

December

Mr. Jim Kempton, President  
ID Public Utilities Commission  
P.O. Box 83720  
Boise, ID 83720-0074

RECEIVED  
2010 DEC 17 PM 3:24  
IDAHO PUBLIC  
UTILITIES COMMISSION

Dear Commissioner Kempton:

RE: Case Number PAC-E-10-07

My name is Dennis Mellow (Add a general description of who you are – i.e. Monsanto employee for X number of years, length of time living in SE Idaho, family, etc.) I am writing/testifying before you today to express my opposition to Rocky Mountain Power's proposed rate increase. 28 40 yrs in SE Idaho

I am greatly concerned of the potential impacts such a rate increase could have on not only my employer's ability to continue operations in the area, but also the impacts to other rate payers and the region's economy as a whole. (Note if you're a RMP customer. As such it's a double hit to you as an employee and a residential rate payer.) In the case of Monsanto, the company has been an integral part of SE Idaho for nearly sixty years.

[Additional points to consider in drafting your comment letter:]

- An affordable electrical rate will allow Monsanto to maintain a leading role in the economy of Southeast Idaho.
  - Employ 770 people, 375 of whom work directly for Monsanto and 395 of whom work for contractors. 94% of these people live in four southeast Idaho counties.
  - \$70 million annually in payroll and benefits adding to Caribou County being the 3<sup>rd</sup> highest in wages paid in Idaho.
  - Among the top employers in comprehensive benefits, vacations, holidays, incentive payouts, pension plan and 401k matched savings plans.
  - Offer high paying jobs that are roughly three times higher than the local average.
  - Serving as the largest contributor of an industry that supplies 52% of the local school tax base
- Through the use of an economic multiplier to consider the indirect economic effects this has on Idaho's economy, Monsanto's phosphorus business produces, at a minimum, a \$230 million economic impact in the state.
- Our schools and public services that are provided could not be maintained without the jobs and tax base provided by Monsanto and other manufacturing industries.

Rocky Mountain Power's call for a double digit increase, however, is at such a dramatic level that it threatens the viability of all manufacturers, not only Monsanto. If approved, it will have a rippling effect throughout Southeast Idaho that we may never be able to recover from. In this most severe economic downturn since the Great Depression, we have all had to make do with less. Rocky Mountain Power can, and should, get by with a substantially reduced rate proposal.

*We have a fixed income, we lost most of our retirement on 9/11/02. Our income is 20,000 yearly. Help us!*

Sincerely,

Mrs Dennis Mellow - MR Dennis Mellow

December 15, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission  
P. O. Box 83720  
Boise, Idaho 83720-0074

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UTILITIES COMMISSION

Dear commissioner Kempton:

My name is Delvin Humble. I have lived in Soda Springs for 31 years after beginning work at Monsanto. I, like many others I suppose, am apposed to the Rocky Mountain Power's request for a price increase. The impact of such an increase would be devastating to my family and my employer.

I have taken every action possible at my home to lower my energy costs by adding insulation, purchasing a more efficient furnace, and replacing windows. Just as I was expecting my bill to go down, Rocky Mountain Power requests a rate increase that frankly I feel is unreasonable and unrealistic in this economy. I have made personal changes in order to survive in this economy, and I know many others that are struggling just as I am. To make matters worse, this rate increase will be devastating to my employer. Adding about \$22M to their operating expense just might be the preverbal straw that breaks all of our backs; we will be out of a job.

I hope that you will sincerely consider the public's plea for a reduction in Rocky Mountain Power's request for a double digit rate increase. If approved, it will not only affect me personally, but have a rippling effect throughout Southeast Idaho that "will" devastate our local economy. Rocky Mountain Power should instead be finding ways to cut our costs as I have personally had to do.

Thank you for time and consideration.

Sincerely,



Delvin Humble  
540 East 480 North  
Soda Springs, Idaho 83276  
208-547-4707 (home)  
208-547-1312 (work)

DISTRICT 31  
BEAR LAKE, CARIBOU,  
FRANKLIN, BONNEVILLE &  
TETON COUNTIES

HOME ADDRESS  
370 MOUNTAIN VIEW AVENUE  
SODA SPRINGS, IDAHO 83276  
HOME: (208) 547-2423



OFFICE ADDRESS  
STATE CAPITOL  
P.O. BOX 83720  
BOISE, IDAHO 83720-0081  
(208) 332-1300  
FAX: (208) 334-2320

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IDAHO PUBLIC  
UTILITIES COMMISSION

## Idaho State Senate

**SENATOR ROBERT L. GEDDES**

*former* PRESIDENT PRO TEMPORE

December 15, 2010

Idaho Public Utilities Commission  
P.O. Box 83720  
472 W. Washington Street  
Boise, Idaho 83720-0074

re: Rocky Mountain Power Rate Case PAC-E-10-07

Dear Commissioners,

Thank you for holding public hearings in my legislative district to allow my constituents and the customers of Rocky Mountain Power to testify on this proposed rate case. I appreciate your willingness to come to Caribou and Franklin counties, to hear the concerns and receive input useful as you resolve this very critical and precedent setting proposal.

Prior to expressing my research and thoughts, I wish to disclose that I am and have been a Soda Springs Monsanto employee since March 27, 1985. As such, I am concerned regarding the impact that this rate case and future rate increases that have been promised will create for this industry. During my employment of nearly 30 years in the phosphate industry and nearly 26 years with Monsanto, input costs to produce elemental phosphate in the form of electricity, ore supply and transportation are very much the limiting factors. Electricity cost is the most significant for the elemental phosphorus industry is generally listed as the primary factor for facility closures. Increasing electricity costs, subsidized foreign competition, federal and state environmental requirements will and have all made the products produced by Soda Springs industry and by Monsanto extremely fragile in such a competitive global market.

During much of my employment history, I have also been honored to serve in the Idaho State Senate. As a Senator representing the communities and the people that for a large part support and find employment within these industries. The step changes being embraced by Rocky Mountain Power and the uncertainty of my constituent's ability to pay and to truly benefit from these changes characterize my concerns. As a lay legislator, my efforts have been to increase the input that will occur during the rate case hearing process. I feel that is a critical component of my responsibilities and have always felt that the IPUC process is somewhat weak to aggressively advertise and involve those who may be asked to pay more for the services provided.

I was in attendance at the Boise press conference in May of 2005 when Warren Buffet announced his purchase of Scottish Power for the amount of \$5.1 billion in cash along with the assumption of an additional \$4.3 billion of debt. He clearly stated that an energy utility was not his ideal prospect for a high profit earning endeavor; but that he was acquiring energy companies for other reasons. He explained he was attracted to their predictable cash flow and summarized his strong desire to provide economic stability and growth, needed capitol improvements, efficient management and economical energy to our nation and the Idaho's PacifiCorp service territory.

This acquisition was looked at as a relief and a welcomed change from the management and mismanagement created by Scottish Power; who took ownership of a profitable company in 2001 and created a debt ridden and unprofitable utility during their four long years of ownership.

Citizens in this area begged in mass for the Idaho Pubic Utilities to reject the sale of PacifiCorp to Scottish Power in 2001. That didn't happen and the history regarding the first foreign ownership of a U.S. utility company has now been established.

Idaho law requires that rates be set at a level that is based on cost of service and a reasonable and fair return on equity. That seems simple enough, but obviously it is not so easy to determine what reasonable and fair is. I do not envy the position that the IPUC again finds itself in, as you endeavor to establish what reasonable and fair means.

I have been very puzzled regarding the magnitude of this increase, why and how such an increase can be proposed and justified. To the extent that my web-based research is accurate and correct, I believe that I have now found the basis for double digit increases and a higher than expected rate increase.

If I were to title my comments, it would be something like... Is Wright Right or Is Reiten Wrong?

My research has identified a significant and major shift from the established business strategy that PacifiCorp/Rocky Mountain Power has previously maintained. This shift is a massive and aggressive move into wind power using gas powered backup. Such a shift raises major concerns because of the unproven, expensive and significant infrastructure needs. A high risk assumption and the anticipation of a regulatory mandate (not yet been implemented at the federal level – and one could argue is losing support) is or was anticipated and has become the basis for this corporate shift. A renewable portfolio requirement has been mandated in Oregon, Washington and California; but not in Idaho. Not surprisingly, all states with such a mandate have been resistant to allowing the so called “green power” sources of generation to be developed extensively within their boundaries. This dependence on unreliable and unproven wind generation should be of significant concern and a consideration that the IPUC must not take lightly. Such a deviation from time tested and proven coal and hydro generation will create a tremendous financial burden and promote reliability risks for Idaho customers.

Jim Piro, CEO of Portland General Electric and a 35-year veteran of the utilities industry was reported in Energy in the News as saying, the shift has already started toward wind power. BPA, PacifiCorp and PGE all claim to be leading the nation in wind, and they are all correct. BPA leads the way in incorporating wind into its transmission lines. PacifiCorp, in partnership with its parent company, is far and away the largest investor in wind among the nation's utilities. PGE is No. 1 in convincing homeowners to pay a premium for clean power. But for all of the breezy gains, they aren't even close to where they need to be by 2025.

Steven Wright, Administrator and CEO of Bonneville Power Administration was reported in the same article to say that he is very apprehensive regarding wind, which is proving more problematic than BPA's engineers had expected. Here's how he explains the situation: "So when the wind is going up or down, we have to make sure that other generation goes up or down to balance it. It has been amazing to find that the ramp rates on these facilities are substantial, much more so than we've ever had to deal with before. Think how culturally hard this is, because we in the utility industry are control freaks. We have to be. And now you throw in this resource that's going up and down all the time, in the random patterns that we have not been able to draw statistical correlations with, and we're trying to make that work. It's scary. The thing is, plans are under way to boost BPA's wind load to 6,000 megawatts over the next few years, to meet the demand for new sources of renewable power. That would break the camel's back twice. In an unsolvable problem with the current system we have in place."

Obviously, the dramatic changes in the methods and approaches being chased PacifiCorp and based on a federal regulatory requirement that has not been and may not be put into place and having Idaho pushed by the "green power" portfolio requirements of neighboring states, Idaho is being sucked into this bleeding edge frenzy and asked to pay its share of the staggering cost. All at a time when resources are so scarce and the risk is most apparent for industry, business, schools and citizens. We find ourselves in the most difficult economy since the great depression. Economic growth has been stifled by greed, profit schemes and mismanagement. Much of this has been driven by governmental oversight gone bad and financial safeguards that have been found to be ineffective and unsuccessful.

The citizens of the U.S. sent a message on November 2 and a new level of accountability will either be established or many aspects of our economy and society will be re-established. That same message should not be lost on this rate setting process. We can ill afford to move in a direction that is not sustainable, secure and proven to be successful and affordable.

