

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF PACIFICORP DBA ROCKY MOUNTAIN) CASE NO. PAC-E-08-07
POWER FOR APPROVAL OF CHANGES TO)
ITS ELECTRIC SERVICE SCHEDULES) ORDER NO. 30783
)

The Commission in this Order approves a Stipulation offered as a proposed settlement of the rate issues in Case No. PAC-E-08-07. Parties to the Stipulation are PacifiCorp dba Rocky Mountain Power (RMP; Company); the Idaho Irrigation Pumpers Association, Inc. (Irrigators; IIPA); the Community Action Partnership Association of Idaho (CAPAI); and Commission Staff. The Commission finds the settlement to be fair, just and reasonable and in the public interest.

The rate changes we authorize for an effective date of April 18, 2009, increase authorized annual base tariff revenue for electric service from non-contract customers of RMP by \$4.38 million or 3.1%. The net amount of actual increase will vary by class of customer and usage. An average electric residential customer (Schedule 1) using 850 kWh of electricity per month will see a \$3.07 per month increase in summer bills and a \$2.38 per month increase in winter bills. The Stipulation does not impact or propose any changes to the rates of Monsanto or Agrium, whose rates are controlled by a separate agreement approved in 2007. The rates of Monsanto and Agrium increased 3% on January 1, 2009, and will increase again 5% on January 1, 2010.

In this Order, the Commission also authorizes development and funding of an energy conservation education program targeted to low-income customers and acknowledges the Company's commitment to include an inverted rate design proposal for residential customers in its next general rate case. An intervenor funding grant of \$4,500 is approved for the Community Action Partnership Association of Idaho and a grant of \$18,003 is approved for the Idaho Irrigation Pumpers Association, Inc.

Initial Application

On September 19, 2008, PacifiCorp dba Rocky Mountain Power (Rocky Mountain Power; Company) filed an Application with the Idaho Public Utilities Commission (Commission) for authority to increase the Company's base rates for electric service by \$5.9

million annually, or 4.0%. The Company's requested rate increase is driven by two key factors: (1) an unprecedented, and necessary capital investment cycle; and (2) rising costs of fuel and purchased power to serve customers. Tr. p. 30. The increase in base rates would vary by class of customer and actual usage.

Rocky Mountain Power claims that it is currently earning a normalized return on equity (ROE) of 6.5% in its Idaho jurisdiction. This current ROE, it states, is far below the Company's authorized Idaho return (10.25%), the returns recently authorized for other Idaho investor-owned utilities, and the 10.75% ROE requested by the Company in this case. The Company contends that an overall price increase of \$19.4 million would be required to produce the 10.75% ROE requested by the Company in this proceeding. The amount requested in this case is constrained and limited by the Revised Protocol rate mitigation cap approved by the Commission in Case No. PAC-E-02-3, reducing the request by \$3.1 million. Tr. p. 58, ll.11-19. 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 amount requested in this case is also limited by the stipulation approved in Case No. PAC-E-07-05 for tariff Schedules 400 (Monsanto Company) and 401 (Agrium, Inc.). That stipulation regulates the rates of Monsanto and Agrium through December 2010 and reduces the Company's rate request by \$10.4 million.

The test period for the Application was based on the historical 12-month period ending December 31, 2007, adjusted for known and measurable changes through December 31, 2008. Tr. p. 28. Pursuant to prior agreement (Case No. PAC-E-07-05), the cost-of-service methodology used to allocate costs to the various customer classes could not change in this rate case. Tr. p. 75. The net amount of actual increase under the Company's Application varies by class of customer and usage. The ultimate prices customers will experience are determined by the Company's rate spread and rate design proposals. For an average residential home using 850 kWh per month, customers would realize an increase of \$3.55 per month.

The revised tariff schedules proposed by the Company reflect a proposed effective date of October 19, 2008. The proposed effective date was suspended by the Commission in Order No. 30653.

Parties of Record

On October 3, 2008, the Commission issued a Notice of Application and Intervention Deadline. Parties requesting and granted intervention were: Monsanto Company; Idaho Irrigation Pumpers Association, Inc.; Community Action Partnership Association of Idaho; and Agrium, Inc.

Settlement Stipulation

Commission Staff filed a Notice of Intent to Engage in Settlement Discussions with the Commission on January 8, 2009. RP 272. A settlement conference was subsequently held on January 15, 2009, and was attended by all parties to the case with the exception of Agrium, Inc.

