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IDAHO PUBLIC  
UTILITIES COMMISSION

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION )  
OF PACIFICORP DBA ROCKY MOUNTAIN ) CASE NO. PAC-E-11-12  
POWER FOR APPROVAL OF CHANGES TO )  
ITS ELECTRIC SERVICE SCHEDULES ) COMMUNITY ACTION  
 ) PARTNERSHIP ASSOCIA-  
 ) TION'S RESPONSE TO  
 ) OBJECTION TO PETITION  
 ) FOR INTERVENOR FUNDING  
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COMES NOW, the Community Action Partnership Association of Idaho (CAPAI) and, provides the following Response to Rocky Mountain Power's (RMP) Objection to CAPAI's Petition for Intervenor Funding, emailed to CAPAI's legal counsel on December 23, 2011.

**I. BACKGROUND/TIMING AND NATURE OF RMP'S OBJECTION**

CAPAI's Petition for Intervenor Funding in this case was filed on Friday, December 23, 2011. As evidenced by the file stamp date on CAPAI's copy of the Petition on the PUC website reveals, the Petition was filed Friday at 2:52 p.m. Though RMP's Objection is dated December 23, 2011, it is not clear, as of the date of this Response, whether RMP's Objection has even been formally filed with the Commission yet, let alone at what time, on what date and whether in the form required by Rule 61 of the Commission's Rules of Practice and Procedure, IDAPA

31.01.01.061. This is because CAPAI only received an unsigned, unstamped copy of the Objection by email and the Commission's website shows no evidence of a formal filing yet.

In fact, according to the undersigned's email, RMP emailed its Objection to the undersigned at 12:58 p.m. on Friday, December 23, 2011, two hours before CAPAI even filed its Petition. Not expecting a party to object to his client's Petition for Intervenor Funding before it was even filed, CAPAI's attorney did not check his email Inbox for such an objection prior to finalizing and filing his client's Petition and was completely unaware of RMP's Objection when he filed CAPAI's Petition.

Because he spent Friday afternoon, and into the night, photocopying the Petition and serving it on other parties, and did not check his email on a Friday night two days before Christmas and volunteered to work with the poor on Saturday, CAPAI's counsel did not read RMP's email or learn of the Objection until Christmas morning, Sunday, December 25, 2011. Because the undersigned had business commitments that will keep him occupied throughout Monday, it has been necessary for the undersigned to forgo Christmas dinner with loved family members, some of whom he might never see again given their ages and condition of health, in order to hastily draft this Response to CAPAI's Objection.

Had he wished, RMP's legal counsel who filed the Objection (Mr. Mark C. Moench), or someone on his behalf, could have contacted CAPAI's counsel via telephone to inform him of the Objection on Friday, but chose not to.<sup>1</sup> Though CAPAI's counsel strives to check his email frequently throughout most every day, including nights, weekends, and holidays, there are periods of time when no person has the ability to stay connected to the internet. The undersigned

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<sup>1</sup> Mr. Moench is shown as attorney of record (Pro Hac Vice) for RMP in this proceeding but is not a member of the Idaho State Bar and there appears no Motion or Order granting him limited admission in this proceeding as required by Rule 43 of the Commission's Rules of Procedure, IDAPA 31.01.01.043. CAPAI is still investigating this matter and questions whether any pleading signed by Mr. Moench in this case on behalf of RMP is legally valid. If not, CAPAI contends that the Objection should be stricken from the record.

did not have the opportunity to log on to his email until Sunday. RMP had no legitimate basis to assume that CAPAI's attorney would timely receive an email sent the afternoon of a Friday filing deadline day two days prior to Christmas. RMP should have erred on the side of caution given the fact that it was "pre-filing" an objection to a hypothetical Petition, and given the time of day, day of the week and of the year, and ensured that CAPAI had received the Objection in time to respond prior to the beginning of the next week when it is expected the Commissioners will begin deliberations early in the morning in this and other cases. Indeed, RMP is operating under this assumption as well which is why it rushed to file its Objection prior to the weekend and not the first thing Tuesday morning, December 27, 2011.