R. Patrick Reiten, President of Pacific Power, a division of PacifiCorp located in Portland Oregon, made a presentation in August 2009 to the MidAmerican Energy and Warren Buffet recommending the \$6.1 billion investment to transition from coal generating to renewable sources of energy to meet Oregon's renewable portfolio standards and to prepare for national carbon caps. Reiten said, "In a time when dams are more likely to be torn down than built, PacifiCorp's strategy is to continue investing in wind power, supplemented by gas plants and 2,000 miles of new transmission lines. The transmission lines (the \$6.1 billion project Reiten presented to Buffet and his Board last July) would extend from PacifiCorp's wind farms in Wyoming into Idaho, Utah, Nevada and Oregon. Reiten plans to minimize costs through efficiencies inherent to all companies under the Berkshire Hathaway umbrella." Reiten stated

further, "There are some real advantages of having this holding company in terms of access to expertise, access to great management and access to low-cost capital."

Reiten was recruited to PacifiCorp in 2006 and was reported to receive \$647,482 in total compensation during 2008. (Energy in the News, Power Players – August 2009 by Ben Jackett, <http://www.symbioticsenergy.com/news/future.html>)

This very aggressive recommendation accepted by Mr. Buffet and MidAmerica Energy to transition from coal and hydro generation to wind generated power supplemented by gas plants and new transmission lines required to move this power to states that require a "green energy" portfolio has placed the Idaho rate payers of Rocky Mountain Power in potential financial peril. Over \$2 billion has been spent to acquire wind generating capacity and current estimates indicate that 90% of the Gateway transmission line capacity is unused. Obviously, there must not be a shortage of available capitol. So much capitol supplied through the umbrella holdings of Berkshire Hathaway that the Gateway project has been overbuilt and being constructed at higher costs/mile than any other comparable transmission line construction project. This development and investment will scarcely benefit the Idaho ratepayers, as this transmission line is designed to move power out of or through Idaho without distribution to serve Idaho customers.

I have heard it said that a ROE set at 10.6% is necessary to attract needed capitol to continue to maintain a reliable infrastructure necessary for Rocky Mountain Power to provide services to its Idaho customers. The greater concern is how can the citizens of Idaho pay for this capitol along with an ROE set at such a high level?

It has also been publically stated that the current 10.25% return on equity is not being met and that the actual ROE is slightly less than 6%. I do not understand, if they are not currently reaping an ROE at the approved level, then why would an increase to that rate even be considered for approval?

More concerning is that during this economic time period a level of 10.6% ROE seems absolutely unfair and unreasonable. Such levels certainly do not comply with Idaho statutory requirements or a level that should be acceptable to this commission or to the citizens of this state. An ROE of 10.6% cannot and should not be defended, justified or approved as reasonable and fair.

To approve a rate of return that is so disproportionate with the current economy will ultimately encourage imprudent investments and unreasonable expenditure of monies made to an infrastructure that does not provide reliability or benefit to the customers of Idaho. In addition to the cost of the capitol, it requires a payment for the profit margin that the rate payers simply cannot afford.

A transition to incorporate more wind generated power will also require the construction of natural gas fired generation to provide the needed reliability. That is costly and inefficient to install something that is more reliable (Gas) to backup something that is less reliable (wind).

Because electricity is such a critical component of our economy, a 10.6% no risk rate of return, when other investments with risk pale in comparison, is absolutely not appropriate. Such an ROE will do little except to discourage business, industry, schools and residential users to invest or even remain viable. This level of guaranteed profit merely puts all of us face to face with the threat of enormous inflation. The cost of basic services, commodities and living expenses will have to be increased to absorb the potential increase to cover higher electricity rates and an ROE that is not appropriately set, but that should be set at an appropriate rate and one that will temper imprudent investment.

I am reminded of the bonds sold by the State of Idaho in 2006 to provide necessary funding to renovate the Idaho Capitol building. These bonds were issued about 4 years ago at a rate of 3.66%, for the amount of \$130 million and were sold in less than 3 hours. This level of funding was raised prior to the failure of our economy. In light of this, how can a claim be taken seriously that 10.6% ROE is necessary to raise capitol. This example proves without doubt that the requested rate is completely out of line with current financial investment opportunity and market investment reality.

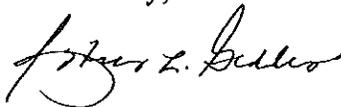
The ROE must not be higher than what this utility has proven it can currently manage and return for itself. 5.7% sounds high, but is realistic, reasonable and fair. Now wouldn't that be precedent setting and protective of the public (ratepayers) instead of just protective of the utility?

For too long, the utilities have leveraged rate increases against what is allowed to other similar utilities. Utilities providing services in multiple states have leveraged against those other state's utility commissions. This economy provides an opportunity and a mandate to reset and re-align with current and practical economic and market based conditions. I encourage Idaho's PUC to do just that.

If that is not done, then the information provided during the Rocky Mountain Power Customer Appreciation luncheon held in Idaho Falls on December 14, just prior and during the public hearings at Shelley will come to pass. I was told that, Mr. Walje, Rocky Mountain Power stated that this is the first of many future rate cases to be filed. He committed that rates must increase by approximately 80% within the next few years. Idaho obviously cannot sustain that level of cost increase.

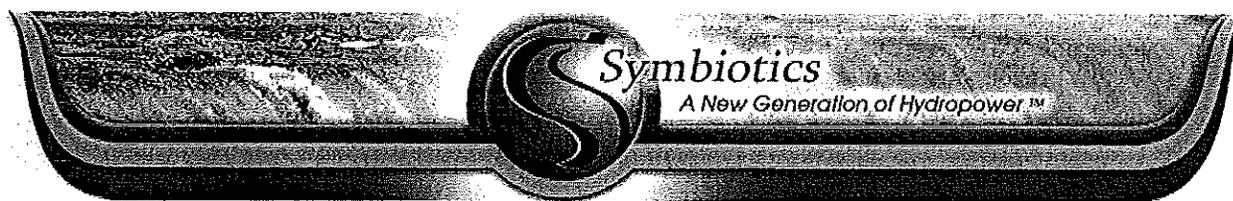
Thank you for your service to our state and its citizens.

Sincerely,



Robert L. Geddes

attachment: Energy in the News – Power Players – August 2009



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### Power players

Articles - August 2009

The chiefs of BPA, Northwest Natural, PGE and Pacific Power can't see the energy future, but they know one thing: Change is coming and it won't be simple.

STORIES BY BEN JACKLET  
PHOTOS BY LEAH NASH

Jim Piro, the new CEO of Portland General Electric and a 35-year veteran of the utilities industry, recalls a time not long ago when electricity rarely made headlines.

"We'd go months without being in the newspaper," he says. Not anymore. Utility executives are no longer the dependable if somewhat predictable suppliers of the literal power that runs the economy, reliably running regulated monopolies that most people take for granted and blissfully ignore. Environmental concerns are growing. Emission caps are coming. Momentum for a radical shift toward a new economy, cleaner and greener than the current one, is building. The future of power generation isn't just a part of the debate over what comes next. It is at the core of the matter.

No one in Oregon is more acutely aware of the energy challenges ahead than Jim Piro, Pacific Power President Pat Reiten, Bonneville Power Administration CEO Stephen Wright and Northwest Natural CEO Gregg Kantor. These four men (they're all men again after the recent retirements of Peggy Fowler and Judi Johansen) are seasoned utility executives who are quick to praise the grid as it is. But they know change is coming, possibly radical change.

The shift has already started with wind power. BPA, PacifiCorp and PGE all claim to be leading the nation in wind, and they are all correct. BPA leads the way in incorporating wind into its transmission lines. PacifiCorp, in partnership with its parent company, is far and away the largest investor in wind among the nation's utilities. PGE is No. 1 in convincing homeowners to pay a premium for clean power.

But for all of their breezy gains, they aren't even close to where they need to be by 2025. Barring substantial changes in Oregon law, many more windmills will need to be built, and wind is proving even less reliable a power source than expected. Which brings us to natural gas. Each of these executives — even Wright, whose company burns no fossil fuels — agrees the best way to back up the intermittency of wind is with natural gas plants,

which rev up quickly and emit half the carbon of coal plants. That's the trend behind Kantor's determined quest to bring a liquified natural gas (LNG) terminal and a new pipeline to Oregon, to keep prices from rising out of control as the "race to gas" takes off.

The LNG plan has been roundly criticized by environmental groups and elected officials, but Kantor, who launched his career as a staffer for ex-Gov. Neil Goldschmidt, knows how to sell a deal. A big mentor of Kantor's was Richard Reiten, who served as president of PGE and CEO of Northwest Natural — and also happens to be Pat Reiten's father. Kantor's daughter and Pat Reiten's son are close friends and schoolmates.

Oregon's top energy executives know each other well. They have much in common, most significantly an appreciation that the coming transition into a new era for energy will be neither simple nor dull.

### The Control Freak



**EXECUTIVE:** Stephen Wright, administrator, CEO

**AGE:** 51

**BACKGROUND:** A BPA employee since 1981

**2008 COMPENSATION:** \$177,000

**REPORTS TO:** Energy Secretary Steven Chu, President Barack Obama

Stephen Wright's tenure as top administrator and CEO of Bonneville Power Administration has been marked by one monumental challenge after another: a tumultuous power crisis brought on by California's deregulation debacle, new long-term contracts with the 135 power fiefdoms that are the agency's preferred customers, a huge deal with Native American tribes regarding salmon, and the most expensive fish and wildlife restoration project in the nation.

That's nothing compared to what lies ahead for the federal agency that supplies

40% of the power used in the Pacific Northwest from 31 dams and a nuclear power plant. Given the inherently intense position Wright occupies and the constant contortions he must undergo in the name of balance, it's not surprising that he sounds a bit hesitant as he addresses questions that are not easily answered. BPA's original mission of cranking out and transmitting massive volumes of cheap, reliable power seems almost quaint amid the intensifying push for new sources of renewable electricity and the increasingly vocal support for (and recent examples of) dam removal. . When Wright discusses the radical changes ahead, the word he returns to frequently as a sort of unresolved refrain is "scary."

One major source of Wright's apprehension is wind, which is proving more problematic than BPA's engineers had expected. Here's how he explains the situation:

"If you get on an airplane and fly out of Portland today going east and you look out the window, you'll see a thousand match sticks that weren't there before, sticking up with turbine blades on them. That is almost all within Bonneville's balancing authority. At the end of the day, the transmission operator is responsible for making sure that loads and resources are in balance every second of every day. And we have very little ability to store electricity.

So when the wind is going up or down we have to make sure that other generation goes up or down to balance it. It has been amazing to find that the ramp rates on these facilities are substantial, much more so than we've

ever had to deal with before. Think how culturally hard this is, because we in the utility industry are control freaks. We have to be. And now you throw in this resource that's going up and down all the time, in random patterns that we have not been able to draw statistical correlations with, and we're trying to make that work. It's scary.

