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Attorneys for Intervenor
Idaho Irrigation Pumpers Association, Inc.

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF PACIFICORP DBA UTAH POWER & LIGHT COMPANY FOR AUTHORITY TO INCREASE ITS RATES FOR ELECTRIC SERVICE TO ELECTRIC CUSTOMERS IN THE STATE OF IDAHO	)	**CASE NO. PAC-E-05-01**

APPLICATION FOR INTERVENOR FUNDING OF THE IDAHO IRRIGATION PUMPERS ASSOCIATION, INC.

COMES NOW the Idaho Irrigation Pumpers Association, Inc. ("Irrigators"), by and through counsel of record, Eric L. Olsen, and hereby respectfully makes application to the Idaho Public Utilities Commission ("Commission") for intervenor funding pursuant to Idaho Code § 61-617A and IDAPA 31.01.01.161 through .165 as follows:

(A) A summary of the expenses that the Irrigators request to recover broken down into legal fees, consultant fees and other costs and expenses is set forth in Exhibit "A" attached hereto and incorporated by reference. Itemized statements are also included as Attachments 1 and 2 to Exhibit "A" in support of said summary and are incorporated by reference.

(B) The Irrigators' counsel, Eric L. Olsen, and Consultant, Anthony J. Yankel, P.E., fully participated in this proceeding. Procedurally, this case began as a full blown rate case. Mr. Olsen

and Mr. Yankel were active in reviewing the filing, preparing and reviewing approximately 90 data requests and responses, and drafting direct testimony. However, once the Irrigators and other parties objected to the inclusion of costs associated with Monsanto Company's ("Monsanto") special contract in this case, PacifiCorp's focus clearly changed from continuing on with the case to a settlement posture. Thereafter, Irrigators participated fully in the settlement discussions, were parties to the resulting stipulation, and filed comments in support thereof with the Commission. Because it was not known until late in the process that any party would propose settlement, and even later before one was reached, the Irrigators still had to substantially prepare for the presentation of their direct case before the Commission. The proposed findings or positions that the Irrigators would have urged the Commission adopt are contained in the draft direct testimony of Mr. Yankel which is attached hereto as Exhibit B and incorporated by this reference herein. The Irrigators, independently but concurrently with staff, determined that PacifiCorp had inappropriately included the Monsanto special contract costs in this case, and the Irrigators' objection was noted in the Stipulation.

(C) The expenses and costs incurred by the Irrigators set forth in Exhibit A and accompanying attachments are reasonable in amount and were necessarily incurred in reviewing and evaluating PacifiCorp's filing, preparing data requests and reviewing data responses, developing direct testimony for the scheduled technical hearings, evaluating the merits of the proposed settlement in this case, participating in the settlement discussions, and communicating with its members regarding the same. The fact that the parties settled the case does not lessen the fact that the Irrigators had to prepare as though the case was going to hearing.

(D) The costs described in Paragraph (A) above constitute a financial hardship for the Irrigators. The Irrigators currently have approximately $12,392.00 in the bank. Accounts payable for legal and consultant fees and costs in this case total $38,197.40 as set out in Exhibit "A", none of which have been paid.

The Irrigators are an Idaho nonprofit corporation qualified under I.R.C. § 501(c)(5) representing farm interests in electric utility rate matters affecting farmers in southern and central Idaho. The Irrigators rely solely upon dues and contributions voluntarily paid by members, together with intervenor funding to support activities and participate in rate cases. Each year mailings are sent to approximately 7500 Idaho Irrigators (approximately two-thirds in the Idaho Power Company service area and one-third in the PacifiCorp service area), soliciting annual dues. The Irrigators recommend members make a voluntary contributions based on acres irrigated or horsepower per pump. Member contributions have been falling which are believed to be attributable to the depressed agricultural economy and increased operating costs and threats, particularly those relating to water right protection issues. From member contributions the Irrigators must pay all expenses, which generally include mailing expenses, meeting expenses and shared office space in Boise, Idaho, in addition to the expenses relating to participation in rate cases. The Executive Director, Lynn Tominaga, is the only part-time paid employee, receiving a retainer plus expenses for office space, office equipment, and secretarial services. Officers and directors are elected annually and serve without compensation.

It has been and continues to be a financial hardship for the Irrigators to fully participate in all rate matters affecting its members. As a result of financial constraints, participation in past rate cases and in this case has been selective and, primarily, on a limited basis.

(E) Where the case is settled before direct testimony has been filed or a complete record otherwise being established, it may not be apparent how the Irrigators' positions would materially differ from the Commission Staff's positions. However, as shown in Mr. Yankel's draft testimony (Exhibit "B"), the Irrigators pointed out (1) that PacifiCorp was not including known and measurable adjustments in its filing with respect to the actual irrigation curtailment, (2) that there other ways of modeling how the curtailment credit can be derived based on straight forward cost of service principles and how the credit should be treated on a system or situs basis, (3) that there are problems with PacifiCorp's load research data from a quality prospective and from taking into account the curtailment that the Irrigators are providing under the load control program, and (4) that there were problems with allocation of costs associated with PacifiCorp's substations and primary distribution lines. Based on the foregoing and its discussions with Commission Staff during the case, the Irrigators believe that these issues were not going to be directly addressed by Commission Staff in this case. Thus, the Irrigators' positions and recommendations did materially differ from those which the Irrigators believed that the Commission Staff were going to focus on, notwithstanding the fact that the vast majority of all parties' positions converged with the ultimate negotiation and presentation of the Stipulation.

(F) The Irrigators' participation addressed issues of concern to the general body of users or consumers on PacifiCorp's system. It has been approximately two decades since there as been a full blown rate case. Although there were interruptible rates for the Irrigators at the time of the last rate case, there was not any consistent, annual curtailment of the Irrigators until implementation of the current load control program in 2003. This case gave the Irrigators the chance to analyze the effects of actual curtailment in the context of what it accomplished for the jurisdiction as a whole

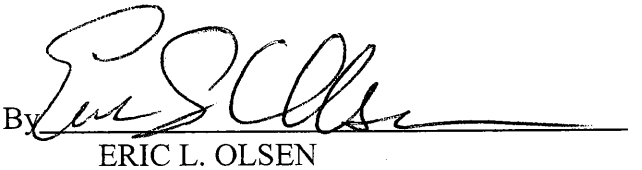
and for the Irrigators specifically. The curtailment of the Irrigators reduces the summer coincident peak for the system and the Idaho jurisdiction, as well as for the irrigation class. A reduction of this summer peak not only benefits the Irrigators as a class by reducing its demand, but it also reduces the Idaho system demand and the resulting system costs that are allocated to all PacifiCorp's Idaho tariff customers. Continuation and expansion of the irrigation load control program may also defer the building of additional generation plant as indicated in PacifiCorp's 2004 Integrated resource plan. Avoiding these type of costs is also a benefit to all PacifiCorp's Idaho tariff customers.

(G) The Irrigators represent the irrigation class of customers under Schedule 10.

Based on the foregoing, it is respectfully submitted that the Irrigators are a qualifying intervenor and should be entitled to an award of costs of intervention in the amount of $38,197.40 pursuant to Idaho Code § 61-617A and IDAPA 31.01.01.161 through .165.

DATED this 27th day of July, 2005.

