron left and right side at the top and bottom edges of the layers on the HV and LV quadrants. The HV conductor was pushed approximately 5" off the paper folds.

ROOT CAUSE OF PROBLEM (REPORT WRITER'S ANALYSIS)

The transformer was incorrectly connected internally. If the transformer was installed in a step-down application, 19920V would have been placed across a 12720V portion of the winding, and the resulting secondary voltage would have been above 7200V. If the transformer was installed in a step-up application, the resulting voltage would have been less than 19920V. The incorrect internal connections explain the voltage issues but do not necessarily explain the cause of the coil failure. The root cause of the coil failure was undeterminable.

Test records indicate this transformer passed all electrical tests during original manufacture including ratio and polarity. The transformer would have passed these tests if the test leads on the X0 and X1 bushings were reversed.

CORRECTIVE ACTION:

QA Manager asked Tilesa Beasley of Rogers-Strong to contact Idaho Power to locate sister transformer S/N 549082-4406. Ms. Beasley emailed a request to Idaho Power on 10/16/07 to determine whether this sister transformer had been installed already. There has been no reply as of 11/5/07. This sister transformer needs to be inspected and ratio tested before installation if it has not already been installed. If this sister transformer is already in service, then we have no reason to believe that it is connected incorrectly internally.

We reviewed test connection diagrams in the test manuals and found them to be correct. Poletype Engineering will

NUMBER: 01FO07.61002, ISSUE DATE: 10-01-02, REVISION: 07, REV. DATE: 10-17-07, AUTH. BY: Darren Brown, PAGE: 1 OF 1 QA doc. review frequency 2 years min, w/ revs. as needed.

DOCUMENT CHANGE HISTORY: Rev 01 06-03-03 Changed "Reported Problem" to "HI Problem Code"; Revision 02, 10-04-04, Added KVA and Voltage to report; Rev 03 10-21-04 Moved document control info from top to bottom of page so that the doc. format will not change when e-mailed. Rev 04 10-27-04 changed report date from current date to analysis report date and removed date field from page 1. Rev 05, 01-25-07, Replaced Review Due date with QA document review frequency statement. Rev. 06 6-28-07 Added Tom Anderson to Report Writer field. Rev. 07 10/17/07: Changed "Q.A. Manager's Analysis" to "Report Writer's Analysis"

CUSTOMER COMPLAINT ACTION MEMO ROOT CAUSE ANALYSIS REPORT

Page 2 of 2

SERIAL NUMBER: 549081-4406 CUSTOMER ID NO.: 1345
CCAM: 25968

review this complaint with electrical testers and review proper testing connections per the test manuals.

General Foremen over the Poletype production lines have been notified of this complaint and will review it during a daily pre-shift meeting with electrical testers and stress importance of strictly following test manual connection diagrams.

THE ERROR WAS DETERMINED TO BE THE RESPONSIBILITY OF: MFG & QC

DATE REPAIRS COMPLETED:

REPAIRS PERFORMED:

Transformer coil has been replaced under warranty. QA Manager has verified proper internal electrical connections. Transformer will be sent to production line and subjected to all routine production line electrical tests.

REPORT DATE: Wednesday, November 07, 2007

REPORT WRITER: Signature



OR

Darren Brown
Poletype Div., QA Manager

Tom Anderson
Poletype Div., QA Specialist

APPROVAL: Signature

INVESTIGATING PERSONNEL

Rich Hollingsworth, Design Engineering Manager, Poletype Division

Darren Brown, Quality Assurance Manager, Poletype Division

Dennis Taylor, Field Failure Repair Technician, Poletype Division

John Morgan, Coil Teardown Analyst, Poletype Division

Hongbo Fan, Design Engineer, Poletype Division

NUMBER: 01FO07.61002, ISSUE DATE: 10-01-02, REVISION: 07, REV. DATE: 10-17-07, AUTH. BY: Darren Brown, PAGE: 1 OF 1 QA doc. review frequency 2 years min, w/ revs. as needed.

DOCUMENT CHANGE HISTORY: Rev 01 06-03-03 Changed "Reported Problem" to "Hi Problem Code"; Revision 02, 10-04-04, Added KVA and Voltage to report; Rev 03 10-21-04 Moved document control info from top to bottom of page so that the doc. format will not change when e-mailed. Rev 04 10-27-04 changed report date from current date to analysis report date and removed date field from page 1. Rev 05, 01-25-07, Replaced Review Due date with QA document review frequency statement. Rev. 06 6-28-07 Added Tom Anderson to Report Writer field. Rev. 07 10/17/07: Changed "Q.A. Manager's Analysis" to "Report Writer's Analysis"