Pursuant to discussions, PacifiCorp, Commission Staff, Idaho Irrigation Pumpers Association and Community Action Partnership of Idaho have entered into a Stipulation and negotiated settlement that purports to resolve all issues raised in this proceeding. The Stipulation does not impact or propose any changes to the rates of Monsanto or Agrium, whose rates are controlled by a separate agreement approved in 2007, Case No. PAC-E-07-05, Order No. 30482. Tr. p. 50. Monsanto participated in the settlement discussions and, while it does not adopt the Stipulation, it has no objection to the Commission approving the same. Monsanto Comments filed February 5, 2009. The Stipulation was filed with the Commission on February 5, 2009. Staff Exh. 101; IDAPA 31.01.01.274. The stipulating parties represent that the Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable.

A technical and evidentiary hearing on the Settlement Stipulation in this matter was held on March 11, 2009, at the Commission's Hearing Room in Boise, Idaho. Tr. pp. 1-105. The following parties appeared by and through respective counsel:

Rocky Mountain Power:	Daniel E. Solander Mark C. Moench
Idaho Irrigation Pumpers Association:	Eric L. Olsen
Community Action Partnership Association of Idaho:	Brad M. Purdy
Commission Staff:	Scott D. Woodbury

Testimony supporting the Stipulation and proposed settlement was presented by RMP witness Ted Weston, Manager of Regulatory Affairs for the Company's Idaho jurisdiction; and Staff witness Randy Lobb, Administrator of the Utilities Division. A public hearing on the Settlement Stipulation was held in Shelley, Idaho on March 17, 2009, and a March 20, 2009, deadline for public comments was established. Tr. pp. 106-123.

Under the terms of the Stipulation, Rocky Mountain Power will be authorized to recover \$4,382,632 (3.1%) in additional annual electric revenue from non-contract customers. The increase will be effective April 18, 2009, for all affected customers. Stipulation ¶ 5.

The terms of the Stipulation are described and discussed below.

- The parties agree that their proposal is a [comprehensive] settlement with no party accepting a specific methodology for the revenue requirement determination. The parties agree that the overall increase represents a fair, just and reasonable compromise of the issues raised in this proceeding and that the Stipulation is in the public interest. Stipulation ¶ 4.

Staff notes that the give-and-take during negotiations on all issues resulted in a single overall revenue requirement that was satisfactory to all parties. . . . General settlement in this way provided for compromise to arrive at a mutually acceptable revenue requirement. It does not set a precedent that commits any party to a specific position on an issue that might be more fully addressed in the future. Tr. p. 61. E.g., return on equity (ROE) was not specified in the Stipulation as a compromise to recognize the significant difference in party positions. Tr. p. 67. To the extent ROE is required for other purposes such as avoided cost and AFUDC calculations, Staff supports continued use of the last authorized ROE (10.25%), Order No. 30482.

In its settlement negotiations, Staff established an overall revenue requirement target that it believed can be achieved with reasonable certainty. It then negotiated additional, less certain, adjustments in conjunction with likely Staff positions on various disputed issues to arrive at an overall revenue requirement compromise. Tr. p. 63. Staff notes that tax errors and undisputed adjustments totaling some \$600,000 were identified during the settlement negotiations that would have increased the Company's original revenue requirement. Tr. p. 65. If identified errors and undisputed adjustments in the Company's favor are included, the Settlement represents a reduction of more than 32%. Tr. p. 54.

This Stipulation, PacifiCorp states, reduces the Company's requested revenue requirement increase by approximately 25%.

The Stipulation should nevertheless allow the Company to maintain its current level of earnings and continue to be an excellent provider of energy services in Idaho. Rocky Mountain Power has continued to procure demand-side as well as supply-side resources. These resources represent significant investment the Company is making on behalf of its customers to meet their energy needs on a prudent and cost-effective basis. . . . The Company will continue to work to control its costs while implementing mechanisms and pricing proposals to help customers use electricity more efficiently. Tr. pp. 43-44.