Though RMP and its legal counsel presumably enjoyed Christmas by the use of what amounts to a "fill-in-the-blanks," "preemptive strike," "just-in-case" pleading in response to a pleading that didn't even fully exist yet, the undersigned's Christmas was needlessly and thoroughly ruined. The best that could be said for RMP's behavior is that it was grossly negligent, disrespectful, unprofessional, and unprecedented.

Based on the perceived exigency of fully addressing the issues raised in RMP's Objection, CAPAI does not believe that it has sufficient time to prepare, execute and file affidavits supporting the facts alleged herein. Should the Commission desire such affidavits, CAPAI will gladly provide them promptly.

## **II. RMP'S OBJECTION HAS NO LEGITIMATE BASIS IN FACT OR LAW**

RMP's Objection states that the Company "expects" CAPAI to seek intervenor funding without knowing whether CAPAI might actually seek funding, in what amount or the details thereof. Thus, RMP's Objection is stated in the abstract and not a legal pleading based on a good faith belief and knowledge of relevant facts. As such, it is difficult to respond to. For instance, it

attacks CAPAI's Petition as being excessive though RMP had no clue when it filed the Objection what the amount sought by CAPAI actually ended up being. Furthermore, it does not specify which particular aspects of the Petition for Funding is excessive or objectionable or why.

RMP clearly intended to object to whatever request for funding CAPAI might seek, assuming it sought anything, before the Petition was actually filed. In fact, because RMP had obviously pre-determined that it would oppose any intervenor funding by CAPAI regardless of the nature or amount, it is possible that RMP could have made this determination at any point in time, possibly days, weeks, even months prior to December 23, 2011, but failed to share this intent until after CAPAI had prepared and filed its Petition on a Friday two days before Christmas. Even if RMP contacted the Commission's Secretary late Friday afternoon and obtained a copy of CAPAI's actual Petition before filing its Objection, it still had a good faith obligation to ensure that CAPAI was immediately informed using a telephone, but chose not to. The obvious reason is that RMP's legal counsel and/or staff wished to leave work early to enjoy the Christmas holiday along with millions of other Americans. RMP chose this strategy of filing an objection to a hypothetical petition, knowing full well that CAPAI and its legal counsel, assuming they even learned of the Objection prior to deliberations by the Commission, would likely have to work over Christmas to provide a timely and meaningful response prior to the commencement of deliberations by the Commission early the next week. RMP is also obviously aware that CAPAI has already included its costs in the Petition for Funding filed Friday which means that either CAPAI or its attorney will have to absorb the costs of a ruined Christmas spent working responding to an unlawful and grossly inappropriate pleading. This is a perfect example of the unethical, mean-spirited attitude that CAPAI has had to deal with regarding RMP and certainly in this proceeding as well as the 11-13 case.

Regarding RMP's Objection itself, the document cites no Commission rule in its support. This is because there are none. Furthermore, there are no laws contained in Title 61 pertaining to such objections. This might well be because the Idaho Legislature and the Commission did not envision such a procedural move on the part of a public utility, particularly in the nefarious manner in which RMP filed its objection. This supposition is supported by the fact that the applicable statutes and rules contain a clear set of guidelines and criteria for whether a party is entitled to intervenor funding and how such an award is granted by the Commission who has the ultimate and exclusive authority and discretion in ruling upon funding requests.<sup>2</sup> It is reasonable to assume that the Legislature deemed the Commission more than capable of weighing the validity and reasonableness of funding applications using the numerous statutory criteria enumerated in Idaho Code Section 61-617A without the need to ask the utility, who is fully reimbursed for all intervenor funding awards and financially indifferent, for its opinion. No doubt, the Commission takes into consideration the validity of any funding petitions based on the many criteria set forth in Idaho Code Section 61-617A and Rules 161-163 of the Rules of Procedure and RMP should have allowed this long-standing process to take its place. As worded, RMP's Objection does little more than cast negative accusations and innuendos against CAPAI while offering nearly nothing of substance.