RACINE, OLSON, NYE, BUDGE &
BAILEY, CHARTERED

By 
ERIC L. OLSEN

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 27th day of July, 2005, I served a true, correct and complete copy of the Idaho Irrigation Pumpers Association, Inc.'s Application for Intervenor Funding to each of the following, via U.S. Mail or private courier, e-mail or hand delivery:

Jean Jewell Idaho Public Utilities Commission 472 W. Washington Street P.O. Box 83720 Boise, Idaho 83720-0074 E-mail: jean.jewell@puc.idaho.gov	UPS Next Day Letter
Jeff Larsen PacifiCorp 201 South Main, Suite 2300 Salt Lake City, Utah 84111	U.S. Mail
James M. Van Nostrand Stoel Rives LLP 900 SW Fifth Avenue, Suite 2600 Portland, OR 97204	U.S. Mail
Scott Woodbury Kira Phisterer Idaho Public Utilities Commission P.O. Box 83720 Boise, ID 83720-0074 E-mail: scottwoodbury@puc.idaho.gov krapfisterer@puc.idaho.gov	U.S. Mail
James R. Smith Monsanto Company P.O. Box 816 Soda Springs, ID 83276	U.S. Mail
Randall C. Budge Racine Olson Nye Budge & Bailey, Chtd. P.O. Box 1391 Pocatello, ID 83204	Hand delivered

Anthony Yankel
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c/o Lynn Tominaga
P.O. Box 2624
Boise, ID 83701-2624

U.S. Mail

ERIC L. OLSEN

EXHIBIT A

SUMMARY OF EXPENSES INCURRED BY IRRIGATORS IN CASE NO. PAC-E-05-01

1.	Legal Fees:		
	Eric L. Olsen: 70.9 hours at $175 =	$13,860.00	
	Costs:		
	Long distance/Postage:	$ 212.40	
	Travel:	$ 0.00	
	Total Work and Costs:	$14,072.40	
2.	Consultant Anthony J. Yankel:		
	193 hours at $125 per hour	$24,125.00	
	Expenses:		
	Travel, room and meals	$ 0.00	
	Total Work and Costs:	$24,125.00	
TOTAL FEES AND EXPENSES:			**$38,197.40**

Exhibit A

Attachment 1

710.1518527 IDAHO IRRIGATION PUMPERS ASSOCIATION, INC.

DATE	RATE	HOURS	AMOUNT	DESCRIPTION
1/12/2005	175	0.3	52.5	TELEPHONE CONFERENCE WITH BOB LIVELY RE: FILING OF RATE CASE BY PACIFICORP AND OVERVIEW OF SAME
1/13/2005	175	0.5	87.5	TELEPHONE CONFERENCE WITH TONY YANKEL RE: PACIFICORP'S RATE CASE FILING
1/21/2005	175	0.2	35	REVIEW PETITION FOR LEAVE TO INTERVENE AND EXECUTE SAME AND COVER LETTER
1/27/2005	175	1.5	262.5	TELEPHONE CONFERENCE WITH RANDY LOBB RE: MEETING; TELEPHONE CONFERENCE WITH TONY YANKEL RE: ISSUE IN THE PACIFICORP RATE CASE; CALL AND LEAVE MESSAGE WITH BOB LIVELY RE: GETTING COPY OF FILING TO YANKEL; TELEPHONE CONFERENCEW WITH LYNN TOMINOGA RE: RATE CASE
1/28/2005	175	0.3	52.5	TELEPHONE CONFERENCE WITH TONY YANKEL RE: ISSUES TO BE RAISED IN RATE CASE AND PRELIMINARY ISSUES
1/31/2005	175	1.8	315	REVIEW SUMMARY OF RATE CASE; CONFERENCE WITH RANDY LOBB OF PUC RE; PACIFICORP RATE CASE
2/4/2005	175	0.8	140	TELEPHONE CONFERENCE WITH SCOTT WOODBURY AT PUC RE: PACIFICORP HEARING; TELEPHONE CONFERENCE WITH TONY YANKEL RE: PARTICIPATING VIA CONFERENCE CALL; CALL AND LEAVE MESSAGE WITH BOB LIVELY RE: SAME
2/6/2005	175	1.5	262.5	REVIEW PACIFICORP RATE CASE TESTIMONY IN PREPARATION FOR MEETING
2/7/2005	175	3	525	TRAVEL TO BOISE
2/7/2005	175	2.8	490	ATTEND PACIFICORP PRESENTATION ON RATE CASE
2/22/2005	175	0.5	87.5	REVIEW DATA REQUESTS AND SEE THAT SAME GET PREPARED FOR SERVICE UPON PACIFICORP
3/11/2005	175	0.2	35	FINALIZE DATA REQUESTS AND SEE THAT SAME ARE SENT OUT
3/15/2005	175	0.4	70	REVIEW COMMISSION ORDERS RE: PARTIES AND DISCOVERY REQUEST OF AGRIUM; TELEPHONE CONFERENCE WITH TONY YANKEL RE: GETTING COPIES OF DATA REQUESTS
3/18/2005	175	0.5	87.5	REVIEW SCHEDULING ORDER AND CALENDAR DEADLINES FOR HEARING
4/6/2005	175	0.5	87.5	TELEPHONE CONFERENCE WITH TONY YANKEL RE: REVIEWING DATA REQUESTS AND NEEDING TO FOLLOW UP ON QUESTIONS AND PRESENTING BASES FOR INCREASING PAYMENT FOR AMOUNT OF CREDIT FOR CURTAILMENT
4/11/2005	175	0.2	35	E-MAIL TONY YANKEL RE: SUPPLEMENTAL DATA REQUESTS
4/22/2005	175	0.2	35	REVIEW LETTER FROM PACIFICORP; CALL AND LEAVE MESSAGE WITH TONY YANKEL RE: 4TH DATA REQUEST
4/22/2005	175	4.2	735	REVIEW PAST FILING MATERIALS ON DEVELOPMENT OF LOAD CONTROL PROGRAM; REVIEW PAST PUC ORDERS RE: USE OF DEMAND SIDE RESOURCES; TELEPHONE CONFERENCE WITH TONY YANKEL RE: DEVELOPING DATA REQUESTS RE: SAME
4/25/2005	175	0.7	122.5	GATHER MATERIALS FOR DATA REQUESTS ON LOAD CONTROL CREDIT; TELEPHONE CONFERENCE WITH TONY YANKEL RE: ITEMS THAT ARE STILL OPEN ON DATA REQUEST; GATHER INFORMATION FROM PRIOR FILINGS ON LOAD CONTROL CREDIT; DICTATE LETTER TO BOB LIVELY RE: 4TH DATA REQUEST
5/3/2005	175	0.9	157.5	CONTINUED REVIEW OF LOAD CONTROL FILES FOR PREPARING DATE REQUESTS
5/5/2005	175	4.5	787.5	REVIEW LOAD CONTROL CREDIT PAST FILINGS IN PREPARING DATA REQUESTS; REVIEW PACIFICORP'S IRP AND TREATMENT OF INTERRUPTIBILITY OF DSM