There are four issues identified by Staff that makes negotiated settlement the reasonable option in this case: (1) Most test year expenses and investments have already been reviewed and adjusted by five other state jurisdictions served by PacifiCorp. (2) Expense and investment adjustments made on PacifiCorp's system level trickle down to affected Idaho retail customers at only 2.1% of the original adjustment. (3) Multi-state process (MSP) jurisdictional allocation commitments already limit the level of revenue requirement increase that can be passed on to Idaho retail customers. (4) The stipulated settlement approved by the Commission in Case No. PAC-E-07-05 contains the following terms:

With respect to the rate plan for 2008 through 2010 for Agrium and Monsanto, the Company agrees that in any rate filing during the three-year contract period of such rate plans it will not seek to recover any revenue shortfalls related to Agrium and Monsanto from other Idaho customers when compared to cost-of-service studies in those filings. (PAC-E-07-05 Stipulation ¶ 10.)

The cost-of-service (COS) methodology proposed by the Company in this proceeding will remain in effect as the accepted methodology through the maximum duration of the rate plans for Agrium and Monsanto which expire December 31, 2010. (PAC-E-07-05 Stipulation ¶ 11.) Tr. pp. 51-52.

- The parties agree to establish the total Company base rate net power cost at \$982 million, as filed in this Application, which will be necessary for calculation purposes in Rocky Mountain Power's currently pending application for approval of an Energy Cost Adjustment Mechanism (ECAM) in Case No. PAC-E-08-08. Stipulation ¶ 6.

Staff notes that it has not agreed at this time to the Company's ECAM proposal nor has it agreed that an ECAM mechanism is warranted for RMP in Idaho. Tr. pp. 68-69.

- The parties agree that Rocky Mountain Power's acquisition of the Chehalis generating plant in Chehalis, Washington was a prudent decision and in the public interest, and costs related to the plant acquisition and operation included in this case are reasonable and are included in rate base. Stipulation ¶ 7.

Staff notes that Chehalis is a 500 MW natural gas-fired combined-cycle generation facility acquired by PacifiCorp on September 15, 2008.

Staff verified that PacifiCorp's 2007 IRP identified a future deficit between the Company's projected peak capacity needs and its resources available to serve peak demand. In 2007, the Company issued a RFP seeking up to 1,700 MW of cost-effective base load resources. The Chehalis plant was not bid into that RFP; instead, it became available for a limited time in the market, outside of the RFP bidding process. Waivers of the RFP regulatory requirements were obtained from Oregon and Utah. Reports prepared by three independent evaluators (Merrimac Energy Group, Bodington & Company and Boston Pacific Company) and submitted in those states, supported the Company's acquisition and concluded that even though the Chehalis plant was not bid into the RFP, it likely would have been selected. Staff reviewed the independent evaluator reports as part of its analysis, reviewed the Company's analysis and performed an independent analysis. Tr. pp. 70-72. Staff concludes that the acquisition of the Chehalis plant is in the public interest and provides a favorably priced, flexible resource that will assist the Company in meeting the resource needs of its customers at the lowest reasonable cost.

- The parties agree that the demand-side management programs proposed by Rocky Mountain Power in Case No. PAC-E-08-01 are prudent. Further, the parties agree that a total of \$50,000 of demand-side management program funds will be made available to Southeastern Idaho Community Action Agency and Eastern Idaho Community Action Partnership to be used to support conservation education as a component of Rocky Mountain Power's Low Income Weatherization Program, Schedule 21. Conservation education program costs will be recovered through the demand-side management surcharge. Stipulation ¶ 8.

Staff accepts PacifiCorp's 2006-2007 DSM expenditures as prudent. The Company evaluates the cost-effectiveness of its

programs using the total resource cost test (TRC), the utility cost test (UTC), and the participant cost test (PCT). The Company maintains and Staff has verified that its programs meet Commission-approved cost-effective criteria. Staff has also verified that the methodology used by the Company to evaluate benefits and costs properly capture program energy savings. Additionally, Staff is satisfied that the Company periodically reviews and updates its DSM business base and DSM program assumptions and cost-effectiveness and makes changes as necessary. Although the Company has not yet obtained competitive bid third-party evaluations in Idaho, it is in the process of doing so. RMP has actively marketed its DSM programs and education to its Idaho customers and many of its customers have participated in them. Tr. pp. 72-74.

CAPAI proposes that RMP fund an energy conservation education program specifically targeted to low-income customers. The two CAP agencies currently providing low-income service within RMP's service territory are SEICA and EICAP. The parties agreed to work collaboratively to arrive at a fair, just and reasonable allocation of funding (# of RMP customers in each of the respective CAP service areas, etc.) and CAPAI agreed to submit a low-income education program proposal to the Company by May 1. The program will fund personnel and materials to CAP agencies to provide conservation education to all RMP customers who apply for LIHEAP. Tr. pp. 95-98.