Boiled down to its essence, RMP's Objection seems based on the following two contentions: 1) the amount RMP speculated CAPAI might possibly seek would, theoretically, be excessive, and 2) the funding available in this case should be "allocate[d]" to Case No. PAC-E-11-13 (the "11-13" case) and no funding should otherwise be available to CAPAI in this case. The logical basis for the second premise is far from clear, if it exists at all. As RMP notes in its Objection, CAPAI has already sought intervenor funding in the 11-13 case. Furthermore, RMP

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<sup>2</sup> See, Rules 161-165, IDAPA 31.01.01.161-165. See, also, Idaho Code Section 61-617A.

states that "it has no objection" to CAPAI's funding request in the 11-13 case. Because of its highly unusual nature, one must interpret the Objection by use of inferences, but the Company apparently contends that the two cases are completely identical as to render funding in one case a full compensation in the other case. For the reasons set forth below, this is a gross mischaracterization of the two cases and simply not based in fact, law or common sense.

**A. Cases PAC-E-11-12 and PAC-E-11-13 Are Not the Same.**

The 11-13 case was a proceeding in which RMP submitted a seriously flawed study of its LIWA program based on severely limited and flawed data collected by the Company and given to its contractor. The study purports to show that LIWA is not cost-effective without adding "non-energy" benefits (e.g., reduction in arrearages and debt collection costs) which RMP did not even fully evaluate. CAPAI retained a nationally renowned expert in the field of evaluating LIWA programs, Roger Colton. Mr. Colton's analysis reveals that LIWA is cost-effective even without considering non-energy benefits (which CAPAI believes the Commission considers relevant), and abundantly cost-effective when non-energy benefits are included.

In addition to mishandling the data collection portion of the LIWA evaluation process, RMP then sought an unlawful order from the Commission relieving the Company of any obligation to conduct future evaluations and approving what was purportedly a non-cost effective program. Concerned that nearly a decade of hard work by CAPAI to bring LIWA funding levels and program designs to a more reasonable level and correctly predicting that the 11-13 filing would have an adverse domino effect on Idaho Power's and AVISTA's LIWA programs, CAPAI invested considerable time and expense in demonstrating that RMP's LIWA program is amply cost-effective and urging the Commission to not issue a ruling that could be legally challenged.

CAPAI was also sensitive to the fact that Staff opposed the notion of not conducting

future evaluations of LIWA. Even though carte blanche approval of LIWA would arguably be in CAPAI's best interests, CAPAI strived to accommodate the concerns of others and the questionable legality of a Commission ruling as proposed by RMP and take a more reasonable approach to RMP's unfortunate filing. This placed CAPAI in a very difficult position, particularly because RMP's evaluation was so vague and inconclusive which required the retention of an expert and expenditure of a considerable amount of money in advance in order to prevent RMP's failures from impugning the integrity of other LIWA programs. In short, the contorted manner in which RMP framed its 11-13 application and the timing of that filing greatly increased the amount of work required of CAPAI in not only the 11-13 case, but RMP's, Idaho Power's and AVISTA's general rate cases as well.

The most salient point is that the 11-13 case did not even purport to address the appropriate amount of LIWA funding for RMP's program. This is something that was addressed in the rate case. To suggest that CAPAI had no right to seek increases in LIWA funding in the three rate cases is patently discriminatory. Because the 11-13 case did create an opportunity to seek more funding for what CAPAI confidently believes is a cost-effective DSM program with system-wide benefits, it was necessary for CAPAI to seek this result in RMP's rate case.

Furthermore, CAPAI raised a number of other issues in the rate case that were not involved in the 11-13 case including an opposition to annual general rate case filings, and expedited black box settlements. Finally, the rate case also involves the future of funding for RMP's conservation education required by the Commission in Order No. 32224 issued April 18, 2011 discussed below.