				RESOURCES
5/6/2005	175	0.7	122.5	REVIEW DATA REQUESTS FROM TONY YANKEL AND PREPARE DISCOVERY REQUESTS
5/9/2005	175	0.3	52.5	REVIEW E-MAIL FROM YANKEL RE: STAFF DATA REQUEST 55 AND GETTING COPY OF FILE; TELEPHONE CONFERENCE WITH BARRY BELL AT PACIFICORP RE: SAME
5/9/2005	175	2.1	367.5	CONTINUED REVIEW OF PACIFICORP'S IRP; DRAFT DATA REQUESTS
5/10/2005	175	3	525	CONTINUED DRAFTING OF DATA REQUESTS
5/11/2005	175	4.3	752.5	CONTINUED DRAFTING OF DATA REQUESTS AND SEE THAT SAME ARE SENT OUT; REVIEW CONFIDENTIALITY AGREEMENT AND REVISE AND E-MAIL TO YANKEL FOR SIGNING; E-MAIL DISCOVERY REQUESTS TO TONY YANKEL
5/12/2005	175	1.4	245	EXECUTE CONFIDENTIALITY AGREEMENT AND SEE THAT SAME IS FAXED TO PACIFICORP AND LEGAL COUNSEL; TELEPHONE CONFERENCE WITH TONY YANKEL RE: STATUS OF CASE AND REVIEW OF ISSUES TO BE RAISED IN RATE CASE; SEND OUT ADDITIONAL DISCOVERY REQUESTS
5/13/2005	175	1.6	280	TELEPHONE CONFERENCE WITH TONY YANKEL RE: REVIEW OF CONFIDENTIAL DISCOVERY REQUESTS AND RESPONSES TO STAFF DISCOVERY THAT HE HAD NOT RECEIVED; SEE ABOUT GETTING ADDITIONAL COPY OF FILES; SEE THAT MISSING STAFF DATA REQUEST RESPONSES ARE SENT TO TONY YANKEL; TELEPHONE CONFERENCE WITH YANKEL RE: SETTLEMENT CONFERENCE IN PACIFICORP RATE CASE; TELEPHONE CONFERENCE WITH DAVE SCHUNKE RE: PACIFICORP RATE CASE; TELEPHONE CONFERENCE WITH BARB BARROWS RE: CALL IN NUMBER FOR SETTLEMENT CONFERENCE
5/16/2005	175	0.2	35	REVIEW INFORMATION FOR SETTLEMENT CONFERENCE AND E-MAIL YANKEL RE: SAME AND RECEIPT OF CONFIDENTIAL DATA REQUESTS
5/16/2005	175	4.4	770	PREPARE FOR SETTLEMENT CONFERENCE; PARTICIPATE IN SETTLEMENT CONFERENCE; CONTINUED PARTICIPATION IN PACIFICORP SETTLEMENT CONFERENCE; TELEPHONE CONFERENCE WITH TONY YANKEL RE: OUTCOME OF SAME
5/25/2005	175	0.5	87.5	MULTIPLE TELEPHONE CONFERENCE WITH BOB LIVELY RE: MEETING TO REVIEW PROPOSED STIPULATION; TELEPHONE CONFERENCE WITH TONY YANKEL RE: SAME
5/25/2005	175	1.7	297.5	LUNCH AND CONFERENCE WITH MARK MICKELSEN AND BOB LIVELY RE: PROPOSED SETTLEMENT OF IDAHO RATE CASE
5/25/2005	175	1.2	210	CONFERENCE WITH PARTIES RE: PACIFICORP SETTLEMENT OFFER; TELEPHONE CONFERENCE WITH TONY YANKEL RE: SAME
5/31/2005	175	1.1	192.5	CALL AND LEAVE MESSAGE WITH TONY YANKEL, BOB LIVELY AND RANDY LOBB; TELEPHONE CONFERENCE WITH TONY YANKEL RE: PACIFICORP PROPOSAL FOR SETTLEMENT AND TIMING OF TESTIMONY FOR RATE CASE; TELEPHONE CONFERENCE WITH BOB LIVELY RE: PROPOSED SETTLEMENT OF RATE CASE AND APPROACHING THE IRRIGATOR INTERRUPTIBILITY CREDIT
6/1/2005	175	1.4	245	TELEPHONE CONFERENCE WITH RANDY LOBB RE: TERMS OF PACIFICORP'S SETTLEMENT OFFER; TELEPHONE CONFERENCE WITH TONY YANKEL RE: CURRENT SETTLEMENT OFFER FOR PACIFICORP AND DIRECTION OF HIS TESTIMONY; CALL AND LEAVE MESSAGE WITH CONLEY WARD; TELEPHONE CONFERENCE WITH RANDY LOBB RE: CURRENT STATUS OF PACIFICORP SETTLEMENT NEGOTIATIONS; TELEPHONE CONFERENCE WITH MARK MICKELSON RE: SAME

6/2/2005	175	3.8	665	TELEPHONE CONFERENCE WITH TONY YANKEL RE: SETTLEMENT NUMBERS OFFERED BY PACIFICORP AND HIS CONVERSATION WITH STAFF; TELEPHONE CONFERENCE WITH RANDY LOBB RE: SETTLEMENT AND RISKS AND BENEFITS AND SETTING UP CONFERENCE CALL; CALL AND LEAVE MESSAGE WITH CONLEY WARD; ARRANGE CONFERENCE CALL WITH ALL INTERVENORS; CONFERENCE WITH MARK MICKELSON RE: SAME
6/3/2005	175	2.7	472.5	TELEPHONE CONFERENCE WITH TONY YANKEL RE: REVENUE ADJUSTMENTS TO ASSERT IN RATE CASE; PREPARE FOR CONFERENCE CALL WITH COMMISSION STAFF AND OTHER INTERVENERS RE: MERITS OF PACIFICORP SETTLEMENT; TELEPHONE CONFERENCE WITH MARK MICKELSON RE: OUTCOME OF PACIFICORP MEETING WITH IRRIGATORS
6/6/2005	175	1.5	262.5	TELEPHONE CONFERENCE WITH MARK MICKELSON RE: STANCE ON SETTLING RATE CASE WITH PACIFICORP; TELEPHONE CONFERENCE WITH SCOTT WOODBURY RE: STATUS OF SETTLEMENT NEGOTIATIONS AND CIRCULATION OF STIPULATION; CONFERENCE WITH RCB RE: SAME
6/8/2005	175	3.4	595	REVIEW PROPOSED SETTLEMENT STIPULATION; REVIEW STIPULATION AND CALL AND LEAVE MESSAGE WITH TONY YANKEL RE: SAME; TELEPHONE CONFERENCE WITH RANDY LOBB RE: LANGUAGE DEALING WITH RMA TELEPHONE CONFERENCE WITH BOB LIVELY RE: SAME AND LANGUAGE RE: LOAD CONTROL CREDIT; REVIEW STIPULATION AND ORDER IN PAC-E-02-1 CASE AND DRAFT EMAIL TO PARTIES RE: SAME; TELEPHONE CONFERENCE WITH YANKEL RE: STIPULATION AND AFFECT OF PRIOR RMA LANGUAGE
6/9/2005	175	2.5	437.5	REVIEW SUGGESTED CHANGES TO STIPULATION FROM YANKEL; CONFERENCE WITH BOB LIVELY RE: WANTING IIPA TO SIGN AND DISCUSS CHANGES; REVIEW CHANGES TO STIPULATION AND CONFERENCE WITH BOB LIVELY AND SIGN STIPULATION
6/14/2005	175	0.1	17.5	TELEPHONE CONFERENCE WITH SCOTT WOODBURY RE: TESTIMONY DEADLINE, ETC.
6/17/2005	175	1.3	227.5	TELEPHONE CONFERENCE WITH TONY YANKEL RE: STATUS OF PACIFICORP'S SETTLEMENT; REVIEW STIPULATION AND OUTLINE COMMENTS IN SUPPORT OF STIPULATION
6/28/2005	175	0.4	70	REVIEW DRAFT OF TESTIMONY FROM YANKEL; OUTLINE COMMENTS IN SUPPORT OF STIPULATION
7/1/2005	175	3.7	647.5	CONTINUED DRAFTING OF COMMENTS IN SUPPORT OF STIPULATION AND SEE THAT SAME ARE FILED
7/5/2005	175	0.3	52.5	REVIEW TESTIMONY FILED BY OTHER SIGNATORIES OF STIPULATION AND ORGANIZE FILE
7/25/2005	175	0.8	140	REVIEW COMMISION FINAL ORDER; CALL AND LEAVE MESSAGE WITH S. WOODBURY; TCW S. WOODBURY RE: TIMING FOR FILING INTERVENOR FUNDING REQUEST; CALL AN LEAVE MESSAGE YANKEL RE: INFORMATION
7/26/2005	175	4.5	787.5	DRAFT APPLICATION FOR INTERVENOR FUNDING; TCW YANKEL RE: SAME
7/27/2005	175	3	525	FINALIZE INTERVENOR FUNDING REQUEST AND SEE THAT SAME IS FILED
TOTALS		79.2	13860	

710.1518517 IDAHO IRRIGATION PUMPERS ASSOCIATION

DATE	AMOUNT	DESCRIPTION
1/31/2005	3.02	LONG DISTANCE TELEPHONE
1/31/2005	6.57	LONG DISTANCE TELEPHONE
2/28/2005	4.69	LONG DISTANCE TELEPHONE
4/30/2005	6.55	LONG DISTANCE TELEPHONE
5/13/2005	2.07	LONG DISTANCE TELEPHONE
5/16/2005	44.69	LONG DISTANCE TELEPHONE
5/26/2005	60.93	POSTAGE
5/31/2005	29.4	CLIENT LUNCH - ELO
5/31/2005	18.48	LONG DISTANCE TELEPHONE
6/1/2005	7.62	LONG DISTANCE TELEPHONE
6/6/2005	1.92	POSTAGE
6/30/2005	26.46	LONG DISTANCE TELEPHONE
TOTAL	212.4	