"It's also fun. Things can be scary and fun at the same time. Roller coasters are great." So long as they don't derail. Wright's latest intelligence indicates that BPA is frighteningly close to reaching its wind limit. The agency has about 2,000 megawatts in the system and "we think somewhere between 3,000 and 3,500 is the straw that breaks the camel's back."

The thing is, plans are under way to boost BPA's wind load to 6,000 megawatts over the next few years, to meet the demand for new sources of renewable power. That would break the camel's back twice. "It's an unsolvable problem with the current system we have in place," says Wright.

Clearly Wright is a big fan of the current system, which has cranked out reliable, inexpensive hydropower with no carbon emissions since BPA was founded in Portland in 1937. Recent agreements to restore salmon habitat by removing dams in the Klamath Basin and elsewhere have not convinced him even remotely to reconsider dams within the federal system. As a loyal 28-year employee of the agency, Wright reserves much of his enthusiasm for applauding the hydro system, which he praises as "fabulously efficient."

But thousands of new wind turbines and steady scrutiny from fish advocates mean the system that has worked so efficiently for so long will have to change, substantially. That's no small task for a government agency employing nearly 3,000 people.

Part of the solution may come from smart-grid technology. BPA was an early leader in smart-grid research and has collaborated with Pacific Northwest National Laboratory in Richland, Wash., to develop the technology that enables utilities to communicate instantaneously with end users and modify electricity use to maximize efficiency.

"This is the first big experiment any place in the world to try to figure these things out," Wright says. "It's a big change in our mindset and how we operate systems, and everybody's a little nervous about this because we've done it one way and it works, and now we're talking about a radical change. But can it work? Yeah."

It will have to. Wright's new boss is Energy Secretary Steven Chu, a Nobel Prize-winning physicist on a mission to transform the nation's electricity system into a new era. Leaders resistant to radical change will not last long under Chu's watch. Asked about his future at the BPA, Wright says: "I serve at the pleasure of the secretary. If he wants somebody new, he'll let me know and I'll move on."

### The Insider

The last time Pat Reiten made a presentation to Warren Buffett, it involved a \$6.1 billion investment that required board approval. He had just 10 days to prepare, right around the July 4th holiday.

"I wasn't a lot of fun for the family over that holiday," Reiten recalls. "But for that meeting, or any MidAmerican meeting, you don't want to say, 'I don't

### Bonneville Power Administration

**Established:** 1937, Portland

**2008 revenues:** \$3 billion

**Employees:** 2,925

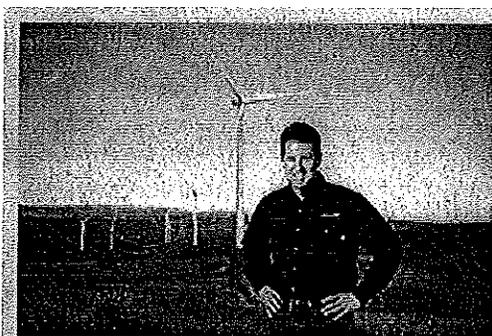
**Ownership:** Taxpayers

**Energy generation mix:** 88% hydro,  
12% nuclear

**Green claim to fame:** negligible greenhouse emissions

**Green liability:** diminished salmon runs

**Source:** BPA



**EXECUTIVE:** R. Patrick Reiten, President

**AGE:** 47

**BACKGROUND:** Former aide to Sen. Mark Hatfield, CEO of PNGC Power, recruited to PacifiCorp in 2006

**2008 TOTAL COMPENSATION:** \$647,482

**REPORTS TO:** PacifiCorp CEO Greg Abel, MidAmerican Energy CEO David Sokol, Berkshire Hathaway CEO Warren Buffett

know, I'll have to get back to you.' Or even worse, 'I never thought of that.'"

Reiten launched his career as an aide to Sen. Mark Hatfield. His father Richard Reiten ran Oregon's economic development department before serving as president of PGE and CEO of Northwest Natural. The junior Reiten, 47, has deep roots in the Oregon business community, a warm, personable style and lively sense of humor.

He joined the Buffett team in September 2006, not long after Berkshire Hathaway's MidAmerican Energy Holdings Co. bought PacifiCorp from Scottish Power for \$5.1 billion. As president of 1,261-employee

Pacific Power, one of three business platforms within the restructured PacifiCorp, Reiten reports to PacifiCorp CEO Greg Abel, MidAmerican CEO David Sokol (one of the heirs apparent of the Buffett empire) and Buffett himself. And it doesn't take long to figure out that he is thrilled to be a part of that chain of command.

"The reason that MidAmerican has been successful and the reason that PacifiCorp has been and will be successful is that we try to do the simple things well," he says. "Make investments that make sense. Run your business efficiently. Keep your costs down. Deal with regulators and legislators and governors with integrity. Do what you say, say what you mean. It's a very straightforward, Midwestern ethic, but I think it works very well here in the Northwest, too."

That may be. But for all of the emphasis Buffett and his loyalists put on keeping things simple, they face extremely complex times in the energy industry. By far the most important source of electricity for MidAmerican, PacifiCorp and Pacific Power is coal, the largest producer of greenhouse gases in the world. Replacing coal with renewable sources of energy to meet Oregon's renewable portfolio standards and prepare for national carbon caps is a costly proposition.

The first step PacifiCorp has taken to achieve a cleaner portfolio has been to invest \$2 billion in wind power over three years. "When I walked in the door in September of '06, we owned 32.5 megawatts of wind," says Reiten. "Today we own approximately 800 megawatts of wind. By the end of the year we will have 1,340 megawatts either owned or purchased. That's a substantial investment."

According to the American Wind Energy Association, PacifiCorp and MidAmerican own more wind power than any other utility in the nation. But at less than 5% wind, PacifiCorp will have to do much more to meet Oregon's requirement that utilities generate 25% of their electricity from renewable sources by 2025.

Adding to the challenge is a headline-generating development within Pacific Power's service area that will result in a loss of power rather than a gain. After coming out strongly against the removal of four PacifiCorp dams in the Klamath River Basin a year ago, Reiten has reversed his position and signed an agreement with regulators that will eventually remove 169 megawatts of carbon-free hydro power from PacifiCorp's portfolio. Here is how he explains the reversal: "We viewed this not as a political matter but

as a business proposition for our company. The keys for us were limiting our exposure to dam removal costs and absolving our customers of the liability involved."

In a time when dams are more likely to be torn down than built, PacifiCorp's strategy is to continue investing in wind power, supplemented by gas plants and 2,000 miles of new transmission lines. The transmission lines (the \$6.1 billion project Reiten presented to Buffett and his board last July) would extend from PacifiCorp's wind farms in Wyoming into Utah, Idaho and Oregon.

To help fund these developments PacifiCorp is asking state utility regulators for a 9.1% rate increase. Reiten allows that it is a difficult time to raise rates with the recession spreading and unemployment rising, but he argues, "We haven't had a rate case in Oregon since 2006, and we have been and will remain one of the lowest-cost utilities in the country."

Reiten plans to minimize costs through efficiencies inherent to all companies under the Berkshire Hathaway umbrella. "There are some real advantages to having this holding company in terms of access to expertise, access to great management and access to low-cost capital."

Another company Buffett recently invested in is BYD, the Chinese battery giant that has released an electric vehicle with a range of 250 miles. Reiten met with BYD executives while in China with Gov. Ted Kulongoski on a trade mission, and those discussions have led to a compelling new collaboration Reiten calls "potentially a game-changer," with super-efficient batteries storing the extra electricity while the wind is humming or the sun is beating down, to transmit it through the system at a later time when it is needed.

"BYD is the No. 1 cell phone battery manufacturing company in the world," says Reiten. "They have staked their company on being the best in terms of batteries and we think there are utility applications."

The partnership could develop into something exciting. Then again, it could flop. Either way, there will be no quick fix to the challenges Reiten and PacifiCorp face. As he lays out his strategy Reiten has a lot to say about a lot of things, but he doesn't say much about coal, which is PacifiCorp's greatest asset and its greatest liability.

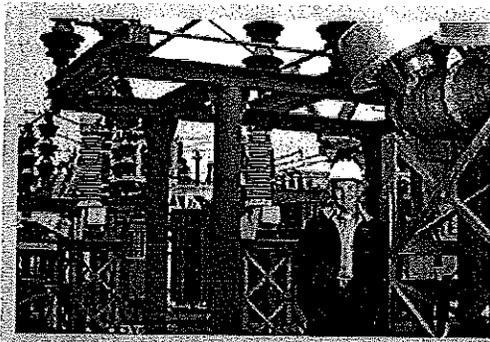
Pressed on the subject, Reiten nods and says: "Sure, we'll probably see coal plants phased out over time. And the new investments will be higher cost. The key will be making the transition at a pace that makes sense for our customers and doesn't put the businesses and the states we serve at a competitive disadvantage."

### **The Spark Plug**

Keeping up with the new CEO of Portland General Electric takes energy.

Tightly wired, ebullient and humming with his own internal electricity, Jim Piro is both blunt and thoughtful as he races through the list of challenges that he faces running Oregon's largest utility during a time of looming uncertainties. Whether the subject is the undecided future of the Boardman coal plant, the troubled past of the Trojan nuclear plant, or the futuristic potential of smart-grid technologies and electric vehicles, Piro tackles each new subject with candor and enthusiasm, rarely if ever seeming to censor himself.

It's not uncommon for him to shrug and say, "We don't know the answers to any of those questions," or "Whether that's good news or bad news, it's the truth." Late in the interview, he jokes that sometimes the company's corporate communications staff wishes he would be more cautious about what he says and doesn't say, but by then it is too late to take anything back.



**EXECUTIVE:** CEO Jim Piro

**AGE:** 57

**BACKGROUND:** PGE employee since 1980; CFO 2000-2008; CEO since January 2009

**2008 TOTAL COMPENSATION:** \$942,625

**REPORTS TO:** PGE board of directors

Unlike other top executives in Oregon's energy sector, Piro is neither a political appointee nor a longtime political insider. He is a technocrat, a former Oregon State University engineer with 35 years in the electricity business. He joined PGE in 1980 as a civil engineer, developed his financial acumen working on rate cases, and served as CFO from November 2000 through the end of 2008 before taking over for former CEO Peggy Fowler this year.

Fowler's tenure was

complicated by the implosion of former PGE owner Enron and takeover attempts by the private equity group TPG and the City of Portland. Since going public in April 2006, PGE has reasserted its viability as an independent, vertically integrated electric utility. Its stock, however, has not performed well, losing a third of its value over the past three years.

The biggest immediate change Piro inherits involves wind power. PGE is investing a billion dollars in the 450-megawatt Biglow Canyon Wind Farm in the Columbia River Gorge. But wind accounts for just 4% of PGE's current power mix. Wind's share is expected to grow to 11% by 2012, but those electrons mostly would replace power generated by hydro dams, not coal or gas plants, meaning pollution gains would be modest. Furthermore, growing PGE's renewable portfolio to 25% by 2025 as required by Oregon law will be an engineering challenge as well as a fiscal one, because wind is proving even less predictable as a source of energy than was originally expected. Too much wind is proving even more problematic for utility engineers than not enough of it.