Regarding the fact that CAPAI has sought funding in both the 11-13 and this case, CAPAI notes that the 11-13 case involved extremely complex principles, concepts and

methodologies used in evaluating the respective costs and benefits of LIWA. The arcane and complex, and sophisticated nature of this work required a substantial amount of time on the part of CAPAI, its legal counsel, and its expert Roger Colton. The 11-13 case involved the review of substantial amounts of information generated by CADMUS and CAPAI's consultant.

Furthermore, it was necessary for CAPAI, its expert Teri Ottens and its legal counsel to become familiar with sophisticated modeling techniques they had never encountered.

For its part, the RMP rate case was just as time consuming as any other general rate case, if not more so because of the complicating and chaotic effect of the simultaneously pending 11-13 case. As CAPAI has repeatedly noted, the effect of RMP's 11-13 filing which threw all three LIWA programs into chaos, the expedited settlement of three cases by Staff and other parties in late summer, and the fact that CAPAI simply could not explain joining yet another three black box settlements to the customers it represents, especially for RMP who has filed and intends to continue filing annual general rate cases, convinced CAPAI that it had an obligation to its constituents to stand firm in the face of seemingly endless rate increases and represent the interests of low-income and residential customers alike. The final consequence of all these factors was to increase the amount of time and money that CAPAI normally invests in any given proceeding before this Commission. The decision by CAPAI to do this was certainly not made lightly. At every point during the past 8 months, CAPAI has always sought to provide the Commission with a meaningful perspective, different from the majority as it might be, that would still aid the Commission in reaching its final rulings.

**B. RMP 2010 Rate Case-Commission Order No. 32224.**

During RMP's 2010 general rate case, an issue was raised concerning RMP's low-income conservation education program and whether the Company had agreed, in a prior settlement, to

fund the program on an ongoing basis. The issue was addressed during the 2010 hearing but not fully resolved in the Commission's Final Order No. 32196. CAPAI filed a Petition for Clarification which was granted by the Commission in Order No. 32220 (Apr 7, 2011) and fully briefed by CAPAI and RMP. The Commission ultimately determined that the continuation of low-income conservation education was a complex issue and directed the parties to address it in greater detail in the Company's anticipated 2012 rate case, the current proceeding. The Commission found:

We find that it is both reasonable and appropriate to revisit this issue in the Company's next general rate case. The Commission takes official notice that Rocky Mountain has already filed its advance notice that it intends to file a new general rate case on or after May 29, 2011.

Without reaching the merits of the issue, we generally believe that education programs addressing energy conservation provide valuable information to low-income ratepayers. We foresee that this issue will receive careful attention from CAPAI, Rocky Mountain and Staff and will be fully resolved in the next general rate proceeding.

Reconsideration Order No. 32224 at p. 5 [issued Apr 18, 2011].

Based on the foregoing Order, CAPAI believed it had an obligation to intervene in this case, if for no other reason, to address the issue as outlined by the Commission. Intervention in a general rate case involves a considerable investment regardless of how few issues a party addresses in the proceeding.

CAPAI does not contend that it had no other reason to intervene in this year's RMP general rate case than low-income conservation education. To the contrary, there are many other legitimate reasons for CAPAI's participation in this case, but the Commission clearly anticipated such an intervention for at least one specific issue. For RMP to oppose all of CAPAI's requested funding on the basis that CAPAI "required the Commission and parties to spend time on issues

associated with the other low-income case" demonstrates a woeful lack of understanding and awareness of CAPAI's involvement in this case and prior Commission Orders and expectations.

**C. CAPAI Acted in Good Faith in Participating in Current Case.**

Though no intervenor should ever assume that it will receive intervenor funding, every intervenor should assume that so long as it complies with and satisfies the numerous criteria set forth in statutes and rules that it will at least have an opportunity to seek such funding without its petition being rejected outright. RMP's arguments, when one attempts to make sense of them, suggest that CAPAI never had any hope of obtaining funding in the rate case because RMP had filed another, distinct proceeding and because RMP, in its infinite hindsight wisdom, has deemed CAPAI's participation in this case not worthy of intervenor funding.