Exhibit A

Attachment 2

	Date	Pacificorp filings	Description
Jan	27	3	Make an initial review of PacifiCorp's filing in order to determine the overall impact on irrigators.
Feb.	7	3	Prepare for and attend via phone a workshop regarding an initial review of the Company's rate filing in Idaho.
	15	8	Review company's filing regarding Taylor's testimony, cost of service exhibits and the implementation of MSP.
	16	7	Review relationship between cost of service and interruptibilty of Monsanto.
	17	8	Review cost of service study and interruptibility; develop interrogatories.
	18	8	Review cost of service study and interruptibility; develop interrogatories.
Mar	2	5	Review Company filing and staff data requests; review loss study in Utah; compare Utah rates and cost of service for Generation with that in the Company's filing for Idaho.
	3	6	Review Company filing and staff data requests; compare Utah rates and cost of service for Generation with that in the Company's filing for Idaho; develop data requests.
	4	5	Review Company filing and staff data requests; compare Utah rates and cost of service for Generation with that in the Company's filing for Idaho; develop data requests.
	7	6	Review net power cost calculation in this case and associated data from the Utah case; develop data requests.
	11	4	Review filing and develop production requests regarding cost of service and the cost of production and purchase of energy.
	15	4	Develop additional data requests regarding historical usage and the Company's revenue numbers.
Apr	1	4	Review data responses from the Company; prepare for and attend teleconference between various interveners.
	4	6	Review data responses regarding development of cost of service study data and the treatment of interruptible load.

Date	Pacificorp filings	Description
5	6	Reviewing data responses; writing supplemental questions regarding coincident demand data and energy data by class and by jurisdiction.
6	6	Reviewing data responses; writing supplemental questions regarding treatment of Monsanto and irrigation interruptibility.
7	7	Reviewing data responses; writing supplemental questions regarding short-term firm and balancing transactions.
8	8	Manipulate hourly wholesale STF and economy sales and purchases in order to summarize the data into a workable level.
11	8	Develop data and then compare actual and modeled STF and economy sales and purchases of wholesale power.
12	7	Review present data and data from Case UPL-E-90-1 re: distr. costs.
13	4	Cont. rev. of present data and data from Case UPL-E-90-1 re: distr. costs.
14	4	Review distribution data from this and other cases and develop data requests.
15	8	Review load research data and jurisdictional load data in order to get numbers to match or to see where the holes are.
20	5	Review data regarding load research; talk with Taylor, Anderson, Davis of PacifiCorp as well as Hessing of the Staff; continue to work through load research data to define how raw data is used and why discrepancies exist.
21	7	Review data responses associated with load research data; try to coordinate additional information provided in order to make data fit what was provided in the company's filing.
22	7	Review data responses associated with irrigation load research data; attempt to match data with that used by the company; send memo to the company; conversation with Olsen regarding direction of case and need for data.
25	6	Perform calculations to check the validity of the coincident peak data used for the Irrigation customers; consolidate problem and email company regarding
26	5	Review data regarding overall revenue requirement; summarize positions; conference call with various parties regarding same.

	Date	Pacificorp filings	Description
	28	7	Reviewing load research data and the Company's second set of correction with respect to the Irrigator coincident and distribution peak data.
	29	7	Review load research data to check the Company's values for non-coincident peaks; review how irrigation load management data is carried into the jurisdictional cost of service study.
June	1	5	Continue to draft testimony regarding treatment of the rate for interruptions; develop testimony regarding load research problems.
	2	3	Conversation with Carlock regarding my revenue adjustment; conversations with Olsen regarding settlement; develop data regarding impact on peak usage of removing load during irrigation curtailment periods.
	3	2	Discussion with Olsen and various parties regarding the possibility of
	9	2	Review data responses that came in to determine their value in the future; review and comment on latest draft of stipulation.
	24	2	Draft comments to be used in Brief regarding settlement.
	Total	193	

Exhibit B

Q. PLEASE STATE YOUR NAME, ADDRESS, AND EMPLOYMENT.

A. I am Anthony J. Yankel. I am President of Yankel and Associates, Inc. My address is 29814 Lake Road, Bay Village, Ohio, 44140.

Q. WOULD YOU BRIEFLY DESCRIBE YOUR EDUCATIONAL BACKGROUND AND PROFESSIONAL EXPERIENCE?

A. I received a Bachelor of Science Degree in Electrical Engineering from Carnegie Institute of Technology in 1969 and a Master of Science Degree in Chemical Engineering from the University of Idaho in 1972. From 1969 through 1972, I was employed by the Air Correction Division of Universal Oil Products as a product design engineer. My chief responsibilities were in the areas of design, start-up, and repair of new and existing product lines for coal-fired power plants. From 1973 through 1977, I was employed by the Bureau of Air Quality for the Idaho Department of Health & Welfare, Division of Environment. As Chief Engineer of the Bureau, my responsibilities covered a wide range of investigative functions. From 1978 through June 1979, I was employed as the Director of the Idaho Electrical Consumers Office. In that capacity, I was responsible for all organizational and technical aspects of advocating a variety of positions before various governmental bodies that represented the interests of the consumers in the State of Idaho. From July 1979 through October 1980, I was a partner in the firm of Yankel, Eddy, and Associates. Since that time, I have been in business for myself. I am a registered Professional Engineer in the states of Ohio and Idaho. I have presented testimony before the Federal Energy Regulatory Commission (FERC), as well as the

State Public Utility Commissions of Idaho, Montana, Ohio, Pennsylvania, Utah, and West Virginia.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING?

A. I am testifying on behalf of the Idaho Irrigation Pumpers Association (IIPA).

Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS PROCEEDING?

A. T

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KNOWN AND MEASURABLE ADJUSTMENTS

Q. DOES THE COMPANY'S FILING TAKE INTO ACCOUNT ALL KNOWN AND MEASURABLE ADJUSTMENTS?

A. No. The Company has included adjustments in its filing for known and measurable changes that will occur "before this requested rate change is effective"[1]. Although the Company's filing addresses many known and measurable changes, it ignores one known and measurable change that is significant to Idaho. As stated in Mr. Stewart's testimony:

> The purpose of known and measurable adjustments is to match as closely as possible the changes in rates with related costs being incurred to serve Idaho customers.

Mr. Stewart's testimony talks about the implementation of an Irrigation Load Control Program in 2003, the growth of that program in 2004, and the anticipation (as of the date of the filing) of additional growth in that program for 2005. In spite of the known growth in this program between 2003 and 2004, and in spite of the fact that the 2005 curtailment levels will be history by the time a rate change from this case will go into effect, the Company's filing only used the curtailment levels from 2003—the first year of this program.

Q. HOW MUCH ADDITIONAL IRRIGATION CURTAILMENT HAS OCCURRED SINCE THIS PROGRAM WAS IMPLEMENTED IN 2003?

[1] Direct testimony of Weston, page 12 lines 9-11.

A. According to Mr. Stewart's testimony, the program curtailed in excess of 20 Mw per day in 2003 and in excess of 30 Mw per day in 2004. During 2005, the curtailment of irrigation load was ___ Mw[2] per day or ____ Mw more than in 2003.

The curtailment program in 2003 occurred on Monday through Thursday. Likewise the summer system peaks during June through September 2003 only occurred during these days as well (which is typical of the summer coincident peak). Thus, during each of the June-September coincident peaks in 2003, it can be assumed that approximately 20 Mw of curtailment took place in the Idaho jurisdictional and that this reduction is reflected in the Company's filing and interjurisdictional allocation process. However, a more appropriate figure to use would be ___ Mw as reflected by the level of curtailment in 2005, which is known and measurable. The Idaho jurisdiction should be allocated costs based upon the additional curtailment of ___ Mw for these four months in the Company's filing, which is the difference between the 2003 level of curtailment and the 2005 level of curtailment.

Q. WHAT IS THE SPECIFIC DIFFERENCE IN THE LEVEL OF CURTAILMENT BETWEEN 2003 AND 2005?

A. The specific level of curtailment varies each day because there are different customers signed up to be curtailed each day and some are not active in some months. The Company provided the following with respect to the Mw's of curtailments that occurred in 2003:

	June	July	Aug	Sept.
Mon/Wed.	20.5	23.8	22.9	21.0
Tue/Thurs.	19.0	21.8	20.6	18.3

[2] Company Response it Request IIPA_____.