That means PGE will need to back up its wind investments with something reliable and easily cranked up, i.e., natural gas power plants. That means more emissions, because while gas plants pollute less than coal plants, they still pollute.

"We're not going to go back to being a Third World country and say, 'Guess what? The wind's not blowing so we're not going to have any electricity today,'" says Piro. "At the end of the day, if we're going to replace coal, we're going to need new molecules."

That's a big if, and it raises a complex issue for PGE. PGE owns and operates the Boardman coal plant, which is by far the largest source of greenhouse gases in Oregon. PGE also holds a 20% interest in the Colstrip coal plant in Montana. Both plants are low-cost power producers, as well as increasingly risky environmental liabilities. After years of scrutiny, the Oregon Department

### Portland General Electric

**Established:** 1889, Portland

**2008 revenues:** \$1.745 billion

**Employees:** 2,700

**Customers:** 814,000

**2009 energy mix:** 27% natural gas, 26% hydro, 24% coal, 19% market, 4% wind

**Green claim to fame:** leads nation in customers who voluntarily pay more for clean power

**Green liability:** Boardman coal plant; Oregon's largest producer of greenhouse gases

**Ownership:** independent; went public in 2004; NYSE: PGE

**Sources:** PGE, DEQ, Business Week

of Environmental Quality has required major investments at Boardman, with strict deadlines.

"The company has two choices," says Piro. "Run the plant through 2014 and shut it down, or spend \$700 million, implement all those measures, and run the plant basically forever. This is not an easy analysis. If we shut down Boardman we'll have to replace it with natural gas. That's the only really viable resource. The questions are: What are gas prices going to be? What are coal prices going to be? And the biggest uncertainty is how much is carbon going to cost? We don't know the answer to any of those questions."

There are only two coal power plants in Oregon and Washington, and environmental groups are considering a campaign to shut down both of them. Piro is a veteran of PGE's controversial foray into nuclear power (which he considers a mistake in retrospect), so he is familiar with the political implications of operating unpopular plants. Still, he says, "We have a responsibility to be prudent about fuel diversification, so we have to think seriously about what shutting down Boardman would mean for our dependence on natural gas and the availability of gas or lack thereof. There's only a limited supply of natural gas, and we would have to study the supply side very carefully."

So does he support the proposal to build a liquefied natural gas terminal near Astoria? Piro shakes his head and says he "wouldn't want to burn any bridges" by backing LNG.

Clearly, Piro is more comfortable discussing technology than taking political stands. His enthusiasm returns once the conversation turns to smart-grid technology and electric vehicles. PGE is spending \$130 million to install 850,000 smart meters by 2010, allowing two-way communication between the utility and residential and commercial customers. The utility is also working to recruit electric car companies such as Think, Nissan and Mitsubishi to Oregon.

The efforts to encourage electric cars and build a smarter grid are connected because a smart grid would grant the utility some control over when and how electric cars and other appliances are charged and used, to maximize efficiency.

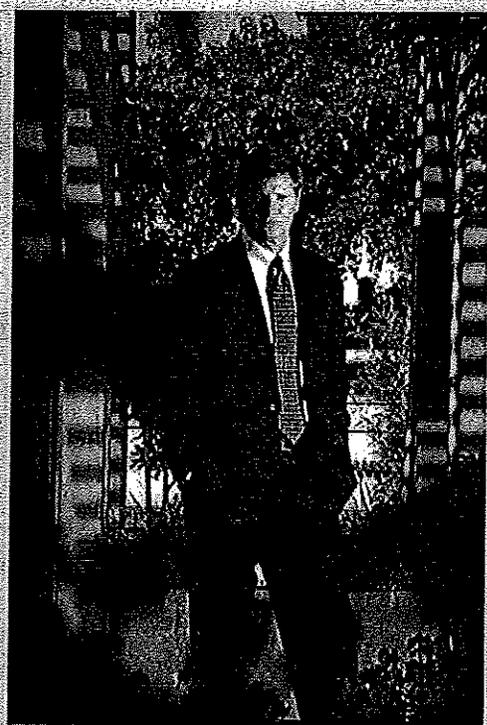
"Eventually as we put our smart meters out there and create a smart grid with smart appliances, we'll be able to do some load control when the wind stops blowing, to manage the uncertainty," Piro says. "And when the wind is really blowing, you can add load by doing things like charging your electric vehicles at night. Over time, appliances will have these smart chips installed, as will electric vehicles. And technology will improve for communicating with those devices. That's where the smart grid's ultimately going. It just makes sense from an efficiency standpoint."

If only all of the industry's uncertainties could be so smartly resolved.

### **The Natural**

Gregg Kantor is a born communicator. He served as communications director under Gov. Neil Goldschmidt in the 1980s, held public affairs positions with BPA, PGE and Northwest Natural during the 1990s, and gradually worked his way up the ranks at NW Natural on the strength of his ability to persuade.

Since taking over as CEO in January, Kantor has kept his message consistent and clear. In his view, it is time to increase Oregon's gas supply by building a liquefied natural gas terminal on the Columbia River and the new Palomar pipeline from Madras to Molalla that would extend to the LNG terminal if it is built.



**EXECUTIVE:** CEO Gregg Kantor

**AGE:** 52

**BACKGROUND:** Spokesman for former Gov. Neil Goldschmidt; with NW Natural since 1996; CEO since January 2009

**2008 TOTAL COMPENSATION:** \$1.25 million

**REPORTS TO:** Board of directors

LNG would "open Oregon to the world," in Kantor's words, allowing for inexpensive gas imports from Indonesia, Australia and Qatar, to be stored at Northwest Natural's underground gas storage facility in Mist and distributed through a newly expanded pipeline connecting the coast with major supply routes west and east of the Cascades.

"An LNG terminal would bring into the region about a half as much energy as is produced by the Columbia River hydropower system," Kantor says. "This is a huge amount of energy. And look at the enormous role that the hydro system has played in our economy. If you believe as we do that natural gas for decades to come is going to play a crucial role in shutting down coal and backing up wind, why wouldn't we want to have that asset in our region? Especially when, unlike the hydro system, it's not paid for by the public. It seems like an enormous opportunity."

As he builds his case for the LNG terminal and the proposed Palomar pipeline, Kantor's style is so personable and relaxed that it almost becomes difficult to recognize that the far-sighted plan he is describing is the same one that has infuriated so many environmental groups, property rights advocates and public officials across Oregon. There's a reason Kantor is front and center in the effort to complete these two projects, even though his company would contribute just a quarter of the \$1.6 billion investment. He has been honing his skills as a messenger for decades, to the point where he sounds more like a politician laying out his vision to win over voters than a CEO unveiling his strategy for sustained growth.

"You're talking about \$1.6 billion in private investment [between the two projects]," he says. "They would create huge numbers of jobs, and lots of money on the tax rolls."

Environmental groups opposing LNG say it will add CO2 emissions and make the climate change problem worse. Kantor's counterintuitive response is that a larger gas supply will decrease emissions, since gas emits half as much carbon dioxide as coal. "The only way we're going to replace coal-fired generation is with natural gas," he says.

#### NW Natural

**Established:** 1859, Portland

**2008 revenues:** \$1 billion

**Employees:** 1,100

**Customers:** 655,000

**Ownership:** Investor owned; NYSE: NWN

**Green claim to fame:** innovative Smart-Energy biogas program

**Green liability:** CO2 emissions from gas, 50% of coal but still sizable

**Sources:** NW Natural, Business Week

That may be true. But the plan for new pipelines and LNG terminals was hatched in a very different economy from our current one. In March 2008, the wellhead price of natural gas in the United States was \$8.29 per thousand cubic feet. By March of 2009 the price had plummeted to \$3.72, its lowest level since November of 2002. That's because supply is growing while demand is falling. New supplies of gas keep flooding pipelines from the Rocky Mountain states, not to mention the plethora of new shale wells being developed around the nation.

The ensuing price collapse led directly to NW Natural's recent announcement that it would return \$32 million in refunds to customers. In addition, domestic and Canadian supplies of natural gas have been far cheaper than imported LNG gas fed into the pipeline from terminals in Louisiana and elsewhere.

In Kantor's view, it pays to take the long view, since it would take five to 10 years to complete the projects if they are approved. He argues that the recession will be temporary, while the "dash for gas" will accelerate over time, as utilities build more gas plants to back up intermittent wind power and other renewable sources. "This is not about running out of natural gas," he says. "It's really about what cost are Oregonians going to pay for their natural gas? How competitive are we going to be compared to the Gulf, the Midwest and the East Coast?"

"We've got an electricity strategy that is driving prices up, because of climate change and the shift to renewables. Does it make sense to create a high-price electricity strategy and the highest-price gas strategy? If you really want to support renewables, don't you want gas at the lowest price to avoid backlash?"

As with most of the rhetorical questions Kantor asks while building his case, that last one is easy enough to answer. It's hard to argue with an increasingly clean energy portfolio at the lowest price possible — as long as it doesn't include new LNG terminals. So long as LNG is at the center of Kantor's core strategy for Northwest Natural, there will be plenty to argue about, and plenty of people willing to argue with him.

No doubt he will be well prepared with a smooth, well-reasoned pitch. It remains to be seen whether his vision will ultimately sell politically. If it does, Kantor's company will become a much more powerful player in the business of storing and distributing natural gas.

Source: <http://www.oregonbusiness.com/articles/64-august-2009/2011-power-players>



Statement to the Idaho Public Utilities Commission on  
Rocky Mountain Power Company's proposed rate increases  
for its Idaho consumers and scheduling of this hearing  
during the year end holiday season by:

Robert E. (Bob) Ziel  
152 Dove Avenue  
Rigby, ID 83442-1246  
(208) 745-7879

December 14, 2010

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2010 DEC 17 PM 3:24  
IDAHO PUBLIC  
UTILITIES COMMISSION

Good afternoon.

I appreciate the opportunity as a Rocky Mountain Power residential customer to testify on the utility's rate hike request. Also, I appreciate assistance from Gene Fadness, your public information officer, who has been most helpful in answering questions I had concerning my testimony today.

Since time is valuable, I'll be as brief as possible.

There are two issues here which really concern me.

First, Rocky Mountain Power Company is requesting an 8-point-0 rate hike for residential service and nearly double that amount at 15-point-6 percent for Time of Use Residential service. *Time of Use* or *Time of Day*, as it was originally known, has been around for at least three decades. When my wife and I moved into our home in Rigby over 30 years ago, Utah Power & Light Company, as the utility was known then, encouraged us to sign up for the Time of Day plan since we were a young couple with a child on a tight budget. We desired to keep our monthly power bills as low as possible.

