

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )**  
**OF PACIFICORP DBA ROCKY MOUNTAIN )** **CASE NO. PAC-E-07-05**  
**POWER FOR APPROVAL OF CHANGES TO )**  
**ITS ELECTRIC SERVICE SCHEDULES )** **NOTICE OF APPLICATION**  
)  
) **NOTICE OF**  
) **INTERVENTION DEADLINE**  
)  
) **ORDER NO. 30356**

---

On June 8, 2007, PacifiCorp dba Rocky Mountain Power (RMP; Company) filed an Application with the Idaho Public Utilities Commission (Commission) for authority to increase the Company's base rates for electric service. In this Order, the Commission provides notice of the Application and establishes a deadline for interested persons to intervene as parties.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that on June 8, 2007, PacifiCorp dba Rocky Mountain Power filed an Application with the Commission for authority to increase the Company's base rates for electric service by \$18.5 million annually, or 10.3%. The increase in base rates would vary by class of customer and actual usage.

Rocky Mountain Power provides electric service to more than 67,000 customers in eastern Idaho. As reflected in accompanying testimony, Rocky Mountain Power's need for the revenue increase requested is primarily caused by cost increases in the following areas:

1. Fuel, wholesale market and transmission wheeling price increases, which contribute to significant increases in net power costs.
2. New generation, transmission and distribution plant investments.
3. Labor-related cost increases.

The Company contends that all elements of its rate increase are necessary to maintain and provide adequate, efficient, safe and reliable electric service to its customers and to provide a reasonable opportunity for the Company to earn a fair return on its investments. The Company claims it is currently earning a return on equity (ROE) of 5.3% in its Idaho jurisdiction. The

requested increase in rates will allow the Company to earn an ROE of 10.75%. The Company contends that the higher ROE is necessary to attract capital necessary to maintain its utility infrastructure.

The proposed average increase in base rates by kilowatt-hour will result in the following allocation of the net price increase for major customer classes:

<b>Customer Class</b>	<b>Schedule</b>	<b>Current Average Base Rates (cents/kWh)</b>	<b>Proposed Average Base Rate (cents/kWh)</b>	<b>Overall Percentage of Increase</b>
<b>Residential</b>	1	8.36	8.92	6.7%
	Optional time of day 36	6.77	7.22	6.7%
<b>General Service</b>	Small Power			
	23	8.04	8.08	0.4%
	23A	8.70	8.45	(2.8%)
	Large Power			
	6	5.98	5.98	0%
	6A	6.74	6.74	0%
<b>Irrigation Pumping</b>	10	6.68	7.12	6.7%

The Company also seeks to increase the rates applicable to special contract customer Monsanto Corporation (Schedule 400) by 24.1% and Nu-West Industries (Schedule 401) by 14.5% and the rates applicable to public street lighting by 20.7%.

The Company's rate spread and rate design proposals are based on a submitted class cost of service study and include a proposal that, in time of rising costs, no individual customer class would receive a rate reduction.

In addition to the revenue increase requested, the Company also proposes operational changes to its electric service regulations. The Company proposes changes to Regulation No. 10, proposing payment of collection agency cost be the responsibility of the customer causing such a charge to be incurred. The Company is also proposing increasing Schedule 300 fees associated with the connection and reconnection of service and changing the hours during which connection and reconnection of service is offered after normal office hours. In addition, the Company is proposing changes to Regulation No. 12 including housekeeping, clarification, and changing the methodology of refunding customer advances for line extension.

As reflected in the Company's Application, this request is \$3.6 million less than the increase otherwise supported by the Company's revenue requirement analysis, but was limited due to the Revised Protocol rate mitigation cap. The Revised Protocol is the allocation method

utilized to allocate and assign generation, transmission and distribution costs to PacifiCorp's six retail state jurisdictions. Reference Case No. PAC-E-02-3 (Inter-Jurisdictional Cost Allocation), Order No. 29708.

The revised tariff schedules proposed by the Company reflect a proposed effective date of January 1, 2008.

YOU ARE FURTHER NOTIFIED that RMP's intrastate revenue requirement, and every component of it, both rate base and expense, are at issue. The Commission may grant, deny, or modify the revenue requirement requested and may find that a revenue requirement different from that proposed by any party is just, fair and reasonable. IDAPA 31.01.01.124.01.