If one takes a simple average of these numbers, the average curtailment comes out to be 21 Mw. The following figures were provided by the Company for the curtailment of Irrigation load scheduled for 2005:

	June	July	Aug	Sept.
Mon/Wed.	0.5	3.8	2.9	21.0
Tue/Thurs.	9.0	1.8	0.6	18.3

If one takes a simple average of these numbers, the average curtailment is ___ Mw. The average increase in Mw's of curtailment is ___ Mw.

Q. ARE THESE LEVELS OF CURTAILMENT ACTUALLY REFLECTED IN REDUCTIONS IN LOAD AT THE TIME OF THE SYSTEM PEAKS?

A. During the test year, the Company had load research meters on only three of the 403 meter sites where curtailment was employed. Thus, one can only make very limited conclusions. All three of these load-metered pumps were subject to curtailment during the June and July 2003 coincident peaks. During each of the coincident peaks in August and September 2003, one of these three pumps was not operating, and thus, the load that could have been subject to curtailment from these pumps was zero. The simple conclusion that can be drawn from this limited data is that all of the pumps were 83% (10 out of 12) available for curtailment during the summer coincident peaks.

Q. HOW DOES THIS AVAILABILITY TO CURTAIL IMPACT THE LOADS THAT SHOULD BE ASSIGNED TO THE IDAHO JURISDICTION IN THE TEST YEAR?

A. As pointed out above, there was on average ___ MW of additional curtailment that occurred this year over that which occurred during 2003—the first year of the Irrigation Load Control program. As a known and measurable change, the Idaho Jurisdictional load (as well as the System load) should be reduced by 83% of the additional curtailment that is presently taking place. A precise calculation of the change in each monthly load is detailed in Exhibit A. I recommend that these known and measurable adjustments be included in the calculation of the Company's revenue requirement in this case.

Q. SHOULD A SIMILAR ADJUSTMENT BE MADE WITH RESPECT TO THE IRRIGATION CONTRIBUTION TO COINCIDENT PEAK DATA THAT IS CONTAINED IN THE COMPANY'S CLASS COST OF SERVICE STUDY?

A. With respect to the additional curtailment that is taking place compared to 2003 levels, the answer is yes. This is additional reductions in the Irrigation contribution to coincident peak load that is not shown in the Company's class cost of service study.

I will address later in my testimony the need to make additional adjustments to the 2003 level of Irrigation curtailment reflected in the Company's cost of service study. This additional adjustment is required because the Company's load research data of only three curtailable customers grossly underestimated the level of curtailment that took place.

DERIVATION OF IRRIGATION CURTAILMENT CREDIT

Q. IS THE IRRIGATION CURTAILMENT CREDIT SET AT A PROPER LEVEL?

A. No. The credit given to Irrigation customers is far below the benefit that is provided to the system and even to the jurisdiction. For example, the credits presently given for Irrigators that are curtailed 2-days per week for 6-hours per day ranges from $2.62 to $2.82 per kW of billing demand for June—August and $0.68 per kW for September. According to Mr. Stewart's testimony[3], during the 2003 test year paid a total of $277,585 in curtailment credits to Irrigators. This credit is merely 7-tenths of one percent of the $39,709,324 test year Irrigation revenues listed on Company Exhibit 29 page 5.

There are two very important reasons for setting a curtailment credit for the Irrigators (or any other group or customer) at an appropriate level. First, it is important to be fair to the customer receiving the credit—a credit too high will over-reward the customer, while a credit too low will under-reward the customer's efforts. Second, from the perspective of the other customers, no one wants to pay a larger credit than the benefit received, however, no one wants to pay too little with the resulting lower participation and lower system benefit.

Q. HAS THE COMMISSION PREVIOUSLY REVIEWED THESE CREDITS FOR THOSE IRRIGATION CUSTOMERS THAT HAVE PARTICIPATED IN THE IRRIGATION LOAD CURTAILMENT PROGRAM?

[3] Stewart's Direct testimony at page 8 lines 10-14.

A. No. This is the first opportunity the Commission has had to review these rates in the context of a full rate case, as opposed to the simple establishment of what has, up until this time, amounted to little more than a pilot program that began just two years ago.

Q. HAS THE IRRIGATION CURTAILMENT PROGRAM BEEN GROWING UNDER THE PRESENT CREDITS THAT HAVE BEEN OFFERED BY THE COMPANY?

A. Yes, it has. When the program first started in 2003, the program had a little over 20 Mw of daily curtailment. In 2005 it has grown to approximately ___ Mw of daily curtailment.

Q. IS THERE A SIMPLE AND DIRECT WAY TO CALCULATE A MINIMUM CREDIT THAT SHOULD BE GIVEN TO IRRIGATION CUSTOMERS FOR THE CURTAILMENT OPPORTUNITIES THEY PROVIDE?

A. Yes there is. By allowing their load to be curtailed during the summer peak hours, Irrigators are saving the system costs at the margin. An appropriate credit would be to reflect these marginal cost savings. However, a minimum reduction in the customer's bill should be the average cost if serving these customers. I will address only this minimal rate reduction, based upon average, embedded cost savings.

The simplest way to estimate the average, embedded cost savings of such a program is to assume that all of the Irrigation load is subject to curtailment and that no other changes occur[4].

[4] Assume the same customer count, energy usage, non0coincident demand, distribution costs, etc.

This sets a simple framework by which to follow how costs are allocated through the Company's existing cost-of-service study, without making speculative assumptions regarding costs, level of curtailment, load factors, etc. Based upon the Company's filed cost-of-service study and associated data, the simple questions to be answered is: On an average, embedded cost basis, how much cost savings is there, if the only change in costs and billing determinants is that the summer system coincident peak demands is reduced by full Irrigation participation?

Q. IS IT REASONABLE TO ASSUME THAT THE IRRIGATION CURTAILMENTS WILL CAPTURE THE TIME OF ALL OF THE SUMMER SYSTEM PEAKS?

A. Very reasonable estimates/assumptions can be made with respect to the ability of these curtailments to capture the time of the present summer peak. The Option where Irrigators are interrupted on four separate days (Monday—Thursday) for three hours each day is a good example. A look at the pattern of summer peak loads demonstrates how well this Option will capture the time and days of the summer peaks. The following table lists the days of the week when these peaks have occurred in the past:

Table 1

	1999	2000	2001	2002	2003
June	W	W	Th	M	T
July	M	M	T	M	T
Aug.	M	T	T	T	W
Sept.	M	Th	T	W	Th

As can be seen from the above, the summer peaks have only been occurring during the four days Monday—Thursday. Presumably, this is why the Company set up this program in order to address these four specific days and not a 5-day week.

A look at the hours when the summer peaks occurred also gives a good indication of how precise the Company's program has been geared to curtail Irrigation load at the hour of the summer peaks:

Table 2

	1999	2000	2001	2002	2003
June	5	5	6	4	4
July	4	5	4	5	4
Aug.	6	5	3	5	5
Sept.	6	5	5	5	5

With the exception of August 2001, all of these summer peaks fell within a 3-hour time slot that would be covered by the 4-days per week, three hours per day Option. This equates to 93% (14/15) of the time that this Option would result in a reduction in the summer coincident peak.

With the 6-hours per day, two days per week option, the Company spaces the customer out on different days (Monday—Wednesday or Tuesday—Thursday) such that it covers each of these four days with 6-hours of curtailment. This will result in an assumed 100% capture of the day and hour of the peak, but only 50% of the load would be curtailed at those times.

Q. PLEASE PROVIDE MORE DETAIL REGARDING HOW THESE SIMPLIFYING ASSUMPTIONS CAN BE INCORPORATED INTO THE COMPANY'S COST OF SERVICE STUDY IN ORDER TO DEVELOP A MINIMUM RATE REDUCTION FOR IRRIGATION CUSTOMERS THAT JOIN THE CURTAILMENT PROGRAM.