- The parties agree that the issue raised in the Company's testimony related to the Energy Trust of Oregon Funding of the Goodnoe Hills Wind Generation plant will be deferred to Rocky Mountain Power's next filed general rate case. Stipulation ¶ 9.

The issue deferred deals with how renewable energy credits generated from the Goodnoe Hills Wind project should be allocated among the service jurisdictions given that the Oregon Energy Trust contributed directly to project development. Tr. p. 81.

- Rocky Mountain Power agrees that it will include an inverted tier rate design proposal or option for residential customers in its next filed general rate case for the Commission's consideration. Stipulation ¶ 10.

Tiered rates were recently approved by the Commission for Idaho Power residential customers. It does not follow, however, Staff contends, that tiered rates should automatically be required of RMP. There are some significant differences between Idaho

Power and RMP, Staff notes, that make further evaluation of a tiered rate design necessary. For instance, RMP already has a residential time-of-use rate and Idaho represents only 6% of PacifiCorp's customer base. A tiered rate design will not have the impact on a system basis for RMP that it will have for Idaho Power, given that Idaho Power's customers represent about 95% of Idaho Power's customer base. Tr. p. 69.

- The parties agree to the rate spread set forth in the following table. The calculations are based on the ratio of Rocky Mountain Power's proposed revenue requirement increase of \$5,871,441 to the settled revenue required increase of \$4,382,632. Details of the rate spread are included in Attachment 1 to the Stipulation; also Exhibit 29.

Customer Class	Application	Settlement
Residential – Schedule 1	4.73%	3.53%
Residential – Schedule 36	4.73%	3.53%
General Service		
Schedule 23/23A	0%	0%
Schedule 6/6A/8/35	7.96%	5.94%
Schedule 9	7.96%	5.94%
Schedule 19	2.31%	1.73%
Irrigation		
Schedule 10	2.31%	1.73%
Public Street Lighting		
Schedules 7/7A, 11, 12	0%	0%

Stipulation ¶ 11.

Staff believes that the proposed revenue spread reasonably applies the results of the cost-of-service study previously approved by the Commission and accepted by the parties in this case. Tr. p. 77.

- The parties agree that the design of rates by rate schedule (rate design) shall be consistent with the Company's filed proposals as adjusted for the revenue requirement in this Settlement. Stipulation ¶ 12.

Idaho's average residential customer on Schedule 1 uses 850 kWh per month. At that usage level residential customers would experience an addition of \$3.09 per month to their summer bills and \$2.38 per month to their winter bills. Tr. p. 41.

The stipulating parties recommend that the Commission approve the Settlement Stipulation for an April 18, 2009, effective date. RP 274.

Monsanto

In a letter filing with the Commission (February 5, 2009), Monsanto agrees “that it does not adopt the Stipulation but has no objection to the Commission approving the same.”

Monsanto’s current and future rates are established pursuant to the terms of a stipulation approved in Case No. PAC-E-07-05 (Order No. 30482), and will not be subject to further adjustment prior to January 1, 2011.

It is significant to note, Monsanto contends, that Monsanto’s firm rates and curtailment credit rates were increased 3% effective January 1, 2009, and will again increase 5% effective January 1, 2010, (Schedule 400). Monsanto’s number of economic curtailment hours increased from 800 in 2008 to 830 for 2009 and will increase to 850 for 2010.

Commission Findings

The Commission has reviewed and considered the filings of record in Case No. PAC-E-08-07 including the Stipulation of parties (and proposed settlement). The supporting context for the Commission’s deliberation regarding the reasonableness of the Stipulation terms is the Commission’s record of hearing in this case, which includes by reference the Company’s prefiled direct testimony and exhibits. Commission Rules of Procedure 282, 283; Tr. p. 3. The Commission is also informed by the transcript of the Shelley, Idaho proceeding, where customers and other parties of interest were provided the opportunity to raise their concerns and give testimony, and by filed public comments. The Commission finds that the established record forms a sufficient basis for decision and that no further hearing or procedure is required.

Settlements are reviewed under Commission Rules of Procedure 274-276. We incorporate by reference the submitted Stipulation (and proposed settlement) as if set forth herein in its entirety. See Tr. Exh. 101.