YOU ARE FURTHER NOTIFIED that the rates and charges for all RMP's retail customers, both recurring and non-recurring, including those of special contract customers, are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject or modify existing or proposed relationships between and among rates and charges within, between or among customer classes or rate groupings and may approve, reject or modify existing or proposed relationships among and between customer classes or rate groupings. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce or create rate blocks or categories of rates and charges; abolish, create or reduce components of rates and charges; abolish, reduce or create customer classes or rate groupings; and abolish, reduce or create absolute or relative differences among and between existing classes or rate groupings of customers. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules and regulations, service, instrumentalities, equipment, facilities, classifications and customer relations of the utility are at issue, and the Commission may address any of them in its Order. IDAPA 31.01.01.124.02.

## INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that **persons desiring to intervene** in Case No. PAC-E-07-05 for the purpose of becoming a party, i.e., to present evidence, to acquire rights of cross-examination, to participate in settlement or negotiation conferences, and to make and argue motions must file a Petition to Intervene with the Commission pursuant to Rules 72 and 73 of the Commission's Rules of Procedure, IDAPA 31.01.01.072 and .073. Persons desiring to acquire intervenor rights of participation **must file a Petition to Intervene on or before Wednesday, July 18, 2007**. Persons desiring intervenor status shall also provide the Commission Secretary with their electronic mail address to facilitate future communications in this matter.

YOU ARE FURTHER NOTIFIED that a prehearing conference in Case No. PAC-E-07-05 will not be calendared if the only purpose is to schedule dates for public workshops, testimony prefile and hearings. Petitioners requesting to intervene shall identify in their Petition any issues, other than scheduling, that require a prehearing conference. If no issues are identified a prehearing conference will not be calendared and the parties will develop a schedule for processing this case.

YOU ARE FURTHER NOTIFIED that the Commission Secretary shall issue a Notice of Parties after the deadline for intervention has passed. The Notice of Parties shall assign exhibit numbers to each party in this proceeding.

YOU ARE FURTHER NOTIFIED that persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or to other parties.

YOU ARE FURTHER NOTIFIED that discovery is available pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.221-234.

YOU ARE FURTHER NOTIFIED that the Company's Application, testimony, exhibits and workpapers in Case No. PAC-E-07-05 can be reviewed during regular business hours at the Commission's office in Boise, Idaho and at the following Idaho offices of Rocky Mountain Power:

200 North 170 West, Rexburg, Idaho

509 South 200 East, Preston, Idaho

852 East 1400 North, Shelley, Idaho

24852 U.S. Highway 89, Montpelier, Idaho

The Application is also available for public inspection on the Commission's website at [www.puc.idaho.gov](http://www.puc.idaho.gov) under the "File Room" and "Electric Cases."

YOU ARE FURTHER NOTIFIED that the following persons are designated as RMP's representatives in this matter:

Brian Dickman  
Rocky Mountain Power  
201 S. Main Street, Suite 2300  
Salt Lake City, UT 84111  
E-mail: [brian.dickman@pacificorp.com](mailto:brian.dickman@pacificorp.com)

Dean Brockbank  
Justin Brown  
Rocky Mountain Power  
201 S. Main Street, Suite 2300  
Salt Lake City, UT 84111  
E-mail: [dean.brockbank@pacificorp.com](mailto:dean.brockbank@pacificorp.com)  
[justin.brown@pacificorp.com](mailto:justin.brown@pacificorp.com)

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code, specifically *Idaho Code* §§ 61-502, 61-503, 61-507, 61-520, 61-523, and 61-622. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted according to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

YOU ARE FURTHER NOTIFIED that all hearings and any prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0338 (Telephone)  
(208) 334-3762 (FAX)  
E-Mail: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

**ORDER**

As more particularly described above, IT IS HEREBY ORDERED and the Commission hereby issues the foregoing Notice of Application and establishes the foregoing intervention deadline in Case No. PAC-E-07-05.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 29<sup>th</sup> day of June 2007.



PAUL KJELLANDER, PRESIDENT

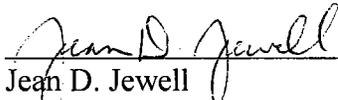


MARSHA H. SMITH, COMMISSIONER



MACK A. REDFORD, COMMISSIONER

ATTEST:



Jean D. Jewell  
Commission Secretary

b1s/O:PAC-E-07-05\_sw