A customer service agent from UP&L explained to us that by using more electricity late at night and during early morning hours, we are helping to even out power consumption with so-called "peak loading." He further explained that as an incentive to use more power during off-hours, our per kilowatt rate during that time period would be considerably lower. That made plenty of sense to my wife and me so we signed up for the Time of Day plan. We have been on the program ever since then.

The Time of Use Program is great! It's a win-win situation for both Rocky Mountain Power and its residential consumers. I like to use the term "sweet money" in reference to additional revenue for Rocky Mountain Power. In other words, the utility is receiving greater income as a result of more residential power usage that normally would be wasted and not consumed overnight.

Also, it should be pointed out that by stabilizing peak loading that could delay construction of a new expensive multi-billion dollar power plant.

This, too, is a great program for residential consumers where our per kilowatt hour charge is about one-third that of day usage.

Rocky Mountain Power is sending out a mixed message. On one hand, the utility encourages conservation. For example, enclosed with one of my recent monthly power bills was a flier where they encouraged consumers to cut winter energy bills. Also, Rocky Mountain Power ran an ad recently in the Idaho Falls newspaper, the *Post Register*, bragging about how they're helping schools and companies upgrade lighting with more efficiency lowering costs through a program known as "*FinAnswer*."

I applaud the utility for encouraging energy conservation, but now I have to ask: What is Rocky Mountain Power doing by requesting a 15-point-6 percent rate hike for their Time of Use Program? They are taking away the incentive for late night and early morning power consumption. That does not make any sense.

If the utility is going to encourage energy conservation, then they have no business requesting a 15-point-6 percent hike for the Time of Use Program.

We consumers, who are environmentally and energy conscious, are being punished for helping to even out peak loading. That doesn't sound right.

I urge the Idaho Public Utilities Commission *not to grant Rocky Mountain Power a rate increase for their Time of Use Program*. To do so would discourage this very successful program.

Secondly, I have an issue with public hearings being held in the middle of December. I know and I fully understand that the IPUC is mandated by law to hold hearings within a few months of the filing of a rate hike request. But folks, holding them now in the midst of the holiday season could not be at a worst possible time of the year!

Thing about this: John & Jane Doe in Idaho are wrapped up in the holiday season and a public hearing on a rate increase request by an electrical utility is the *last thing* on their minds right now.

If there is a way to do so without violating the law, next time I suggest that hearings be delayed by about three weeks and held in early January when people are able to concentrate more on utility issues.

Thank you for your consideration of my testimony.



Robert E. Ziel

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12-14-10

Ladies & Gentlemen

IDAHO PUBLIC  
UTILITIES COMMISSION

Please deny this obscene attempt  
at "robbery without a gun"

How dare they (Rocky Mountain  
Power) make such an excessive  
request, when families all  
around are struggling?

Many families are facing  
foreclosure - lay offs - ~~un-~~  
employment - & need.

Local Charities are stretched to  
the breaking point -- & more  
applications coming in monthly

Poverty in Idaho exceeds the  
national level.

Workers need to earn 13<sup>00</sup> per  
hr just to reach the poverty  
level. Have you tried to  
to get a job lately?  
Good luck getting \$10<sup>00</sup> per hr

Further more farmers have to  
make money to stay in  
business. Where will our

food come from when they  
go broke or sell to  
developers?

As fixed income people we  
are seeing rates go up  
constantly; 15-City of Shelby -  
Insurance premiums - gasoline  
food --- But our social  
security check is frozen at  
the 2009 level.

If they truly demonstrate a  
"need" for an increase  
please hold it to 1%  
until this painful economy  
has a chance to heal

Sincerely

Doris Jones

GERRI WELLARD  
775 Yellowstone PMB 114  
Pocatello, ID 83201

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IDAHO PUBLIC  
UTILITIES COMMISSION

December 11, 2010

TO: Mr. Jim Kempton, Chairman  
Idaho Public Utilities Commission

FROM: GERRI WELLARD   
Rocky Mountain Power Customer

I reside on Merrick Road south of Lava Hot Springs, Idaho. I am currently a Time-of-Day customer of Rocky Mountain Power and I feel that the proposed increase is unjustified and I urge the commission to deny the request.

I have read comments and recommendations made by the commission's staff and I urge the commission to give them serious consideration.

Please be fair to everyone and if the commission determines a rate increase is justified, please make it as small as possible.

HOT SPRINGS VILLAGE  
P O BOX 180  
LAVA HOT SPRINGS, IDAHO 83246

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IDAHO PUBLIC  
UTILITIES COMMISSION

December 11, 2010

Mr. Jim Kempton, Chairman  
Idaho Public Utilities Commission  
P O Box 83720  
Boise, ID 83720-0074

Thank you for giving the public an opportunity to present both written and oral comments regarding Rocky Mountain Power's (RMP) rate increase request (PAC-E-10-07).

I am the resort manager for Hot Springs Village (HSV) TimeShare Condominiums located in Lava Hot Springs, Idaho, and represent several hundred owners.

While we all acknowledge that it is inevitable that utility rates will increase, the current economy is proof that large increases should not be approved and on behalf of the owners of HSV, I am urging the Idaho Public Utilities Commission (IPUC) to deny the proposed rate increases. If the IPUC determines a rate increase is justified, then I urge the IPUC to make the increase as small as possible.

Sincerely,

  
GERRI WELLARD  
Resort Manager

December 15, 2010

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IDAHO PUBLIC  
UTILITIES COMMISSION

Mr. Jim Kempton, President  
ID Public Utilities Commission  
P.O. Box 83720  
Boise, Idaho 83720-0074

Dear Commissioner Kempton:

My name is Stanley Wistisen, I operate approximately 2500 acres', and 125 head of mother cows in the Bancroft area. I irrigate over 700 acres, growing hay, barley, and wheat. My power bill is over \$30/acre with my enrollment in the Irrigation Load Control Program, but could jump to over \$40/acre without this program and the 9.6% increase. I'm very concerned with the future of agriculture as we now know it in our area.

My grandfather homesteaded in this area in 1904. Both of my parents grew up in this area and enjoyed the farming life style of raising families. I have two brothers also farming in the Bancroft area. We have all seen lots of changes in the farming industry over those years, but the saddest is that out of our 16 children not one can afford to stay in our valley and farm. We have sold our farming life style (that we knew as kids) to the world of bigger and more technical operations, which have been bought with a price. Our communities and schools are paying a heavy price with decreased enrollments, less money and more and more Federal and State mandates. I for one appreciate our modern conveniences, and the services our utilities provide, but I think we each can see the snowball effect that it has had, and will continue to have on the businesses in our area if these kinds of rate hicks are approved by the PUC in a down turned economy. What a terrible blow, it would be to Caribou County if Monsanto, who is one of the largest power users in SE Idaho, who employ 770 people were forced to make large lay offs because of the unaffordable power rates.

I have enjoyed being a farmer and the challenges that come to each of us on a daily bases. I think we may be listed on the next endangered species list when I see just a hand full of dairymen, fewer farmers, and less, and less families operating farms in our communities.

Thank you for this opportunity to make a few comments!!!



Stanley Wistisen  
P.O. Box 116  
1282 Squaw Creek Road  
Bancroft, Idaho 83217

December 15, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission  
P.O. Box 83720  
Boise, Idaho 83720-0074

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2010 DEC 17 PM 3:24  
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UTILITIES COMMISSION

Dear Commissioner Kempton:

A proposed rate increase that would jump power bills in Eastern Idaho by an average of 13.7 percent is ill-timed.

Rocky Mountain Power, a subsidiary of PacifiCorp, serves nearly 70,000 Idaho customers and was purchased by Berkshire Hathaway in 2006. The company controls significant electricity generation and transmission capabilities in Utah, Wyoming, Idaho, Montana, Arizona and other western states. Berkshire Hathaway, chairman and CEO, Warren Buffet, is the third wealthiest man, according to Forbes Magazine.

Idaho's economy is experiencing the longest, deepest, most pervasive recession in more than 70 years. Our state has lost 15,000 jobs and hundreds of businesses have closed. Our remaining employers are critical and power rate increase, which would hit manufacturing industries hardest, is likely to slow the region's economic recovery.

Southeast Idaho's manufacturing sector could see power costs rise from 15.9 to 19.6 percent. Some of those businesses would theoretically be able to pass the increased cost along to their customers, which would be another excuse for some to buy a foreign made product. Others will not have a choice. Farmers who pump irrigation water could see a 9.6 – 25 percent increase if we were to lose the Irrigation Load Control program.

Homeowners are facing increased in the 8 percent range. If this attack on Idaho businesses and families is approved by the Idaho Public Utilities Commission, the impact will be felt throughout the region. In addition, Idaho Governor Butch Otter has promoted Idaho as an attractive place for new businesses to locate. If this increase goes through in full it could tip the scales against businesses relocating to Idaho.

To justify the increase Rocky Mountain Power cites demands of growth and the cost of new renewable energy generation as reasons. Yet both of these arguments lack technical merit. First, the company has had to recently lower its power load projections and scale back plans for growth due to the downtrodden economy. All of Rocky Mountain Power's renewable generation is already subscribed to by requirements of neighboring states. Idaho does not yet have a renewable power

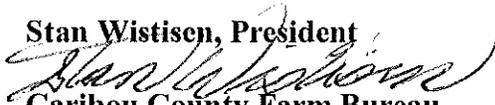
portfolio requirement. This raises the question of whether Idaho residents are being asked to subsidize our neighboring states.

Rocky Mountain's rate proposal assumes it would receive a 10.6 percent "rate of return" for its shareholders. In our opinion that is just too much to ask families during a recession. In addition, Rocky Mountain's rates are already high compared to other power suppliers in Idaho. No other utility is proposing increases anywhere near this level; in fact, Idaho Power recently announced a 6.3 percent reduction in rates.

An increase of this magnitude will put a severe strain on thousands of families and businesses. We strongly encourage the Idaho Public Utilities Commission to send Rocky Mountain Power back to the drawing board to come up with a plan that doesn't harm families, increase the cost of living and force businesses to close their doors.

There is over 1240 members in the Caribou County Farm Bureau, and we appreciate this opportunity to comment in regard to the Rocky Mountain Power proposed rate increase.

Stan Wistisen, President



Caribou County Farm Bureau

170 South 2<sup>nd</sup> East

Soda Springs, Idaho 83276

208-547-3315

My name is Rhett Price. I am a lifetime resident of South East, Idaho. I have owned and managed an insurance business in Soda Springs for over 27 years.

Imagine for a moment that you are my insurance client and it is time to renew your policy.

We sit down and go over your coverage's and limits and when all is said and done the cost is up. You ask me a simple question, WHY?

Well, I answer, our stockholders need to make a 10% return on their investment and we have remodeled our office and built that new building in Pocatello and we are working on hiring more adjusters to serve you better so we need another 3% for that. You know that in a tight economy, people turn in more claims so we need to pay for those, and then there is the bonus we want to give all our employees because they have worked hard and have done such a good job...