This self-serving and presumptuous argument overlooks the fact that CAPAI sought and was granted intervention without any objection by RMP. If the Commission believed that CAPAI should not fully participate in this case as a formal party (and have the right to at least seek intervenor funding), it would not have granted CAPAI intervention. Similarly, if RMP believed that CAPAI did not have full party's rights, then it should have opposed intervention or at some early point in the proceeding, or made some type of motion to limit or effectively evict CAPAI from this case. RMP not only failed to take these steps, but acted to the contrary.

For example, just last month RMP submitted a massive set of discovery requests to CAPAI that constitute hundreds of separate requests, many of which are compound requests. In reality, if every discovery request submitted by RMP to CAPAI in November were counted, it would add up to many hundreds. This massive discovery request required CAPAI staff and CAPAI's legal counsel to work on Thanksgiving Day, nights, and weekends in an attempt to provide a good faith response to RMP's discovery in this proceeding. Furthermore, RMP began

a constant series of communications with the Community Action Agencies, CAPAI staff and CAPAI's legal counsel. This consumed an extraordinary amount of time by CAPAI and its constituent agencies for which CAPAI doesn't even seek funding. If RMP intended to object to intervenor funding literally weeks after receiving CAPAI's discovery responses, it had an obligation to convey this unusual position to CAPAI before putting CAPAI through all of the work created by redundant and irrelevant discovery requests for which RMP already had the majority of information sought. The discovery, like RMP's Objection, was retaliatory in nature though CAPAI made a good faith attempt to respond to it. RMP should not be permitted to stand idly by not only allowing but participating in causing CAPAI to incur substantial time and expense if it intended to object to any compensation to CAPAI for such expenditure.

Therefore, though CAPAI does not assert that it has any "right" to intervenor funding, it acted in good faith reliance on the granting of its intervention, non-opposition by RMP, and RMP's treatment of CAPAI as nothing less than a formal party, and had a reasonable expectation of the right to at least seek intervenor funding. RMP is estopped by this good faith reliance from now challenging CAPAI's Petition for Funding outright.

**D. CAPAI's Request for Funding Is Reasonable.**

Without any idea of what CAPAI would ultimately seek in terms of intervenor funding, RMP simply assumes it will be excessive and "would amount to more than 5% of the low-income weatherization annual funding." Further, RMP supports this argument stating that CAPAI "did not raise issues or offer expert testimony on issues relevant to the general rate case." This assertions are factually incorrect and wrong-headed.

First, there is no logical reason to gauge the reasonableness of CAPAI's intervenor funding request (which is spread out over all customers) by the amount of RMP's LIWA funding

(which provides direct benefits to low-income customers but system-wide benefits to all).

Regardless, RMP's comparison simply reveals how minimal its LIWA funding is.

Second, CAPAI's involvement over nearly the past decade in RMP's and other utilities' LIWA programs, along with supportive Commission orders, have resulted in considerable funding increases to a program that provides benefits to all customers and particularly the poor.

Third, CAPAI raised a variety of issues and concerns it had regarding the requested rate increase that were not at issue in the 11-13 case. For example, CAPAI objects to annual general rate case filings, especially by RMP who has filed for a general rate increase in roughly 5 out of the past 6 years. CAPAI objects to the lack of transparency resulting from black box settlements, which the settlement in this case clearly is. CAPAI expressed concern regarding the state of poverty in Idaho, the expanding number of residential customers who qualify as low-income, a failure by the parties to the settlement to increase LIWA funding to achieve parity, a principle that CAPAI believes is relevant to the Commission unless directly informed otherwise and, finally, CAPAI's position on the continuation of low-income conservation education which was addressed by CAPAI and seems to be resolved between RMP and CAPAI. None of the foregoing issues were addressed in or resolved in the 11-13 case.

