

Eric L. Olsen ISB# 4811  
 RACINE, OLSON, NYE, BUDGE &  
 BAILEY, CHARTERED  
 P.O. Box 1391; 201 E. Center  
 Pocatello, Idaho 83204-1391  
 Telephone: (208) 232-6101  
 Fax: (208) 232-6109

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 IDAHO PUBLIC  
 UTILITIES COMMISSION

Attorneys for the Idaho Irrigation Pumpers Association, Inc.

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF PACIFICORP DBA UTAH POWER &amp;</b>	)	<b>Case No. PAC-E-03-14</b>
<b>LIGHT COMPANY FOR APPROVAL OF</b>	)	
<b>PROPOSED CHANGES TO ELECTRIC</b>	)	<b>IDAHO IRRIGATION PUMPERS</b>
<b>SERVICE SCHEDULE 72—IRRIGATION</b>	)	<b>ASSOCIATION, INC.'S</b>
<b>LOAD CONTROL CREDIT RIDER</b>	)	<b>COMMENTS TO PROPOSED</b>
<b>PROGRAM.</b>	)	<b>CHANGES AND EVALUATION</b>
	)	<b>REPORT</b>

COMES NOW the Idaho Irrigation Pumpers Association, Inc. (“Irrigators”), through undersigned counsel, and hereby respectfully submits its comments on PacifiCorp’s proposed changes to the optional Irrigation Load Control Credit Rider Program (“Program”) and the corresponding Evaluation Report (“Report”).

1. The Irrigators want to reaffirm their support for the overall Program. The monitoring and evaluation clearly shows that it is a viable demand side resource that can be utilized to mutually benefit PacifiCorp, the Irrigators, and PacifiCorp’s other customer classes. Given the uncertainty of maintaining the current level of BPA Exchange Credit benefits, the Program will become even more critical in the future to ensure affordable rates for the Irrigators, while at the same time benefitting PacifiCorp’s other customer classes. The Irrigators believe that PacifiCorp has worked hard to implement and refine the mechanics of the Program to the benefit of all parties involved. The Irrigators are also appreciative of PacifiCorp’s efforts to

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meet and discuss the Program directly with the Irrigators.

2. PacifiCorp's filing proposes six new changes to the existing Program. The Irrigators believe that all the requested changes will be beneficial to timely implementation and continued operation of the Program and recommends that the Commission approve and implement the same as soon as practical without a formal hearing. One concern the Irrigators had with the Program's initial filing in PAC-E-03-03 was that the Irrigators did not have the opportunity to review and comment on the Load Control Service Agreement ("Service Agreement"). The current filing requires that PacifiCorp would provide its irrigation customers with the Service Agreement by January 15, 2004, and the Irrigators have not yet been provided with a copy of the Service Agreement. The Irrigators respectfully request that the Commission require that the Service Agreement be provided to the Irrigators and Commission Staff for review and comment prior to dissemination. The Irrigators commit to promptly review the Service Agreement and get its comments to PacifiCorp to avoid delay.

3. Generally, the Report indicates that the Program as a whole is a *cost effective* means of reducing a portion of PacifiCorp's the peak electricity demand, thereby allowing PacifiCorp to avoid meeting a portion of its peak demand through market power purchases. However, the Report does not fully flush out the all the Program's benefits. Specifically, the Report indicates that in addition to being a demand-side resource, it also results in energy savings/conservation. Report at II-3. However, these benefits were not quantified and the Irrigators respectfully request that the Commission require that PacifiCorp continue to monitor and quantify this potential Program benefit and give it appropriate weight in the monthly credit pricing methodology. As an apparent corollary, the Report summarily concluded that the Program participants were not shifting their load from the peak periods they were curtailed to the

off-peak periods. Report at II-2. The Irrigators respectfully request that the Commission require that PacifiCorp continue to provide data to support this conclusion or require it to monitor and quantify this claim going forward inasmuch as it was one of the primary uncertainty elements that went into the reducing the price for the Program credit. See Order No. 29209, at 5. Notwithstanding the above conclusions, the Report also summarily concludes that the Program does not affect a participant's monthly peak demand (or load factor) because it does not reduce demand on non-control days. Report at II-5. As a consequence, no benefit was attributed to a participant's likely reduced demand factor. But the Irrigators believe that the opposite conclusion should have been reached and that this benefit should be given proper weight in the monthly credit pricing methodology. As such, the Irrigators respectfully request that the Commission require that PacifiCorp continue to monitor and quantify the reduction in demand due a farmer's participation in the Program. Finally, the Report indicates the load control equipment was extremely reliable and that the Program participants curtailed their irrigation activities during the required times. Report at II-1. This high degree of reliability calls into question the continued use of the 30% uncertainty factor to reduce the amount of monthly credit.

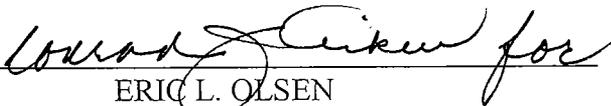
4. PacifiCorp intends to file in early January its calculation of the proposed monthly credits to be paid to Program participants in 2004. By supporting PacifiCorp's proposed changes to the Program, the Irrigators are in no way endorsing the current credit pricing methodology. The Irrigators fundamentally disagree with PacifiCorp's methodology because it focuses solely on projected market prices to the exclusion of the avoided cost of PacifiCorp's other supply side resource options, as well as the other potential Program benefits and certainties addressed in the Report. The Irrigators respectfully request that the Commission require PacifiCorp to provide the Irrigators with the credit calculation and allow comments to be filed on the calculation of the

same. The comment process on the credit calculation for the 2004 irrigation season should not hold up the implementation of the Program for this coming year.

5. The Irrigators believe that the Program should continue to be monitored on an annual basis to refine and improve it, to quantify the benefits derived thereby, to evaluate and revise the pricing mechanism in light of all benefits, and to address the questions the Irrigators have raised about the Report. Further, the continued review of the Program would also be beneficial to the Commission in evaluating the various supply-side actions PacifiCorp will be taking in the future in light of its current Integrated Resource Plan.

Respectfully submitted this 30th day of December, 2003.

RACINE, OLSON, NYE, BUDGE &  
BAILEY, CHARTERED

By  for  
ERIC L. OLSEN  
Attorneys for the Idaho Irrigation Pumpers  
Association, Inc.

**CERTIFICATE OF SERVICE/MAILING**

I HEREBY CERTIFY that on this 30th day of December, 2003, I served a true, correct and complete copy of the Idaho Irrigation Pumpers Association, Inc.'s Comments to Proposed Changes and Evaluation Report to each of the following, via U.S. Mail, e-mail or hand delivery:

Jean D. Jewell, Secretary  
Idaho Public Utilities Commission  
P.O. Box 83720  
472 W. Washington Street  
Boise, Idaho 83720  
E-mail: jjewell@puc.state.id.us

Hand Delivery/E-mail

Bob Lively  
Manager Regulation  
PacifiCorp  
825 NE Multnomah, Suite 800  
Portland, OR 97232

U.S. Mail

  
ERIC L. OLSEN