You cut me off and mention you need a few days to think about it. As you walk out of my office you wonder two things. 1. How dare they do this to me in such an economy and 2. Where is the nearest insurance office to get a bid on my insurance?

REALITY:

In this real world, any positive yield to a stockholder is good. In this "real" world investors should be have with 2% or less

Expansions and investment in new plant and equipment need to be adjusted with growth and the economy. Any expansions beyond should be paid for from existing operating capital and operating expenses. I have no right to raise your rates to pay for my building. If I do, the "market" will take care of that.

If my loss ratio (the amount of paid claims and expenses apposed to premiums received) goes up I need to adjust my existing operating procedures and rates to reflect a positive cash inflow. If, at any time my rates get out of line the "market" will take care of that.

Bonuses to our employees at the expense of additional rate increases to our customers are absolutely unheard of. It would be the beginning of the end. I would compare that to having a public utility ask for "any" rate increase in the current economic situation we are in.

We are not in "normal times" I ask the Idaho PUC one question. Do you want more jobs to go to China, people on fixed incomes to give up food for a power bill, continued only lengthened out lack of growth in our economy? It's in your hands. The big monopoly power company or the people?

Thank You



170 S 200 E Soda Springs, Id  
208-544-3315

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COMMISSION

Public Hearing

PAC-E-10-07

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Grace, Idaho

WHAT DO YOU THINK?  
IDAHO PUBLIC UTILITIES COMMISSION

If you cannot or do not want to testify in person at this hearing but want your opinion noted, please use the space below to write your comments. Add extra sheets as needed. You may either hand this sheet to a commission staff member or mail it to:

IPUC, PO Box 83720, Boise, ID 83720-0074.

You may also post comments on our Web Site.

<http://www.puc.idaho.gov>

Click "comments & questions."

I AM WRITING TO VOICE MY STRONG AGREEMENT WITH THE COMMENTS MADE BY MIKE VEILS, BOB GOODYS, TRENT CLARK, CHARLIE THUMB, AND ALL THE OTHER PEOPLE TESTIFYING IN GRACE IDAHO AT PUBLIC HEARING PAC-E-10-07. IN ADDITION I WOULD LIKE TO NOTE THAT THE FULL PAGE <sup>BY ROCKY MOUNTAIN POWER</sup> ADD IN THE ENERGY SOURCE JOURNAL ON 12/13/10 STATED THAT IDAHO SHOULD PAY FOR 6% OF THE ENERGY EXPANSIONS BECAUSE WE ARE 6% OF ROCKY MOUNTAIN POWER'S LOAD. HOWEVER, THIS INCREASE IN ENERGY PRODUCTION IS TAKING PLACE WITH IDAHO'S POWER CONSUMPTION HAS DECREASED OVER THE LAST SEVERAL YEARS. IT WOULD MAKE MORE SENSE IF IDAHO ONLY PAY INCREASES IN POWER AS ITS ENERGY CONSUMPTION INCREASES.

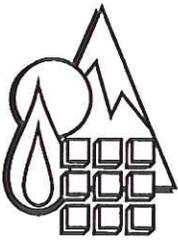
Print Name LYLE MELANCON Sign Name [Signature]  
Mailing Address 2455 MARISSA PL. Phone Number 208-637-8924  
City and State POCAHELLO, ID Zip Code 83201

I came here to speak today about the price increase Rocky Mountain power is requesting. I read their full page add in the Idaho State Journal yesterday and it states that because Idaho should pay its fair share of 6%. I understand that Idaho consumes this portion of the power; however, Idaho's power consumption has not increased during recent years. It would make more sense to have Idaho pay increased expansion costs based on its increases in power consumption.

The article also portrays Monsanto's price as unfairly low compared to individual consumers, however our power is purchased in large quantities so it makes sense to receive a bulk discount as well as the less maintenance required to maintain a smaller distribution network to get the power to one large consumer.

And lastly I would like to comment on the impracticality to the 10.6% rate of return authorized in the middle of an economy with significantly less consumer price index gains over the past few years.

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PUBLIC UTILITIES  
COMMISSION

Public Hearing

PAC-E-10-07

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2010 DEC 17 PM 3:25

Grace, Idaho

IDAHO PUBLIC  
UTILITIES COMMISSION  
WHAT DO YOU THINK?

If you cannot or do not want to testify in person at this hearing but want your opinion noted, please use the space below to write your comments. Add extra sheets as needed. You may either hand this sheet to a commission staff member or mail it to:

IPUC, PO Box 83720, Boise, ID 83720-0074.

You may also post comments on our Web Site.

<http://www.puc.idaho.gov>

Click "comments & questions."

my husband & I are retired and on a set budget, with health problems. + medicare we are really having a hard time saving money to pay our bills now. next year we will have a bill for water that will be more when they put us on meters, starting in Oct we go into the donut hole & have to pay full price for both of us. His heart medicine + attorney, + my diabetic its about 1,000 for us. also thats the time ins our due & Taxes. we can't keep up on our 1400.00 a month we make. please dont increase the power Bill. also my son in laws work at the plant. With this high rate increase it could close the plant.

Which also two Business our daughter runs.

Print Name Edward Froseth Sign Name Edward Froseth

Mailing Address 114 E 1st N Phone Number \_\_\_\_\_

City and State Grace Idaho Zip Code 83241

## Jean Jewell

---

**From:** Lorrijean@yahoo.com  
**Sent:** Monday, December 20, 2010 9:34 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Lorri Brown follows:

-----  
Case Number: PAC-E-10-07  
Name: Lorri Brown  
Address: 1204 Hyperion  
City: Soda Springs  
State: Idaho  
Zip: 83276  
Daytime Telephone: 208-547-4112  
Contact E-Mail: [Lorrijean@yahoo.com](mailto:Lorrijean@yahoo.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

Lorri Brown  
1204 Hyperion  
Soda Springs, ID 83276  
Phone: 208-547-4113  
December 20, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission RE: Case Number PAC-E-10-07  
PO Box 83720  
Boise, ID 83720-0074

Dear Commissioner Kempton,

My Name is Lorri Brown; I work in Soda Springs, ID, for Mark III Plant Construction Ltd, we are an "in house" contractor for Monsanto. My husband is also a Mark III employee. I am writing to you today to express my opinion concerning the Rocky Mountain Power proposed rate increase.

I am greatly concerned with the impact such a rate increase would have on my employer's ability to continue to employ all of us here at Mark III which will affect my family.

As employees of Mark III working for Monsanto and as residents of Soda springs this rate increase would be a double hit to our family. We are struggling to survive, living paycheck to paycheck as it is.

Please take into consideration the state of our economy and what a large impact this would have on our community and families.

I am against any rate increase during our current economic situation, but a double digit increase in these times is absolutely unthinkable.

Sincerely,

Lorri Brown

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 164.144.248.26

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**Jean Jewell**

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**From:** Lorrijean@yahoo.com  
**Sent:** Monday, December 20, 2010 9:43 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Jim Brown follows:

-----  
Case Number: PAC-E-10-07  
Name: Jim Brown  
Address: 1204 Hyperion  
City: Soda Springs  
State: Idaho  
Zip: 83276  
Daytime Telephone: 208-547-4113  
Contact E-Mail: [Lorrijean@yahoo.com](mailto:Lorrijean@yahoo.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

Jim Brown  
1204 Hyperion  
Soda Springs, ID 83276  
Phone: 208-547-4113  
December 20, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission RE: Case Number PAC-E-10-07  
PO Box 83720  
Boise, ID 83720-0074

Dear Commissioner Kempton,

My Name is Jim Brown; I work in Soda Springs, ID, for Mark III Plant Construction Ltd, we are an "in house" contractor for Monsanto. My wife is also a Mark III employee. As employees of Mark III working for Monsanto and as residents of Soda springs this rate increase would be a double hit to our family. We are struggling to survive, living paycheck to paycheck as it is.

I am writing to you today to express my opinion concerning the Rocky Mountain Power proposed rate increase.

I am greatly concerned with the impact such a rate increase would have on my employer's ability to continue to employ all of us here at Monsanto and Mark III which will affect my family.

Please take into consideration the state of our economy and what a large impact this would have on our community and families.

I am against any rate increase during our current economic situation, but a double digit increase in these times is absolutely unthinkable. Rocky Mountain Power should be thinking of

what they as a company can do to help the economy and the people of America not how they can get more money from the American People!

Thank you for the opportunity to comment,

Sincerely,

Jim Brown

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 164.144.248.26

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## Jean Jewell

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**From:** dlcrpntr@wildblue.net  
**Sent:** Monday, December 20, 2010 9:54 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from David Carpenter follows:

-----  
Case Number: PAC-E-10-07  
Name: David Carpenter  
Address: 6845 E Us Hwy 30  
City: Lava Hot Springs  
State: ID  
Zip: 83246  
Daytime Telephone:  
Contact E-Mail: dlcrpntr@wildblue.net  
Name of Utility Company: Rocky Mountain Power  
Acknowledged: acknowledge

Please describe your comment briefly:

Dear Commissioners of the IPUC: RE: Case Number PAC-E-10-07

Thank you for this opportunity to offer comments on the proposed rate increase. My wife and I reside at 6845 E. US Hwy 30 in Lava Hot Springs and have lived here since 2003. Both of us would like to register our objection to the proposed increase of 12% and believe that it would be appropriate to consider a rate decrease instead. Obviously, a rate increase would impact us personally adding \$16/month to our electric bill. Our household average electrical usage is between 2500kwh and 3200kwh during the winter months and 1000kwh to 1500kwh during the summer.

Our employers would also be greatly impacted by the proposed increase. My wife is employed by the Marsh Valley School District as a teacher and I am employed by Monsanto Company. After contacting SD# 21, I was informed that the November monthly electric bill was \$13,000. Based on this bill, a 12% increase would result in an additional taxpayer funded increase of approximately \$1,560/month over nine months. On an annual basis, this represents more than \$14,040 or half the salary of one teacher or sufficient money to provide books for several classes. These are minimum costs because November was a warm month this year. To pay these increases on a regular basis obviously will result in the school district either reducing staff, reducing activities and learning opportunities to students or increasing taxes or levies. So the net result to the local residents would be an increase in electric rates and an increase in taxes to help support the schools.