As stated in Rule 276

The Commission is not bound by settlements. It will independently review any settlement proposed to it to determine whether the settlement is just, fair and reasonable, in the public interest, or otherwise in accordance with law or regulatory policy. When a settlement is presented for decision, the Commission may accept the settlement, reject the settlement, or state additional conditions under which the settlement will be accepted. . . .

Under Rule 275, proponents of a proposed settlement carry the burden of showing that the settlement is reasonable, in the public interest, or otherwise in accordance with law or regulatory policy.

As reflected in the March 11, 2009, transcript of proceedings, the Company initially requested an overall increase in its revenues of \$5.9 million or 4.0%. Tr. p. 25; Stipulation ¶ 2. The increase amount agreed to by the parties in the Stipulation is \$4.38 million or 3.1%. Tr. p. 33; Stipulation ¶ 5. The Stipulation does not impact or propose any changes to the rates of Monsanto or Agrium, whose rates are controlled by a separate agreement approved in 2007. The rates of Monsanto and Agrium increased 3% on January 1, 2009 and will increase again 5% on January 1, 2010.

The Commission finds the Stipulation and negotiated settlement terms submitted in this case to be fair, just and reasonable and in the public interest. As represented, we find that the Settlement is a compromise by all parties to the Stipulation. We find the settlement terms regarding the establishment of a total Company base rate net power cost of \$982 million (Stipulation ¶ 6), the prudence of the Chehalis generating plant acquisition (Stipulation ¶ 7), the prudence of the DSM programs proposed by the Company in its underlying case (Stipulation ¶ 8), the proposed energy conservation education program targeted to low-income customers (Stipulation ¶ 8), and the Company's commitment to include an inverted tier rate design proposal for residential customers in its next filed general rate case (Stipulation ¶ 10) to be just, fair and reasonable and in the public interest.

The Commission finds the \$4.38 million 3.1% increase to be reasonable, as is spreading the increase to customer classes in the manner set forth in the above schedule. The resultant average changes in electric rates for the Company's non-contract customer service schedules that we find reasonable for an effective date of April 18, 2009, are set forth in Stipulation Exhibit 101, page 12, and are depicted in Attachment A to this Order.

In reviewing the transcripts of the public hearing in Shelley, the Commission notes that the sufficiency of the Commission's notice was raised by the only customer who testified. Our record of proceedings in this case reveals that the Commission issued three news releases. An October 8, 2008, press release announced the filing of the case and notice of procedure. A December 29, 2008, press release noticed times and places for workshops, although those had to be canceled due to inclement weather. A February 12, 2009, press release announced a proposed

settlement in the case and a public hearing scheduled for March 17, 2009 in Shelley. A week before the public hearing, an e-mail reminder was distributed to all media outlets who received the press releases. The press releases and e-mail reminders were sent to daily newspapers in Idaho Falls, Pocatello and Rexburg/St. Anthony, to Associated Press, to weekly newspapers in Preston, Malad, Soda Springs, Montpelier, Shelley, Rigby, and Driggs, to the Idaho Business Review. Press releases and e-mail reminders were sent to the ABC, CBS and NBC television affiliates in Idaho Falls and Pocatello and to KSL-TV in Salt Lake City. The same information was sent to five AM radio stations as well as the public radio FM stations in southeastern Idaho. Short of buying paid advertisements, the Commission has no way to ensure media outlets will print or air press releases. There is an ongoing effort by the Commission's public information officer to maintain communication with reporters and editors in the hope they will give proper attention to our press releases when they are issued.

Intervenor Funding

Intervenor funding is available pursuant to *Idaho Code* § 61-617A and Commission Rules of Procedure 161 through 165. Section 61-617A(1) declares that it is the "policy of [Idaho] to encourage participation at all stages of all proceedings before this Commission so that all affected customers receive full and fair representation in those proceedings." The statutory cap for intervenor funding that can be awarded in any one case is \$40,000. *Idaho Code* § 61-617A(2). Accordingly, the Commission may order any regulated utility with intrastate annual revenues exceeding \$3.5 million to pay all or a portion of the costs of one or more parties for legal fees, witness fees and reproduction costs not to exceed a total for all intervening parties combined of \$40,000.

Petitions for Intervenor Funding were filed by Community Action Partnership Association of Idaho (\$4,500 – legal \$4,380; costs \$120) and the Idaho Irrigation Pumpers Association (\$18,003.56 – legal \$5,503; consultant \$12,500).