A. By making separate runs of the Company's cost of service program and by assuming that there is full participation in each Option under review, it is possible to quantify the impact of each Option in isolation. Thus, a minimum rate reduction can be established for each Option under consideration. Each Option is different and provides a different level of impact upon the system. By doing a cost of service run assuming that each Option is fully in place, it is possible to quantify the average embedded cost impact of each Option upon the cost of service that would be allocated to the Irrigators. This is not the full marginal cost benefit of the Option to the system, but it does reflect what the impact would be if the benefits of a given Option were flowed back to the customers on that Option.

Q. WHAT ASSUMPTIONS WILL YOU USE IN THE COMPANY'S COST OF SERVICE STUDY TO REFLECT THE IMPACT OF IRRIGATION CUSTOMERS THAT ARE ON THE 6-HOUR PER DAY, 2-DAY PER WEEK OPTION?

A. As demonstrated in the Tables 1 and 2 above, the 6-hour per day, 2-day a week Option captures the days of the week of the summer system peaks as well as all of the hours in which these peaks occur. Because only half of the customers on this Option are curtailed on any given day, it can be assumed that if all Irrigation customers were on this Option that the contribution to system peak for the Irrigators would be 50% of what is presently listed in the Company's cost of service study. In order to calculate the impact upon cost of service of this Option, it is necessary to cut in half the coincident peak demand in the Company's model for the Irrigators during the 4-summer months (and change no other billing determinants or input data).

Q. WHAT IS THE IMPACT THAT THE COMPANY'S COST OF SERVICE STUDY CALCULATES UNDER THE ASSUMPTION THAT ALL IRRIGATORS WOULD BE OPERATING UNDER THE 6-HOUR PER DAY, 2-DAY PER WEEK OPTION?

A. Under the 6-hour per day, 2-day per week curtailment Option the Irrigators would reduce their contribution to the summer system peaks by 50% in the Company's cost of service study. A summary of the results of a cost of service run that only reduced Irrigation load by 50% in the 4-summer months is contained on Exhibit C, Page 1. Page 2 of that exhibit contains a copy of the similar page[5] filed by the Company in this case, but without any additional curtailment on the part of Irrigators. For the Irrigators, the Company's cost of service study demonstrates the following impact on the Irrigation customers:

$46,090,820	Irrigation COS as filed by the Company
$41,090,679	COS with Irrigation summer peaks reduced by 50%
$ 5,000,141	Impact on COS of 2-day per week curtailment

Basically, the Company's embedded cost of service study confirms that a reduction in contribution to summer peaks from this program equates to a 10.8% reduction[6] in cost of service for these customers. If only 25% of the Irrigation customers signed up for such a program, the benefit would be 25% on a jurisdictional and system basis, but the reduction in cost of service for the 25% group of customers would still be the 10.8% that is calculated above. Basically, these customers should get a 10.8% decrease in their rates because of their participation in the 2-day per week Option as this is reflective of the average embedded cost reduction that their actions bring.

[5] Exhibit 22, Page 2
[6] ($5,000,141 / $46,090,820 = 10.8%)

This reduction of 10.8% could be spread across all rate components for those customers taking service under the 2-day per week Option. The Company seems to prefer that the credit be given only on the demand component of a customer's bill. In this case, the $5,000,141 reduction in cost would need to be spread over the 1,304,799 kW[7] of summer billing demand for Irrigation customers. The average savings (credit) that could be spread across the Irrigation billing demand would be $3.83 per kW[8] of billing demand. Once again, this is simply an average rate reduction based upon the Company's embedded cost of service study or even a credit to reflect system savings. It does not reflect the marginal cost savings to the Company. This is simply the minimum rate reduction that should be offered to those customers choosing to be on the 2-day per week curtailment option.

Q. HOW DOES THIS RATE REDUTION OF $3.83 PER KW OF BILLING DEMAND COMPARE TO THE CREDIT THAT THE COMPANY IS PRESENTLY OFFERING CUSTOMERS THAT ARE CURTAILED 2-DAYS PER WEEK FOR 6-HOURS PER DAY?

A. At present the Company offers a different "credit" for each of the four summer months. The difference between months is based upon what the Company calculates from its "forward price curves" at the time that the credit is established prior to the Irrigation season[9]. The present credits are as follows:

June	$2.62 per kW
July	$2.86 per kW
August	$2.70 per kW

[7] Company Exhibit 29 page 5
[8] $5,000,141 / 1,304,799 kW = $3.83 per kW
[9] This year's credits were submitted to the Commission on November 12, 2004

September $0.68 per kW

Although these different rates may make sense to some rate analyst, they do not prompt clarity for the customers. The Irrigator primarily cares about the total impact on his bill, which is best defined by the average credit. Additionally, if a customer curtailed in August and September as opposed to June and July, it would have the same impact upon the Company's cost of service results. The average monthly "credit" that is presently given by the Company is $2.215 per kW of billing demand. Increasing this amount up to the rate reduction of $3.83 per kW of billing demand (that comes from the Company's own embedded cost of service study) is not only the minimum that should be done to reflect fairness, but it would also greatly increase participation in the program. Increased participation would mean that additional savings (the difference between marginal costs and average embedded costs) would be realized by all of the system customers.

Q. SHOULD THE IRRIGATION CUSTOMERS BEING CURTAILED 4-DAYS PER WEEK AND 3-HOURS PER DAY BE GIVEN THE SAME RATE REDUCTION AS THOSE THAT ARE BEING CURTAILED 2-DAYS PER WEEK AND 6-HOURS PER DAY?

A. No, the rate reduction should not be the same, but the reduction that they are given should be calculated the same way. Specifically, by making a separate run of the Company's cost of service program and by assuming that there is full participation in the 4-day per week, 3-hour per day Option under review, it is possible to quantify the impact of this Option in isolation. By making this assumption, it is possible to quantify the average embedded cost impact of this Option upon the cost of service that would be allocated to the Irrigators.

Q. WHAT ASSUMPTIONS WILL YOU USE IN THE COMPANY'S COST OF SERVICE STUDY TO REFLECT THE IMPACT OF IRRIGATION CUSTOMERS THAT ARE ON THE 3-HOUR PER DAY, 4-DAY PER WEEK OPTION?

A. As demonstrated in Tables 1 and 2 above, the 3-hour per day, 4-day a week Option captures the days of the week of the summer system peaks as well as 14 of the 15 hours (93.3%) in which these peaks occur. Unlike the 6-hour per day, 2-day per week Option, these customers are all curtailed each day so we have 100% participation that impactions 93.3% of the peaks. In order to calculate the impact upon cost of service of this Option, it is necessary to assume that the Irrigation contribution to the 4-summer coincident peak demands in the Company's model is reduced by 93.3% (and change no other billing determinants or input data).

Q. WHAT IS THE IMPACT THAT THE COMPANY'S COST OF SERVICE STUDY CALCULATES UNDER THE ASSUMPTION THAT ALL IRRIGATORS WOULD BE OPERATING UNDER THE 3-HOUR PER DAY, 4-DAY PER WEEK OPTION?

A. Under the 3-hour per day, 4-day per week curtailment Option, the Irrigators would reduce their contribution to the summer system peaks by 93.3% in the Company's cost of service study. A summary of the results of a cost of service run that only reduced Irrigation load by 93.3% in the 4-summer months is contained on Exhibit D, Page 1. The Company's cost of service study demonstrates the following impact on the Irrigation customers:

$46,090,820	Irrigation COS as filed by the Company
$35,155,003	COS with Irrigation summer peaks reduced by 93.3%

$10,935,817 Impact on COS of 4-day per week curtailment

Basically, the Company's embedded cost of service study confirms that a reduction in contribution to summer peaks from this program should equate to a 23.7% reduction[10] in cost of service for these customers. If only 25% of the Irrigation customers signed up for such a program, the benefit would be 25% on a jurisdictional and system basis, but the reduction in cost of service for the 25% group of customers would still be the 23.7% that is calculated above. Basically, these customers should get a 23.7% decrease in their rates because of their participation in the 4-day per week Option as this is reflective of the average embedded cost reduction that their actions bring.

This reduction of 23.7% could be spread across all rate components for those customers taking service under the 4-day per week Option. However, as pointed out above, the Company seems to prefer that the credit be given only on the demand component of a customer's bill. In this case, the $10,935,817 reduction in cost would need to be spread over the 1,304,799 kW[11] of summer billing demand for Irrigation customers. The resulting average savings that could be spread across the Irrigation billing demand would be $8.38 per kW[12] of billing demand.