Where I work at Monsanto, the cost to our business would be considerable especially considering we are the largest power consumer in the region. In order to pay for the rate increase, Monsanto would be forced to increase the price of its product, reduce benefits to its employees, reduce costs in operational areas, or leave the area in search of cheaper energy prices. All of these alternatives reduce money flowing into the local economy. Monsanto has undergone two years of cost-cutting related to the recent recession. What has RMP done to reduce costs and capital expenditure over this same period? Monsanto with the only elemental phosphorus plant in the western hemisphere competes in a global market with Chinese manufactures that have access to cheap labor and low cost energy that places Monsanto at a competitive disadvantage. It is not in the best interest of Idaho or the US to add additional disparity to this equation. China is expected to increase its power generating capacity 900% within the next ten years by expanding its nuclear generating capacity, by adding 21 new nuclear plants, replacing its smaller less efficient coal-fired plants with additional modern larger capacity more efficient facilities, by increasing the

number of hydro-generating plants and increasing its wind generating capacity. In fact, China will repay its investment, approximately \$30B, in the Three Gorges hydro-electric plant in ten years. While here in the US we dismantle our hydro-electric capacity for the sake of a few fish and dither under the weight of bureaucratic red tape and oversight such that the nation's manufacturing capacity leaves the country for locations with lower operating costs. Here in the US we have not built a new nuclear plant in over 30 years and new coal-fired plants face the obstacle of "not-in-my-backyard" syndrome. In the US, we have states like California, Oregon, and Washington that demand huge amounts of energy but say no to efficient high output coal-based energy and yes to wind energy, as long as it does not impact their scenery. States like Idaho placate to such unfounded mandates and ship our low cost energy to them while we pay for inefficient wind farms and new transmission lines.

I think that it is long past time for the Idaho legislature and the IPUC to begin to evaluate the state's energy objectives and evaluate if it is in the state's best interest to continue to support the monopoly of the various utility companies doing business in Idaho. I think the mandate of the commission should be to work with the state, industry, business and local residents to develop the lowest cost most dependable sources of energy possible. There are many alternatives that the state needs to be encouraging that include: hydro, nuclear, coal, natural gas, and wind. Idaho has the advantage of big open spaces for locating power plants, numerous rivers, proximity to large coal and natural gas producing states, substantial wind generating locations, and nuclear power plant construction expertise at INL. We should be leading the nation in energy production and shipping it to other states at their cost.

Instead of being held hostage to a scientifically unfounded scam like man-caused global warming. Idaho needs to use its resources to be a leader in low cost energy production that increases the quality of life of its residents and encourages industrial growth and job creation. According to my research, RMP services 70,000 customers and is asking for \$24.9M in compensation to cover recent expenditures. This amounts to \$355/customer. Why doesn't RMP cover the cost of these expenditures out of their current profits, of 10%, like any other company would be expected to do and not through monopolistic sanctioned rate increases?

I recently attended the public hearing in Grace last week. I estimate that there were at least 150 people present for this meeting that lasted 180 minutes. If each of those offering a testimony took 3 minutes, the number of testimonies would equal approximately 60 people.

From the notes that I took, the testimonies came from teachers, principals, legislators, residents, industry, municipalities, small businesses, entrepreneurs, hospitals, and farming and all who spoke voiced their opposition to the proposal. While hearing the testimonies of so many concerned customers I wrote down several questions that I would like answers to like: 1) What cost effective energy sources could RMP be developing, 2) Has anyone looked into reducing the number of transmission lines in a given area (there has to be at least 6 or 8 lines that cross Hwy 30 north of Grace, 3) How much money does RMP pay for right-of-way expense for these lines, 4) Does RMP or their parent company spend any money lobbying in Washington to get legislation or regulation favorable to encourage low-cost energy alternatives and what percentage of this is Idaho paying for, 5) I would like to know what economic impact RMP is projecting for this region based on the proposed increase, 6) Would the commission consider a rate decrease that might promote economic growth versus stagnation and decline, 7) Did RMP have to get approval to build the wind farms and transmission lines that they are asking compensation for before they were constructed, 9) What is RMP doing to lower its costs?

Finally, I think that utility profits should be equated to the state domestic growth rate and not an arbitrary guaranteed figure. It is outrageous to think a company regardless of its performance can be guaranteed a rate of return while other companies and businesses, in the same region, have to cut and or lay-off workers in order to stay in business. There needs to be a link to utility compensation rates, which represent monopolies in the region, to the cost of production and market factors. There needs to be incentives to the utility to be efficient and cut costs wherever possible and seek to develop the lowest cost sources of power generation possible and it should be the responsibility of the commission to make sure that they do so rather than coming to the customer every year seeking an increase in rates. If federal regulation stands in the way of this goal, the state, through its representation

in Congress, needs to force Congress away from implementing laws and regulations that impede this goal.

Thank you for reading my numerous objections to the proposed rate increase. I hope that the commission truly understands the tremendous impacts such an increase would have on small rural communities, hit hard by recession, and the impact to the few large manufactures and their employees as they struggle to deal with the poor economy.

Sincerely,

David and Lauren Carpenter

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 72.173.66.72

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## Jean Jewell

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**From:** jodi.l.apel@monsanto.com  
**Sent:** Monday, December 20, 2010 10:06 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Scott Berry follows:

-----  
Case Number: PAC-E-10-07  
Name: Scott Berry  
Address: PO Box 204  
City: Bancroft  
State: Idaho  
Zip: 83217  
Daytime Telephone: 208-648-7353  
Contact E-Mail: [jodi.l.apel@monsanto.com](mailto:jodi.l.apel@monsanto.com) Name of Utility Company:  
Acknowledge: acknowledge

Please describe your comment briefly:

Scott A. Berry  
PO Box 204  
Bancroft, ID 83217  
December 20, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074  
RE: Case Number PAC-E-10-07

Dear Commissioner Kempton,

After reading the Idaho State Journal concerning the high unemployment rate in the surrounding counties; I believe that if the rate increase Rocky Mountain Power is asking for is granted it will put Monsanto, Agrium and other manufacturers in the area in a position where they will either have to cut back on jobs or possibly go as far as closure. As you know something of this enormity would devastate not only Caribou County but also Bannock, Bear Lake and Franklin Counties as well.

I am greatly concerned with the impact such a rate increase would have on my employer's ability to continue to employ all of us here at Mark III Plant Construction (Monsanto 'In House' Contractors); which will affect my family.

Please take into consideration the state of our economy and what a large impact this would have on our community and families.

I am against any rate increase during our current economic situation, but a double digit increase in these times is absolutely unthinkable. Rocky Mountain Power should be thinking of what they as a company can do to help the economy and the people of America not how they can get more money from the American People and the businesses within!

Thank you for the opportunity to comment,

Sincerely,

Scott A. Berry

## Jean Jewell

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**From:** yamaha02111@yahoo.com  
**Sent:** Monday, December 20, 2010 10:39 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Mike Vaughn follows:

-----  
Case Number: PAC-E-10-07  
Name: Mike Vaughn  
Address: 133 Fife Street  
City: Lava Hot Springs  
State: Idaho  
Zip: 83246  
Daytime Telephone: 208-390-3853  
Contact E-Mail: [yamaha02111@yahoo.com](mailto:yamaha02111@yahoo.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

Mike Vaughn

133Fife

83246

December 20, 2010

Phone: 208-390-3853

Lava Hot Springs, ID

Mr. Jim Kempton, President  
ID Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

RE: Case Number PAC-E-10-07

Dear Commissioner Kempton,

My name is Mike Vaughn. I live in Lava Hot Springs, Idaho. I am currently employed by Mark III Plant Construction Ltd., who is an "In House Contractor" for Monsanto in Soda Springs, Idaho. I am writing to you today to express my opinion concerning Rocky Mountain Power's proposed rate increase. I totally disagree and I am greatly concerned with the impact such a rate increase would have on my employer's ability to continue to employ all of us here at Mark III and Monsanto. No manufacturer in the United States can compete with China, Japan or any other country when our own people will not support the ones keeping jobs in America. This rate increase will have a huge affect my family and others here in Idaho.

I ask you to take into consideration the state of our economy and what a large impact this would have on our community and families.

I am against any rate increase during our current economic situation, and definitely against a double digit increase. In these times it is absolutely absurd for Rocky Mountain Power to come to Idaho and ask for any increase at all. A company as big and powerful as Rocky Mountain Power should be asking their board members what they as a company can do to help the economy and the people of America not how they can get more money from the American People!

I would ask that you take into consideration the economy, the high unemployment rates and the hard working American People when making your decision on any amount of an increase. We

cannot afford to continue in this downward spiral if we are ever going to lower our unemployment rates and raise our economy.

In this most severe economic downturn we have all had to make due with less. Rocky Mountain Power can, and should, get by with a substantially reduced rate. Double digit increases cannot be tolerated at a time when our economy is failing. Any increase during our economic state is just greed and should be considered Un-American!

Thank you for the opportunity to comment,

Sincerely,

Mike Vaughn

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 164.144.248.26

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## Jean Jewell

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**From:** jodi.l.apel@monsanto.com  
**Sent:** Monday, December 20, 2010 11:14 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from ZJON SKEEM follows:

-----  
Case Number: PAC-E-10-07  
Name: ZJON SKEEM  
Address: PO BOX 62  
City: BANCROFT  
State: IDAHO  
Zip: 83217  
Daytime Telephone: 208-220-7315  
Contact E-Mail: [jodi.l.apel@monsanto.com](mailto:jodi.l.apel@monsanto.com) Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

Zjon A Skeem  
PO Box 62  
Bancroft, Idaho 83217  
Phone: 208-220-7315  
December 20, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074  
RE: Case Number PAC-E-10-07

Dear Commissioner Kempton,

I am writing to you today to express my opposition to and concern for Rocky Mountain Power's proposed rate increase. I am employed by Mark III Plant Construction Ltd.; we are what is referred to as "in house contractors" for Monsanto.

I am concerned that a rate increase as substantial as the one that has been proposed would impact my employer's ability to continue operation in the area, as well as, the impact to the other rate payers within the region as a whole. I not only work for one of the effected manufacturers, I also live with the region of the proposed rate increase which means I shall be hit twice by this increase.

An affordable rate increase would allow our companies to continue with a leading roll in Southeast Idaho, but an increase at this time with our economy in the state that it is in should not have come before the Utilities Commission at all. If Rocky Mountain Power must have an increase it should be seeking a reasonable rate of increase. Double digit increases cannot be tolerated or even expected.

Instead of seeking a higher rate from people that are struggling everyday to make ends meet Rocky Mountain Power should be asking what they can do to help the Idahoans bring in more jobs and lower the unemployment rate. This proposal for a rate increase could not have come at a worse time considering our economic situation.

I would ask that you take into consideration the fact that we are in the middle of the most severe economic downturn we have ever had and because of that the American People have all had to make due with less, yet Rocky Mountain Power comes at this time of crisis and asks for more. If approved, it will have a rippling effect throughout Southeast Idaho that we may never recover from. Rocky Mountain Power can, and should get by on a substantially reduced rate proposal if any rate increase at all. Asking the Idaho people to accept a rate increase when our economy is failing cannot be considered acceptable.