Regarding the actual costs sought by CAPAI in its funding petition, RMP fails to mention that following its submission of hundreds of objectionable discovery requests, and knowing that CAPAI was preparing for two rate case hearings, and still involved in a third, and given the holiday season, the Company began making a series of informal "inquiries" of the Community Action Agencies in its service territory including SEICCA and EICAP. These "inquiries" were, in reality, informal discovery requests sought for the purpose of litigation against CAPAI. Furthermore, they were made not only without notifying CAPAI's attorney, but without even

notifying CAPAI staff. As these inquiries increased in frequency and magnitude along with the pressure being applied by RMP to the agencies seeking expedited responses, the agencies notified CAPAI who then notified its legal counsel regarding what was occurring and expressing concern over responding to RMP's many demands during the CAP's busiest time of year (heating assistance intake) and the holiday season.

At first, CAPAI made a good faith attempt to provide responses to information requests. As the scope and magnitude of the requests and pressure for prompt replies grew to be too much, CAPAI's attorney notified CAPAI who notified the agencies to run all requests through CAPAI and its attorney for review. It was quite evident that RMP had end-run the prescribed discovery process for contested cases and CAPAI's attorney informed his client to not provide further responses though much damage had already been done. Incidentally, Staff was engaging in the same procedure seeking information related to both the RMP and Idaho Power hearings. Despite repeated requests that Staff cease such inquiries they continued requiring CAPAI's attorney to send an email to Staff's attorney that such inquiries were a violation of procedural rules, were unduly burdensome, and that the CAP agencies would no longer respond. Staff's attorney never replied and the requests continued.

Because of the fact that CAPAI's attorney was constantly consulted regarding his legal opinion and the pressure the agencies felt they could not handle in light of the busy heating assistance season and holidays, this inappropriately consumed substantial amounts of CAPAI's attorney's time which is reflected in CAPAI's request for funding. The very utility that largely created this needless problem now asserts that CAPAI's funding request, whatever it might be, is excessive.

Finally, RMP criticizes CAPAI in section 2 of the Objection for failing to hire an expert witness on rate case issues. It is more than ironic that RMP criticizes CAPAI for not hiring an expert on some of the issues it raised. First, CAPAI did not have the money to hire such an expert, especially following the money invested in Mr. Colton's thorough analysis in the 11-13 case. Second, hiring an expert in this case would have increased CAPAI's requested costs. RMP's criticism, therefore, makes no sense.

Incidentally, RMP argues that CAPAI's involvement "required the Commission and parties to spend time on issues associated with the other low-income case." It is completely unclear how the parties to this case were "required" to spend time on issues in the 11-13 case, unless they were parties to that separate case. Again, RMP makes no sense. Not only that, but it overlooks the increased workload and associated costs that RMP's simultaneous pendency of its long overdue 11-13 evaluation and three general rate cases caused. RMP also conveniently overlooks the fact that its filing of general rate cases every year causes considerable time and expense on the part of the Commission and all parties. RMP's perspective is grossly one-sided.

**E. RMP's 11-13 Filing Caused Excessive Costs.**

As was pointed out a year ago in the RMP 2010 rate case, RMP was more than a year late in filing its LIWA evaluation. It apparently took a doubling by the Commission in that case of LIWA funding to finally prompt RMP to file its evaluation, flawed though it is. RMP was keenly aware that not only it, but also Idaho Power and AVISTA intended to file general rate cases in early summer of this year. RMP filed its application in the 11-13 case at a time when it was almost certain to result in an overlap between that case, RMP's rate case and the rate cases of Idaho Power and AVISTA. The Commission is acutely aware of the stress that this has caused many parties and people.

