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**IDAHO PUBLIC UTILITIES COMMISSION**

**For Immediate Release**

**Case No. PAC-E-03-14, Order No. 29416**

**January 12, 2004**

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**Website: [www.puc.state.id.us](http://www.puc.state.id.us)**

**PUC approves rates, changes to irrigation program**

**Boise** – The Idaho Public Utilities Commission today approved changes in the amount of the credit irrigators receive for participating in Utah Power and Light's (PacifiCorp) irrigation load control credit rider program. The commission also approved some procedural changes designed to streamline the enrollment process and encourage greater participation.

Under the program, irrigators are paid credits for volunteering to shift their electrical use from super-peak hours to light-load hours during the four-month irrigation season. Power is more expensive during those hours of the day when it is in most demand. By curtailing use during peak hours or shifting use to hours when demand is less, both the utility and its customers save money.

During last year's first season for the program, 207 irrigators with 403 metered irrigation sites participated, resulting in a shifting or curtailing of 21 megawatts during the irrigation season. The irrigators who participated represented about 12 percent of UP&L's irrigation load in its southeast Idaho territory.

The credit approved by the commission is as follows:

- June, \$1.68 per kilowatt shifted or curtailed.
- July, \$2.24 per kW
- August, \$2.19 per kW
- September, \$0.96 per kW, to be prorated through September 15.

The Idaho Irrigation and Pumpers Association filed comments in the case. The organization does not agree with the pricing method UP&L uses to determine the credit, but did not oppose the changes because it did not want to hold up implementation of the 2004 program.

Currently, the credit is 70 percent of the difference between the expected super-peak price and off-peak market prices. UP&L calculated a 30 percent discount due to uncertainties in predicting the amount of load shifted, the level of load control equipment failure, failure of customers to shift load and other factors.

The pumpers association contends UP&L is focusing solely on projected market prices and not taking into account other program benefits, including the cost the company avoids by not having to depend on other resources for power supply.

The commission ruled that the current credit is reasonable for now but ordered the company to file a report in December this year that evaluates both the 2003 and 2004 irrigation seasons to assess the uncertainty factors claimed by UP&L.

The irrigation credit program is the result of a commission order issued in June of 2002 that directed UP&L to develop a load control program designed to reduce the company's power supply expenses by preventing it from having to go to the sometimes volatile wholesale market to meet customer demand. That June 2002 order allowed PacifiCorp to recover \$22.7 million in power supply expenses incurred by the company during the 2000-01 period when wholesale electric prices reached record levels.

A full text of the commission's order, along with other documents related to this case, are available on the commission's Web site at [www.puc.state.id.us](http://www.puc.state.id.us). Click on "File Room" and then on "Electric Cases" and scroll down to Case No. PAC-E-03-14.

Interested parties may petition the commission for reconsideration by no later than Feb. 2. Petitions for reconsideration must set forth specifically why the petitioner contends that the order is unreasonable, unlawful or erroneous. Petitions should include a statement of the nature and quantity of evidence the petitioner will offer if reconsideration is granted.

Petitions can be delivered to the commission at 472 W. Washington St. in Boise, mailed to P.O. Box 83720, Boise, ID, 83720-0074, or faxed to 208-334-3762.

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