Thank your for allowing me to comment,

Sincerely,

Zjon Skeem

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 164.144.248.26

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## Jean Jewell

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**From:** shubbard1@hotmail.com  
**Sent:** Monday, December 20, 2010 2:52 PM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Shane Hubbard follows:

-----  
Case Number: PAC-E-10-07  
Name: Shane Hubbard  
Address:  
City: Grace  
State: Idaho  
Zip:  
Daytime Telephone:  
Contact E-Mail: [shubbard1@hotmail.com](mailto:shubbard1@hotmail.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

I am commenting about the 14% rate increase proposed by Rocky Mountain Power. I realize that there are times when, although it may not be liked, rate increases are necessary. However, I do not believe this is one of those times. I fail to see the increased demand that Rocky Mountain Power states as justification for the increase. There is simply no new business or infrastructure going into the area. In fact, I would say that the population has actually decreased in the last five years. Rocky Mountain Power has already been able to have various rate increases passed in the last few years, and I have not seen any benefit to the Idaho consumers that are paying it. I am concerned that a rate increase, especially of this degree, would jeopardize the well being of this community. Not only are there several residents in the area that would have trouble paying their bills, but I fear it would severely cripple, or possible break companies such as Monsanto and Agrium, resulting in lost jobs. For the reasons that I have stated, I want to make it clear that I am against the proposed rate increase from Rocky Mountain Power. Thank you for the opportunity to comment.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 69.20.151.100

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## Jean Jewell

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**From:** lrb.dkb@juno.com  
**Sent:** Monday, December 20, 2010 10:43 PM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Lynn R Bingham follows:

-----  
Case Number: PAC-E-10-07  
Name: Lynn R Bingham  
Address: 2535 N 4000 W  
City: Dayton  
State: Idaho  
Zip: 83232  
Daytime Telephone: 208-851-3570  
Contact E-Mail: [lrb.dkb@juno.com](mailto:lrb.dkb@juno.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

In my opinion, the rate increase which Rocky Mountain Power has requested for those on the 'time of day' program is ridiculous. The rate for all customers MIGHT need to be increased by a small percentage, but to increase the 'time of day' rate by nearly double the amount which they have requested for other residential customers is crazy. Why punish those who have chosen to adjust their usage more toward off-peak hours? An increase of the amount that they have requested for the 'time of day' users would completely eliminate the benefit of being on that program for many, in not most users. We already pay a monthly fee for being on the program which is above and beyond the charge for the KWH used.

I recently purchased an electric water heater and a timer so that the water heater would be on only during the off-peak hours. Previously I used a propane water heater. This is obviously an expense which I incurred mainly to be able to benefit from being on the 'time of day' program. Myself and others on the program have made other adjustments in order to benefit from the program which have required up front investments that we wouldn't have made if we knew that Rocky Mountain Power was going to do something to eliminate the advantage of being on the program.

I suspect that Rocky Mountain Power is attempting to phase out the program by taking away the financial incentive for being on it. Please don't let it happen. Treat 'time of day' users the same as other residential users. Thank You.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 174.27.97.133  
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**Jean Jewell**

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**Sent:** Tuesday, December 21, 2010 3:14 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Juan Calixto follows:

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Case Number: PAC-E-10-07  
Name: Juan Calixto  
Address: 8306 4th North  
City: Soda Springs  
State: Idaho  
Zip: 83276  
Daytime Telephone: 208-547-4760  
Contact E-Mail:  
Name of Utility Company: Rocky Mountain Power (PacificCorp)  
Acknowledge: acknowledge

Please describe your comment briefly:

Juan Calixto  
8306 4th North  
Soda Springs, Idaho 83276  
Phone: 208-547-4760  
December 21, 2010

Mr. Jim Kempton, President  
ID Public Utilities Commission RE: Case Number PAC-E-10-07  
PO Box 83720  
Boise, ID 83720-0074

Dear Commissioner Kempton,

My name is Juan Calixto, I work in Soda Springs, Idaho for Mark III Plant Construction Ltd, We are an "in house" contractor for Monsanto. I am writing to you today to express my opposition concerning Rocky Mountain Power's proposed rate increase.

I am concerned that a rate increase as substantial as the one that has been proposed would impact my employer's ability to continue operations in the area, as well as, the impact to other rate payers within the proposed "rate increase" region. I not only work for two of the effected manufactures, I live within the region of the proposed rate increase which means my family shall be hit hard by this increase.

I am against any rate increase during our current economic situation, and definitely against a double digit increase. An affordable rate increase would allow our company to continue with a leading roll in Southeast Idaho, but any increase at this time when our economy is in the state that it is in is absolutely unthinkable. Rocky Mountain Power should not have even come in front of the Utilities Commission with a proposed rate increase.

Rocky Mountain Power should be thinking of what they as a company can do to help the economy and the people of America not how they can get more money from the American People!

I would ask you to take into consideration the fact that we the "American People" are in the middle of the most severe economic downturn we have ever had. American people all over have

had to make due with less, some with nothing at all, yet Rocky Mountain Power comes to us during our time of crisis and asks for more money. We need to get our economy back in order, our homeless in homes and our unemployment rates down before we consider giving more money to a company that is already showing a huge profit margin.

If approved, this proposed rate increase will have a rippling effect throughout Southeast Idaho one that we many never recover from. If they receive this increase they will only ask again next year for another and then the next year and on and on. Where does it stop? The American People have all had to make due with less. Rocky Mountain Power can and should get by on a substantially reduced rate increase if any increase at all. Asking the people of Idaho or anywhere in the United States during this time of crisis, with our economy failing, to pay higher rates is absolutely unacceptable. Any increase during our economic state is just greed and is plain Un-American!

Thank you for the opportunity to comment,

Sincerely,

Juan Calixto

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 164.144.248.26

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## Jean Jewell

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**From:** mgcoll1@hotmail.com  
**Sent:** Tuesday, December 21, 2010 7:47 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Matthew Collins follows:

-----  
Case Number: PAC-E-10-07  
Name: Matthew Collins  
Address: 415 E. 2nd S.  
City: Grace  
State: Idaho  
Zip: 83241  
Daytime Telephone:  
Contact E-Mail: [mgcoll1@hotmail.com](mailto:mgcoll1@hotmail.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

To whom it may concern:

My name is Matthew Collins, and I have resided in Southeast Idaho my entire life. I am writing today to express my opposition to Rocky Mountain Power's proposed rate increase. I live in Grace, Idaho and am a residential customer of Rocky Mountain Power. A rate increase of this caliber would have a double effect on not only me, but a number of my family members. I have worked at Monsanto for three years now, and can see the negative impact that an increase would have on the company. Competing with Chinese markets is not easy. A substantial increase such as this would make competing that much harder, and easily could make it impossible to compete. People that work for a living, and spend the money earned in local stores not only feed the mouths of their own families but also those in the community. Keeping jobs in small town Idaho is important to everyone. When large and small businesses are not making money, nobody is.

I am a young father and husband of only 26 years old. I am so glad my two children are being raised in such a great place in Idaho, and am hoping that they can continue to be. They go to public schools, schools that benefit when the local economy excels. I have a good job in Caribou County, and am thankful everyday for it. Please ensure that it can stay that way.

Rocky Mountain Power's proposed rate increase is ill timed and also very excessive. RMP is already guaranteed to make 10% profit every year, and that is not enough!! I know farmers who would love to be guaranteed 10% profit every year. The proposed rate increase is immoral and inconsiderate to everyone. Please consider the big picture when making your decision. Thank you for allowing me to comment on this matter.

Sincerely, Matthew Collins  
415 E. 2nd S.  
Grace, Idaho 83241

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 75.174.70.157

## Jean Jewell

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**From:** ca92509@msn.com  
**Sent:** Tuesday, December 21, 2010 9:48 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Robert Taylor follows:

-----  
Case Number: PAC-E-10-07  
Name: Robert Taylor  
Address: P.O. Box 2542  
City: Shelley  
State: Idaho  
Zip: 83274  
Daytime Telephone:  
Contact E-Mail: [ca92509@msn.com](mailto:ca92509@msn.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

Dear Sirs;

I am writing in opposition to the rate increase as requested by Rocky Mountain Power. The current state of the economy being in a recession has resulted in a high degree of job loss and economic failure in our area and throughout the United States. Most employees have had hours reduced or cost of increase suspended.

The amount of increase being sought by RMP is well above the level that should be sought during these conditions. I have concerns as many have already expressed that these increases are for the benefit of the Stockholders and do nothing to assist the power users.

I have concerns that we have a large RMP building in our area that will not accept local payments. We are forced to drive 15 miles one way to make a payment that can be properly documented. During times of inclement weather and for the elderly this is not acceptable.

Rocky Mountain has failed to justify the reasons for a double digit increase. As I look at the local building and the equipment that they have on site, I see the vast majority of equipment that is in their possession as being new. While the rest of us are forced to do with limited resources, I believe that Rocky Mountain Power has not justified their increase to the public and would ask that you deny their application at this time. I appreciate your willingness to have the public forums and it is important that the customers have a voice, due to the fact that we do not have the option of choosing our power company in this area.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 69.20.164.175  
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## Jean Jewell

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**From:** zotz2563@gmail.com  
**Sent:** Tuesday, December 21, 2010 11:18 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from ernie Hendricks follows:

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Case Number: PAC-E-10-07  
Name: ernie Hendricks  
Address: 6336 N old Hwy 191  
City: malad  
State: id  
Zip: 83252  
Daytime Telephone:  
Contact E-Mail: [zotz2563@gmail.com](mailto:zotz2563@gmail.com)  
Name of Utility Company: Rocky Mtn power  
Acknowledge:

Please describe your comment briefly:

I am concerned about RMC'S APPLICATION FOR A RATE INCREASE TO PAY FOR NEW POWERLINES TO SERVICE UTAH CUSTOMERS WHILE LETTING IDAHO CUSTOMERS REMAIN IN THE DARK. jUST Sunday they turned off our power for over 5 hours and in the proceeding week the power went off over 5 times - 3 times in one night. When the put the new Popluw- terminal powerline in they said that we would not get any power from it and would not have to pay for it. Now it sounds like they want us to pay for it while they continue to neglect us on day to day service. Can you require that Idaho customers bill increases remain in Idaho for Idaho customers only and not be used to subsidize Utah expansion plans. I know that RMC has a lot of new powerlines planned for Utah along the Wabatch front but what about taking care of Idaho customers and let Utah pay for their own . As a FORMER Employee of the California PUC, executive assistant to the chairman, I understand that companies need to have a reasonable return but feel that one area should not be forced to pay for someone elses growth. Please make sure that Idaho ratepayers do not get screwed by RMC as they work to expand their services in Utah. When I lived in Twin FALLS , WE NEVER HAD THE NUMBER OR LENGTH of power outages from Idaho Power that Utah POWER AND RMC does for us here in Malad. We have had more outages in one year here then we did in the many years we lived in Twin Falls. I know that RMC considers Idaho as a step-child to their delivering power to UTah and we are always the last to get service and equipment. We even have to get repair crews out of UTAH to come repair anything in Idaho since they don't keep repair equipment in Idaho. Please make usre that Idaho is not screwed again by RMC. Thank you.

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 216.180.188.253  
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