It didn't help that it took two months for a Notice of Application to be issued in the 11-13 case. CAPAI approached Staff last spring and expressed concern over the problematic nature of the 11-13 case and the domino effect it would have if not quickly resolved. Unfortunately, CAPAI's concerns went unheeded. CAPAI's legal counsel made numerous inquiries as to when the 11-13 case would be noticed and how quickly it could be resolved to avoid the type of traffic jam that occurred. CAPAI obviously has no power over these things and the worst case scenario occurred just as CAPAI predicted it would.

In short, it is RMP that has put the Commission, Staff and other parties through needless expense from the timing to the nature of its filings. CAPAI has done everything in its power to avoid this from occurring.

**F. CAPAI Costs Not Excessive.**

Contrary to RMP's inference of greed and excess on the part of CAPAI, CAPAI notes that its legal counsel and expert witness have and continue to charge rates that are extraordinarily low for their respective areas of expertise and levels of knowledge and experience. Attorney Purdy charges CAPAI \$130/hr., less than what is believed to be the going rate for an associate attorney fresh out of law school. Expert Teri Ottens who has many years of expertise in low-income issues and served as CAPAI's Executive Director charges \$50/hr. Compare this to the expert hourly rates and fees charged by other intervenors attorneys and experts.

CAPAI's representatives charge these reduced rates and fees because CAPAI must front its costs, which not every other Intervenor claims for its constituents, and CAPAI's counsel and expert price their services in a way that is manageable for CAPAI, and just barely at that. Because of the simultaneous pendency of five separate cases including the 11-13 proceeding in which years of hard work by CAPAI were being threatened by a misguided and highly

inaccurate evaluation, CAPAI determined that it could not afford to stay out all the pending cases.

As a result of this policy choice, CAPAI's legal counsel and expert witness put aside substantial amounts of other work and responsibilities over the course of 7-8 months to give these case the attention and hard work they are due. CAPAI's Staff, its attorney and its expert spent this time often working nights, weekends and holidays since May. Sacrifices were made in order to do this. CAPAI has never sought every dollar it has spent in appearing before this Commission but has always tempered its requests with a firm desire to develop and maintain credibility and trust with the Commission that its requests were more than reasonable and reflected hard work at modest prices. It is galling that a utility with an obvious hostility toward CAPAI would call into question the commitment to excellence and credibility shown by CAPAI.

**G. RMP Unfairly Singling CAPAI Out.**

CAPAI has never objected to the funding request of any other intervenor and makes the following points purely to show the inequity with which RMP attacks CAPAI's funding request. The Idaho Irrigation Pumpers' Association also intervened in this proceeding and are seeking a funding award of \$36,407.96, considerably more than CAPAI. CAPAI notes that the Irrigators' funding requests in the AVISTA and Idaho Power cases also greatly exceed CAPAI's request. The Irrigators settled all three cases in late August/early September and did not require the presence of their expert at hearing. In fact, most of the other intervenors did not have much involvement in the technical hearing in this case. CAPAI engaged in discovery in the weeks leading up to hearing and fully engaged in hearing in a litigation fashion, presenting its expert witness and cross-examining other witnesses.

CAPAI does not question the value of the Irrigators' (or any other Intervenors') work performed, input to the Commission, or entitlement to any particular funding request. CAPAI believes that the Irrigators provide meaningful and professional input to the Commission in the proceedings in which they intervene. CAPAI points to the Irrigators simply as a reference point for how RMP has singled out CAPAI. The message seems to be retaliatory; if an intervenor opposes settlement or critiques and highly questionable filing by RMP, the Company will retaliate in whatever manner it can.

CAPAI notes that because RMP recovers all intervenor funding awards from its customers, it has no particular financial interest in the outcome of funding awards, especially when they constitute such a small fraction of most any other cost recovered from ratepayers. In addition, Idaho Power has not objected to CAPAI's involvement in that utility's rate case in which CAPAI raised many similar issues. One would be hard-pressed to find instances in which regulated public utilities oppose intervenor funding. Thus, the only rational explanation as to why RMP has done so in this case and singled out CAPAI is hostility, both long-standing and borne out of this proceeding, the 11-13 case, and the Company's 2010 general rate case, if not sooner.

