
IDAHO PUBLIC UTILITIES COMMISSION

For Immediate Release

Case No. PAC-E-03-5

March 24, 2004

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Website: www.puc.state.id.us

IPUC staff plans Preston, Rexburg workshops

Boise – Staff from the Idaho Public Utilities Commission will conduct public workshops in Preston and Rexburg regarding PacifiCorp's request to extend by 16 months a power cost surcharge that expires on June 8.

The net effect of extending the surcharge will actually decrease rates by an average 3.5 percent. If the commission declines to extend the surcharge, rates would decrease an average 5 percent.

The power cost surcharge that expires in June was a two-year surcharge added to customer bills in June of 2002. The surcharge was to collect \$22.7 million the company owed other power suppliers as a result of the 2000-01 Western energy crisis that resulted in unprecedented increases in the wholesale cost of power.

PacifiCorp seeks the extension to recover about \$4.2 million. Most all of that amount is Idaho's portion of income tax payments the company made following an IRS audit of the company's 2002 and 2003 income tax statements. The remaining amount – about \$200,000 – is for a projected under collection of power surcharge costs through June of this year.

The company claims the commission has allowed recovery for audit-related payments as a legitimate cost of doing business, as long the taxes were not paid from a reserve account already funded by ratepayers.

The first year of the surcharge added about .858 of a cent per kWh to a residential bill. The surcharge for this year, the second year, is .42 of a cent per kWh. The extended surcharge, if granted, would add about .257 of a cent to a residential bill, resulting in a net decrease in overall rates of about 3.3 percent for residential customers, 3.5 percent for commercial and industrial customers and 3.6 percent for irrigation customers.

The commission has determined that public hearings may not be required for this case, but will accept written comments from customers through April 30. While formal hearings are not scheduled, commission staff will conduct workshops to give customers an opportunity to hear from commission staff and ask questions.

The first workshop will be Wednesday, April 21, at 7 p.m. at the Robinson Building, 186 W. Second North in Preston. The second workshop is Thursday, April 22, at 7 p.m. at the Best Western CottonTree Inn, 450 W. Fourth South in Rexburg.

Persons wishing to submit comments can do so via e-mail by accessing the commission's homepage at www.puc.state.id.us and clicking on "Comments & Questions." Fill in the case number (PAC-E-03-5) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

A complete copy of the company's application and supporting documents are available on the commission's Web site. Click on "File Room" and then on "Electric Cases" and scroll down to Case No. PAC-E-03-5.

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