Rule 162 of the Commission's Rules of Procedure provides the form and content requirements for a petition for intervenor funding. The petition must contain: (1) an itemized list of expenses broken down into categories; (2) a statement of the intervenor's proposed finding or recommendation; (3) a statement showing that the costs the intervenor wishes to recover are reasonable; (4) a statement explaining why the costs constitute a significant financial hardship for the intervenor; (5) a statement showing how the intervenor's proposed finding or

recommendation differed materially from the testimony and exhibits of the Commission Staff; (6) a statement showing how the intervenor's recommendation or position addressed issues of concern to the general body of utility users or customers; and (7) a statement showing the class of customer on whose behalf the intervenor appeared. The Petitions for Intervenor Funding filed by CAPAI and IIPA comport with the procedural and technical requirements of the Commission's Rules.

Community Action Partnership Association of Idaho (CAPAI)

As reflected in its Petition for Intervenor Funding and in its Settlement Stipulation supporting testimony, CAPAI proposed:

- That the Commission consider in its rate deliberations the dire state of poverty in which a significant percentage of RMP's customers live.
- That RMP in its next general rate case filing submit a proposal for and/or analysis of the appropriateness of tiered rates.
- That RMP fund an energy conservation education program targeted to low-income customers and agreed to submit a program proposal to the Company by May 1.

Idaho Irrigation Pumpers Association, Inc. (IIPA)

IIPA in its Petition for Intervenor Funding and also in supporting comments filed February 25, 2009, notes that, although this case was ultimately settled, the Irrigators had to prepare as though it was a regular rate case, e.g., corresponding, collaborating, gathering information, drafting and reviewing documentation and negotiating changes.

The Irrigators believe that the new expanded dispatchable Schedule 72A irrigation load control credit rider dispatch program is a cost effective demand response program that should be adopted by the Commission. Reference Case No. PAC-E-09-01 (Modified Procedure – comment deadline April 13, 2009). Implementation of the new proposed parameters will provide 200 MW of interruption capability during summer system peak IIPA contends, and will serve to lower generation and transmission costs and the jurisdictional allocation of those costs in a manner that will lower Idaho's overall revenue requirement. The Irrigators worked closely with the Company to develop this program.

IIPA notes that its member contributions have been falling presumably due to the current depressed economy, increased operating costs and threats relating to water right

protection issues. As a result of financial constraints, IIPA's participation in this review and Settlement has been selective and primarily on a limited basis.

Commission Findings

Submitted for Commission consideration are the Petitions for Intervenor Funding filed by Community Action Partnership Association of Idaho (\$4,500) and the Idaho Irrigation Pumpers Association (\$18,003.56). The Commission has reviewed the Petitions, the Stipulation and the testimony and comments of the Petitioners.

Intervenor funding is available pursuant to *Idaho Code* § 61-617A and Commission Rules of Procedure 161-165. Rule 162 of the Commission's Rules of Procedure provides the form and content requirements for a petition for intervenor funding.

Idaho Code § 61-617A includes a statement of policy to encourage participation by intervenors in Commission findings. The Commission determines an award for intervenor funding based on the following considerations:

- (a) A finding that the participation of the intervenor has materially contributed to the decision rendered by the Commission; and
- (b) A finding that the costs of intervention are reasonable in amount and would be a significant financial hardship for the intervenor; and
- (c) The recommendation made by the intervenor differed materially from the testimony and exhibits of the Commission Staff; and
- (d) The testimony and participation of the intervenor addressed issues of concern to the general body of users or consumers.

Idaho Code § 61-617A. We find that the Petitions for Intervenor Funding were timely filed and comport with the procedural and technical requirements set forth in Rules 161-165 of the Commission's Rules of Procedure.

CAPAI is a non-profit corporation overseeing a number of agencies that assist with issues related to the causes and conditions of poverty in Idaho. In this case CAPAI addressed the need for an energy conservation education program targeted to low-income customers and agreed to develop a program. We find it fair, just and reasonable to award the total request of CAPAI in the amount of \$4,500 and find that the public interest is well served by such award. We find the itemized costs of CAPAI to be reasonable and recognize that the cost to CAPAI of

participating in this proceeding constitutes a significant financial hardship. We find that CAPAI was professional and economical in the marshalling of its time and efforts.