Though CAPAI wishes that the two parties could reach a much more amicable relationship, RMP seems determined to resist this. CAPAI respectfully asks the Commission to consider the Company's motives in opposing intervenor funding.

**H. CAPAI Represents More than One Special Contract or Large Use Customer.**

As emphasized by CAPAI expert Teri Ottens, the ranks of RMP's low-income customers are swelling. As evidenced by the nature of public comments recently received in not only RMP's but Idaho Power's and AVISTA customers there is a discernible population of customers

who perceive that even during dire economic conditions, regulated utilities are effectively immunized and given large rate increases every year which are settled through a secretive process. While CAPAI understands that these perceptions do not come from detailed knowledge of how public utilities are regulated and rates set, they do represent the voices of real people whose lives are affected by ever-climbing utility rates. The black box settlement process, though not unwarranted in every case, adds fuel to the fire of this public perception.

While CAPAI might not have taken the most popular position in this and other pending cases, that is not its mandate. CAPAI believes that it represents the points of view of many customers, low-income and non alike. CAPAI does not perceive itself to be a formal public advocate for PUC purposes, but does believe that the interests of the public should be represented, or at least articulated. Agree or not with CAPAI's positions, they represent an increasing number of customers. Advocating for an increase in an electric public utility's LIWA funding results in many benefits to that Company's entire system and all of its customers. CAPAI is not merely attempting to save money for one large-user interest. It is striving, as best it can within its limited means, to represent the greater good. Whether CAPAI has been successful in that effort should and certainly will be articulated by the Commission when it issues its rulings on the pending Petitions for Intervenor Funding. For the reasons articulated above, however, it is highly inappropriate for RMP to try to sway the Commission's rulings.

**I. Outright Rejection of CAPAI Petition Will Have Chilling Effect.**

CAPAI always understands that the Commission will consider many factors when ruling on Petitions for Intervenor Funding and that it might determine that what CAPAI seeks is excessive. What RMP is proposing in its Objection, however, particularly under the circumstances of this case, will likely have a chilling effect on intervention by not just CAPAI

but possibly other public interest intervenors who do not have the financial means to intervene before the Commission on a regular basis. CAPAI has been the most consistent public interest advocate before this Commission over nearly ten years, though it has always recognized and supported the importance and considerable value of other intervenors such as those known collectively as the "conservation parties."

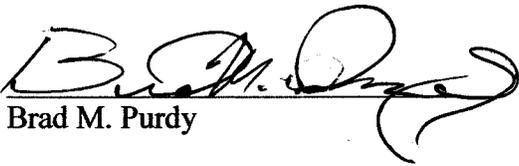
CAPAI notes the obvious: that the Idaho Legislature singled out intervenors with limited financial means as eligible recipients of intervenor funding. The very fact that intervenor funding exists in Idaho is that it is important that not only those large, well-financed customer groups have representation before this Commission. CAPAI simply requests that the Commission not reject its funding position outright as proposed by RMP and consider it on its own merits under the statutory and rule-based criteria that CAPAI has relied on and attempted in every case to satisfy.

CAPAI respectfully submits that this would be the worst possible time to call into question CAPAI's participation in this and every one of the other five pending cases it has intervened in.

### **III. CONCLUSION**

CAPAI does not contend that it has any "entitlement" or "assurance" to intervenor funding in this or any other proceeding it participates in. CAPAI does respectfully submit that the Commission strike or completely disregard RMP's untimely and highly questionable Objection to CAPAI's Petition for Intervenor Funding, and consider that Petition using the same criteria it always does as set forth in the Idaho Code and Commission's Rules of Procedure.

RESPECTFULLY SUBMITTED, this 25th day of December, 2011.



Brad M. Purdy

## CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 26th day of December, 2011 I served a copy of the foregoing document on the following by email.

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DATED, this 25th day of December, 2011.

  
Brad M. Purdy