DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

DON HOWELL

BRAD PURDY

STEPHANIE MILLER

DAVE SCHUNKE

RANDY LOBB

BEVERLY BARKER

TONYA CLARK

GARY RICHARDSON

WORKING FILE

FROM:WAYNE HART

DATE:SEPTEMBER 13, 1996

RE:CLARIFICATION OF DECISION ON CASE NO.  IPC-E-96-2

IDAHO POWER’S YEAR-ROUND IRRIGATION PROPOSAL

On September 6th, 1996 the Commission issued Order No. 26601 authorizing the Idaho Power Company to submit a revised irrigation Schedule 24 that would implement a year round irrigation program, similar to that proposed by the Company in it’s application of February 29th, but subject to the modifications and conditions set forth by the Commission.  On September 10th, Idaho Power submitted a revised Schedule 24.  Staff has reviewed the revised Schedule, and finds that one section of the revision includes items that differ from Staff’s understanding of the Commission’s decision on this matter.

Staff has consulted with representatives of the Company, and confirmed that the Company’s understanding of the decision of the Commission is consistent with the revised Schedule, and therefore different than that of the Staff.  Staff is seeking a clarification from the Commission on this matter.

BACKGROUND

Idaho Power’s original proposal provided the disconnection at the end of the season at no charge, and imposed a $30 account processing charge upon re-connection for all those who elected to disconnect for the off season.  Current policy is to disconnect the customer at the end of the season and reconnect in the spring at no charge to the customer.  The Company tries to accommodate the scheduling requests of the customer, but is allowed to schedule disconnections and connections at their convenience.

Order No. 26601 states:  We find, however, that the Company’s proposal to impose a $30 account processing charge for any customer requesting connection or disconnection is unacceptable.  It is not fair to require those irrigators for whom early and late season irrigation is not possible or practical to choose between paying a monthly service charge when service is not taken or to pay the $30 account processing charge in order to disconnect or connect.  We find that a reasonable compromise would be to allow irrigation customers to disconnect and connect once throughout the year without paying any account processing charge or similar fee so long as they give the Company at least 10 days advance notice prior to disconnection and connection.  If the irrigator requests a disconnection or connection in less than 10 days, then the Company could justifiably impose an account processing charge.  We find that this pricing structure fairly reflects the service received by irrigators and will assist the Company in avoiding planning difficulties and personnel shortages.

The Revised Sheet No 24-1 of Schedule 24 submitted by the Company states:

1.Customer Request. ....Customers who request a service disconnection with less than ten working days advance notice are required to pay a $30 Service Disconnection Fee. and:

3.Service Connection: ...Customers who request a service connection with less than ten working days advance notice will be charged a Service Connection Fee in the amount of $30.

Staff understood the Commission decision to authorize a single $30 account processing charge if the irrigator did not provide ten days notice, with both connection and disconnection viewed as a single transaction.  Staff’s view would be consistent with the Company’s original proposal and with how the Company applies the newly authorized Maintenance Service Charge.  However, Idaho Power Company has interpreted the order to mean that disconnections and re-connections are separately chargeable transactions.  The Company’s interpretation is consistent with the Company’s view that disconnection and connection are separate transactions since a significant period of time can elapse between a service disconnection in the fall and a service re-connection in the spring.  The Staff and the Company seek clarification from the Commission.

The Company has agreed to revise wording to clarify the distinction between seasonal disconnections and re-connections, to which the $30 fee may be applicable, and disconnections and re-connections for maintenance, to which a $50 Maintenance Service Charge will apply.

Staff has no other objections to the revised Schedule.

The Company is anxious to resolve this issue and obtain approval of the revised Schedule in a timely manner, as the end of the irrigation season is already past for a number of customers, and the Company desires to notify customers of the changes included in the revised Schedule in the billing cycle which is to begin September 25th.

COMMISSION DECISION

Does the Commission wish to accept the revised Schedule as submitted by the Company, with a separate $30 fee for disconnections and a separate $30 fee for connections, when the customer demands that either service be provided in less than 10 days.

Should the Company revise the Schedule to provide for a single $30 fee?

Something else?

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Wayne Hart

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