However, the present demand charge for Irrigation customers is only $4.05 per billing demand. It would be inappropriate to have a rate reduction for a rate component that would be larger than the base charge. For this reason, I recommend that the demand charge for these customers be set at zero with the remainder of the credit being collected over the in-season energy rates. Assuming a demand charge/reduction of $4.05 per kW of billing demand, this would mean that $5,284,436[13] of the rate reduction would come from the demand component

[10] ($10,935,817 / $46,090,820 = 23.7%)
[11] Company Exhibit 29 page 5
[12] $10,935,817 / 1,304,799 kW = $8.38 per kW
[13] $4.05 x 1,304,799 kW billing demand = $5,284,436

and the other $5,651,381 would come as a rate reduction to the summer energy rates. From Company Exhibit 29 page 5 it can be calculated that there is presently $22,669,714 of in-season energy charges being collected. The remaining rate reduction of $5,651,381 equates to 25% of this in-season energy revenue. In order to reflect the rest of the rate reduction that is deserving of customers that are curtailed four days per week, their energy rates should be lowered by 25% as well as having the billing demand charge set at zero.

Once again, this is simply an average credit based upon the Company's embedded cost of service study. It does not reflect the marginal cost savings to the Company. This is simply the minimum rate reduction that should be offered to those customers choosing to be on the 4-day per week curtailment option.

Q.

JURISDICTIONAL TREATMENT OF MONSANTO AND IRRIGATION LOAD INTERRUPTIONS

Q. ARE THE TERMS AND CONDITIONS OF THE MONSANTO AND IRRIGATION LOAD INTERRUPTIONS SIMILAR?

A. There are obvious differences. Monsanto is a single point load, while the Irrigation curtailable customers are scattered around the jurisdiction. Within contract limits, Monsanto is curtailed at the will of the Company, while Irrigators have load control meters that automatically reduce load at a prearranged time and for a number of hours each week. Because of these basic differences, there is a different value that can be placed upon the Monsanto curtailments compared to that for the Irrigation customers.

However, there are many similarities as well as. Both the Monsanto load and the Irrigation curtailable load are obtained under a contract. Although the Irrigation load is not significantly curtailable at all times of the year, the hours of curtailment are designed to reduce the summer coincident peak load as well as reduce the overall system load (and thus system costs) during the summer, super-peak hours. Thus, the benefit of these curtailments is similar to the economic curtailments incurred by Monsanto. Additionally, in the aggregate, the Irrigation Load Control Program presently curtails ___ Mw of load, which is on a par with the 70 Mw of economic curtailment that takes place on the Monsanto load.

Q. ARE THE MONSANTO AND IRRIGATION CURTAILMENTS TREATED THE SAME ON A JURISDICTIONAL BASIS?

A. No. Although both Monsanto and the Irrigation curtailable load are both treated as situs, the treatment of the credits associated with each of these curtailment options is treated differently. Within the context of the MSP allocation method, I agree with the treatment of the Monsanto curtailment credits. However, the treatment of the credits for the Irrigation Load Control Program do not properly reflective of system benefits. The Irrigation Load Control Program benefits the entire system. The highest priced resources for the system, not just for the jurisdiction are reduced because of these curtailments. Because the system benefits, the system should pick up the cost of "credits" that it pays to Irrigation customers in a manner similar to the "credit" that is paid to Monsanto for the curtailment opportunities that arise out of that contract.

Q. WHAT BRINGS ABOUT THIS DIFFERENCE IN TREATMENT OF THE CREDIT THAT IS PAID FOR THE MONSANTO CURTAILMENT COMPARED TO THAT FOR THE CREDITS ASSOCIATED WITH IRRIGATION CURTAILMENTS?

A. This difference in treatment of the "credit" associated with these two forms of curtailment in the Inter-Jurisdictional Allocation (IJA) process comes about simply because PacifiCorp designates the Monsanto curtailments to fall under the heading of "Special Contracts With Ancillary Service Attributes". Unlike Monsanto, the contracts under the Irrigation Load Control Program are considered to be simply a form of a DSM program[14] and thus fall under the heading of "Interruptible Contract Without Ancillary Service Contract Attributes".

[14] Response to IIPA Request 43-C.

Q. WHAT IS THE IMPACT OF ASSUMING THAT A GIVEN AMOUNT OF CURTAILMENT IS TREATED AS DSM COMPARED TO HOW MONSANTO IS TREATED?

A. For a jurisdiction the size of Idaho these credits can have a large impact. The Company's calculation for the test year amount of the credit to Monsanto[15] is $9,885,417. Presently, this credit is spread to all jurisdictions as a purchase power cost. Because this credit is treated as a purchase power costs, approximately 6.6% or $650,000 becomes Idaho's responsibility. This is appropriate because all jurisdictions share in the benefit of these curtailments. However, if the credits for the Monsanto curtailments were treated the same as that proposed for the credits for the Irrigation curtailments, the Idaho jurisdiction would be responsible for this entire $10 million of credit, in spite of the fact that it only enjoyed 6-7% of the jurisdictional benefit (cost reduction).

With the Irrigation curtailment credits being designated as a DSM project, the Idaho jurisdiction is effectively being required to pay the entire amount of the credit that is resulting in a benefit to the entire system. The size of the Irrigation curtailment is presently ___ Mw or about half of the 70 Mw of economic curtailment available from Monsanto. Although having different parameters, the Irrigation curtailment program is similar to that of Monsanto in one very important way—they both curtail load at the time of the peak and either require less generation to be built and/or reduce the marginal cost of energy during critical hours. Why should Idaho customers pay for the full credit associated with the Irrigation curtailments of ___ Mw when it rightfully pays for 6-7% of the credit associated with the Monsanto curtailments?

[15] Exhibit 29 page 9 of 9 listed as "Non-Firm kW Discount".

Q. GIVEN THE MINIMUM RATE REDUCTION THAT YOU HAVE CALCULATED ABOVE FOR IRRIGATORS (BASED UPON THE COMPANY'S EMBEDDED COST OF SERVICE STUDY), IS JURISDICTIONAL TREATMENT OR SYSTEM TREATMENT APPROPRIATE?

A. Generally speaking, for the case where a customer (or customer group) is curtailed for the benefit of the system, the "credit" should be allocated on a system basis. It is inappropriate for a single jurisdiction to absorb the responsibility of "credits" that are being incurred for the benefit of the entire system. This aspect of the MSP protocol should be addressed before this methodology is approved by the Commission.

However, for the particular minimum rate reduction that I have proposed for the Irrigators in this case, neither treatment is appropriate. The minimum rate reduction is simply a reflection in the cost of service between Irrigators that are curtailed and those that are not. There is no additional amount associated with this that is a "credit" to reflect the price that would be paid to achieve additional curtailments for the marginal cost benefits. If the Company were paying for something (marginal cost or system benefits) with "credits" that were in excess of that which would result from an embedded cost of service calculation, then those additional "credits" should be addressed on a system as opposed to a jurisdictional basis.

The Commission needs to address the treatment of curtailments "credits" on a system basis. However, a curtailment "credit" for Irrigators would only be something in excess of the rate reduction that simply flows through the Company's cost of service study. Until a true

"credit" is established that is above the minimum rate impact, there is not "credit" to be paid for by other customers.

LOAD RESEARCH DATA QUALITY

Q. IS THE LOAD RESEARCH DATA USED IN THIS CASE OF SUFFICIENT QUALITY TO USE FOR ESTABLISHING CLASS RATES OF RETURN UPON WHICH THERE IS EVEN THE LEAST BIT OF CREDIBILITY?

A. No. Although the Company employees may do a good job of collecting and analyzing load research data in its larger jurisdictions, the combination of Idaho being a very small jurisdiction and not having a rate case to almost 20 years seems to have resulted in data that is unacceptable for use in determining class cost of service in this case. My recommendation is an even percentage increase be given to all customer classes in this case with the hope that some of these data problems can be rectified before PacifiCorp files its next Idaho rate case. I suggest this in spite of the fact the Company's present cost of service study shows the Irrigation class very near the average rate of return, and that a few simple and obvious corrections to the data would yield a return above average and thus the need to give the Irrigators less than the average increase.