The Irrigators are a non-profit corporation representing farm interests in southern and central Idaho. The Irrigators rely solely upon dues and contributions voluntarily paid by members based on acres irrigated or horsepower per pump. The Irrigators report that member contributions have been falling and that the organization currently has only approximately \$47,000 in the bank with outstanding accounts payable from participation in prior cases and this case totaling approximately \$53,000. We appreciate the participation of the Irrigators in this case and recognize their contribution to the ultimate resolution of issues. The Irrigators have requested \$18,003.56. We find it fair, just and reasonable to award the amount requested.

We find that the Petitions of CAPAI and the Irrigators satisfy the substantive findings that we are required to make to justify an award. IDAPA 31.01.01.165.01.a-e. We find that the participation and presentations of each, as reflected in their respective prefiled testimonies or comments and the Stipulation, materially contributed to the Commission's decision. Both add informed perspectives to the hearing record. We find that the recommendations and perspectives of each differed materially from the testimony and exhibits of Commission Staff and provided measurable form and substance to the Settlement Stipulation.

The Commission finds that the intervenor funding awards to CAPAI and the Irrigators are fair and reasonable and will further the purpose of encouraging "participation at all stages of all proceedings before the Commission so that all affected customers receive full and fair representation in those proceedings." *Idaho Code* § 61-617A(1).

CONCLUSIONS OF LAW

The Idaho Public Utilities Commission has jurisdiction over PacifiCorp dba Rocky Mountain Power, an electric utility, and the issues presented in this case, pursuant to the powers granted it under Title 61 of the Idaho Code and pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*, including specifically Rules 272 through 280 as pertains to settlements.

ORDER

In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED and the Commission hereby accepts the Stipulation and proposed settlement tendered in Case No. PAC-E-08-07 approving a \$4.38 million (3.1%) increase in

authorized annual base tariff revenue for electric service for non-contract customers of Rocky Mountain Power for an effective date of April 18, 2009. The Company is directed to file amended tariffs comporting with this Order.

IT IS FURTHER ORDERED and the Community Action Partnership Association of Idaho's Petition for Intervenor Funding is granted in the amount of \$4,500. Reference *Idaho Code* § 61-617A. Rocky Mountain Power is directed to pay said amount to CAPAI within 28 days from the date of this Order. IDAPA 31.01.01.165.02. Rocky Mountain Power shall include the cost of this award of intervenor funding to CAPAI as an expense to be recovered in the Company's next general rate case proceeding from the residential customer class. *Idaho Code* § 61-617A(3).

IT IS FURTHER ORDERED and Idaho Irrigation Pumpers Association, Inc.'s Petition for Intervenor Funding is granted in the amount of \$18,003.56. Reference *Idaho Code* § 61-617A. Rocky Mountain Power is directed to pay said amount to the Irrigators within 28 days from the date of this Order. IDAPA 31.01.01.165.02. Rocky Mountain Power shall include the cost of this award of intervenor funding to the Irrigators as an expense to be recovered in the Company's next general rate case proceeding from the irrigation customer class. *Idaho Code* § 61-617A(3).

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 16th
day of April 2009.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

bls/O:PAC-E-08-07_sw4

Average Stipulated Retail Rates For Idaho Customers of PacifiCorp

Description	Present Sch.	Present (¢)/kWh	Proposed (¢)/kWh
<u>Residential Sales</u>			
Residential Service	1	8.77	9.08
Residential Optional TOD ¹	36	7.08	7.33
Total Residential		<u>8.02</u>	<u>8.31</u>
<u>Commercial & Industrial ^{1,2}</u>			
General Service - Large Power ³	6	5.82	6.17
General Svc. - Lg. Power (R&F)	6A	6.49	6.87
General Service - High Voltage	9	4.33	4.59
Irrigation	10	6.79	6.91
Comm. & Ind. Space Heating	19	6.71	6.91
General Service Optional TOD	35	4.73	5.01
Total Commercial & Industrial		<u>5.21</u>	<u>5.30</u>
Total Sales to Ultimate Customers		<u><u>5.80</u></u>	<u><u>5.93</u></u>

Notes:

¹ Includes increase in Customer Charge

² No rate changes for Schedules 23/23A, Special Contract Customers, and Public Street Lighting (7/7A, 11, 12)

³ Remaining Schedule 8 Customers moved to Schedule 6