Q. DOES THE COMPANY COLLECT LOAD RESEARCH DATA FOR ALL OF ITS CUSTOMER CLASSES?

A. No. Load research data is simply a sampling procedure used when the Company does not have hourly demand data for each customer. In such cases the Company gathers data from a limited number of customers on a rate schedule and expands that data to reflect the entire population of the rate schedule.

Because of cost considerations (and possibly lack of rate cases) the Company has not been continually operating a load research program for all classes in Idaho that need one. For purposes of this case the Company does not have test year load research data for Schedules 006, 023, 019, 008, and 035 (Schedule 009 is the only commercial/industrial schedule for which it has current load research data. Additionally, it did not have current load research data for April – July of the test year for both Residential Schedules 001 and 036.

Q. IF THE COMPANY DOES NOT HAVE CURRENT LOAD RESEARCH FOR ALL OF THESE SCHEDULES, WHAT IS THE SOURCE OF THE DATA USED?

A. The Company uses average historical data where it does not have current load research data available. For example, for Residential Schedules 001 and 036 the Company used the average 1991—1994 data (over 10 years old). The data was not nearly as antient for the commercial schedules with that data generally coming from the 1998—2000 timeframe (about 5 years old).

Aside from the obvious concern regarding the age of this data, the averaging technique is also of concern. The Irrigation demand data reflected actual conditions during the test year as did the Residential data starting in August (after the summer peak). Development of peak data from an average of historical data (that certainly is not a reflection of the test year temperatures and usage patterns) would tend to produce different (and I believe lower) peak results than if actual data were collected during the test year. Thus, the load research data that is currently collected for some customer classes would tend to bias this data upward, by comparison to all of the customer classes where average historical data is used.

Computer analytical problems

Q. ARE THERE OTHER PROBLEMS WITH THE LOAD RESEARCH DATA AS USED IN THE FILING BY THE COMPANY?

A. Yes. There were technical problems with the way the Company's computer program analyzed the load research data. The computer program occasionally left out portions of the data collected for the Residential 001 and Irrigation customers. Basically, this problem was random. It is my understanding that this problem was fixed after it was revealed through the discovery process.

Q. DID THIS ELIMINATION OF DATA RESULT IN LARGE SHIFTS IN THE RESULTS THAT WERE OBTAINED BY THE COMPANY?

A. It depends on how one's views the data and how much faith one puts in the entire load research process. If one assumes that in spite of its age and any other thing that may be going against this load research data that it is a 100% reflection of the population, then the fixing of this problem is small. Fixing the problem resulted in an increase in the rates of return generated for both the Residential 001 and the Irrigation customers as demonstrated on Exhibit ___ .

However, fixing the problem exposes the sensitivity of the data to a calibration problem

Data Calibration Problem

REFLECTING IRRIGATION CURTAILMENTS IN LOAD RESEARCH DATA

Q. DOES THE COMPANY'S LOAD RESEARCH DATA PROPERLY REFLECT THE AMOUNT OF IRRIGATION CURTAILMENT THAT OCCURRED IN 2003?

A. No. Aside from the issue that there is far more Irrigation curtailment that is taking place today than in 2003, the curtailment actually reflected in the 2003 load research data is approximately half of what actually took place on a total population basis. The reason for this is quite simple. The load research program was not designed to capture the effect of the Irrigation curtailment program. Out of the 403 pumps that were on the curtailment program in 2003, there was only load research data available from three of these pumps. The Company's response to IIPA Request 47 recognizes this shortcoming:

> The load research sample in place at this time was developed to predict the class average load for the irrigation class in Idaho. The sample was installed prior to the implementation of the load control project. As such, the current sample design, and the sample point (customer) representation in the load research study is insufficient to predict with a reasonable accuracy the impact of the load control project. However, since the irrigation class is affected by the load control program, decreases in usage on a class basis should reasonably be picked up in the class load research study. The study however will not accurately report the impact on the irrigation class load shape.
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> If it is determined that load control impact needs to be more accurately measured, more sample points would be needed and a completely new sample design may need to be developed.

Q. PLEASE QUANTIFY THE LEVEL OF IRRIGATION CURTAILMENT THAT IS REFLECTED IN THE COMPANY'S LOAD RESEARCH DATA AND THUS IN THE COMPANY'S COST OF SERVICE STUDY DATA.

A. Exhibit B contains the calculations used to calculate the actual level of Irrigation curtailment that is reflected in the Company's cost of service study data. There were only three curtailable customers contained in this data and they were all in Strata 3. These three customers had loads of approximately 110 and 167 kW for the two that were interrupted on Monday's and Wednesday's and 155 kW for the one that was interrupted on Tuesday's and Thursday's. There were 19 sample customers in Strata 3. In order to extract the amount of interruptible load that the load research data reflected in the general population, it is necessary to multiply the loads of these customers by the number of customers in the population as well as the Strata weighting factor and divide by the number of customers in the Strata. As can be seen from Exhibit B, the average curtailable load that is reflected in the total population is 9 Mw—a far cry from the 21 Mw that was signed up in 2003.

Q. ARE YOU RECOMMENDING A CHANGE IN THE COMPANY'S COST OF SERVICE STUDY TO BETTER REFLECT THE AMOUNT OF CURTAILMENT THAT WAS INCLUDED IN THE COMPANY'S DATA?

A. No. I have recommended an even spread in the rate increase for this case. Correcting the amount of interruptibility reflected in the Company's data only serves to increase the rate of return for the Irrigation class and further justifies an average increase for the Irrigation class. I bring attention to this shortcoming in the Company's data so that it can be addressed before the Company's next rate case.

TREATMENT OF THE COSTS ASSOCIATED WITH SUBSTATIONS AND PRIMARY DISTRIBUTION LINES

Q. HOW DOES THE COMPANY ALLOCATE COSTS ASSOCIATED WITH SUBSTATIONS AND PRIMARY DISTRIBUTION LINES?

A. The Company uses the monthly distribution peaks of each class, weighted by the percentage of Substations that peaked in each month. By way of example, if only 1% of the Substations peaked in a given month, the individual class distribution peaks for that month would be weighted by 1%, and if 50% of the Substations peaked in a given month, then the individual class distribution peaks for that month would be weighed by 50%. The general theory being that Substation and Primary line costs are peak related, and as more substation are peaking during certain months of the year, the usage by the various classes should be weighed more during those months. SEE IN TAYLOR SAYS THIS BETTER

Q. IS THE COMPANY'S METHODOLOGY FOR ADDRESSING THE COST CAUSATION OF SUBSTATIONS AND PRIMARY LINES APPROPRIATE?

A. Generally speaking, I agree with the intent or direction of the Company's approach. These costs are primarily distribution demand related, and peak demand on a given Substation or Primary line would tend to drive costs. However, there is one shortcoming with the Company's method that could be easily fixes and be more in line with the intent of the methodology proposed.

The Company's methodology assumes that costs are related to how many substations peak in a given month. If all Substations cost the same, the Company's method may be a good link with cost causation. However, all Substations are not the same. The size of these Substations vary from 400 KVA (Holbrook) to 32,500 KVA (Rexburg). The cost of these substations varies over a wide range as well with _____ costing and _____ costing____.

Q. HOW DO YOU RECOMMEND RECTIFING THIS SHORTCOMING IN THE COMPANY'S ALLOCATION METHODOLOGY?

A. Very simply by not assuming that each Substation is equal, but by using the cost of each Substation that peaks in a given month as the basis for the development of the weighting factors.

Q. CAN THIS WEIGHTING BE DONE IN THIS CASE?

A. No. In developing it distribution weighting factors in this case, the Company relied upon 5-years of data (_____). The use of multiple years of data for this purpose is preferable to using only a single year. Unfortunately, the data does not include information regarding which Substations peaked when—simply the number of substations that peaked in a given month. The Company only has 1-year of recent data that lists which Substations peaked in which month. I recommend that the Company continue to collect data that identifies the individual Substations that peak in a given month for purposes of the next rate case.

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