

## Jean Jewell

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**From:** philelk@plmw.com  
**Sent:** Thursday, December 15, 2011 11:40 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Helen K. Smith follows:

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Case Number: PAC-E-11-12  
Name: Helen K. Smith  
Address: 2088 E. Riverdale RD  
City: Preston  
State: Idaho  
Zip: 83263  
Daytime Telephone: 208-339-3703  
Contact E-Mail: philelk@plmw.com  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

To the Idaho Public Utilities Commissioners:

My name is Helen K. Smith. I live at 2088 E. Riverdale RD in Preston, ID where my husband and son run a beef cattle and horse training operation. We are customers of Rocky Mountain Power. I attended the workshop held in Grace and the public meeting held in Downey regarding this case. I am concerned that the commissioners who were in attendance will not give consideration to the testimony given at Downey that I believe it is their fiduciary responsibility to do. Although those who gave testimony in Downey were not polished presenters, they did make several valid points that the commission should give very serious consideration to in ruling on this rate case.

Per the commission's hand out that was provided at the workshop and the public hearing the commission is required by law to affix rates that are just, reasonable and sufficient. The commission is required to consider the needs of both the utility and the customer and should only set rates to cover costs that were prudently incurred and needed to serve customers.

The presentation at the work shop contained a slide that stated that rates should:

- Be Simple
- Be understandable
- Follow Costs
- Encourage Conservation
- Minimize Low Income Customer Impacts

I believe that a large majority of the attendees at the Downey hearing were very concerned that the impact to them was not going to be minimized. A large number of these attendees appeared to be senior citizens or small businessmen such as farmers and ranchers who operate on very slim margins none of which have the ability as Rocky Mountain Power does to increase their revenue stream when the costs over which they have no control increase. The increase granted in the 2010 rate case filing and the currently proposed rate case will impact their families' standard of living. These are the very customers that the commission was formed to protect, but I sensed that due to their lack of sophistication the commissioners found their testimony easy to dismiss.

Therefore, I am writing to encourage the commissioners to give serious consideration to the following points that I believe were raised and are very valid.

The rate making process as it currently exists encourages Rocky Mountain Power to be inefficient. Not only are they able to recoup all of their expenditures, but they are able to receive a 10% return on those expenditures. Unlike their customers who have to find ways to tighten their belt and become more efficient Rocky Mountain Power is looking for ways to increase expenditures in order to increase the principal that the 10% ROI is applied to. Those in attendance at the hearing were clearly demanding that the commission reconsider the prudence of some of the investments and expenditures that the utility has already made and those that they are contemplating. In fact Oregon's Commission has done just that. (See "PacifiCorp Plan Dismays Regulators" by Ted Sickinger, The Oregonian, Dec. 6, 2011). The Idaho rate payers do not see any value being provided to them by many of the expenditures included on the utilities resource plan. Expenditures that provide no value to rate payers should not be included in their rate. Wind generation is not an efficient means of supplying power nor are the gas fired plants required to provide back up generation for them. These are not prudent expenditures that the commission is required to include in rates to Idaho rate payers. Costs associated with transmission lines that provide no power to Idaho rate payers should not be included in Idaho rates.

Another point that was mentioned during the hearings is that a 10% return in today's depressed market is well beyond the fair return on capital that it is the Commission's responsibility to provide. Low risk investments in today's market are returning less than 2%. I am concerned along with those who gave testimony in the public hearings that the ability to receive a return that is significantly above the market is driving Rocky Mountain Power's investment decisions rather than a requirement to meet environmental regulations or future demand for electricity. It is the commission's responsibility to protect the rate payers from these types of decisions.

In summary, I emphatically request that the commission fill their responsibility to the rate payers by only allowing Rocky Mountain Power to recoup expenditures that are reasonable and prudent. Unless the commission requires the utility to operate in an efficient manner, they will take advantage of being a monopolistic supplier to provide returns to their shareholders with out considering the value or lack thereof provided to their customers.

Thank you for your consideration.

Sincerely,

Helen K. Smith

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 164.144.252.26

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**Jean Jewell**

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**From:** jstallings99@gmail.com  
**Sent:** Thursday, December 15, 2011 9:10 AM  
**To:** Jean Jewell; Beverly Barker; Gene Fadness  
**Subject:** PUC Comment Form

A Comment from Jerrold W Stallings follows:

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Case Number: *PAC-E-11-12*  
Name: Jerrold W Stallings  
Address: 1196 Ashland Dr.  
City: Ammon  
State: Idaho  
Zip: 83406  
Daytime Telephone: 2085224329  
Contact E-Mail: [jstallings99@gmail.com](mailto:jstallings99@gmail.com)  
Name of Utility Company: Rocky Mountain Power  
Acknowledge: acknowledge

Please describe your comment briefly:

Electric Utilities Commission. We understand that the Rocky Mountain Power has requested a rate increase. During this time of economic reversals we feel it inappropriate to be increasing the electrical rates and we are encouraging you to decline the rate increase. Please encourage the utility company to sharpen there wits and lower there costs of production. As all of us are having to tighten our belts, we feel it appropriate to ask the utility company to do the same. A comment from you would be greatly appreciated. Sincerely,  
Jerrold W. Stallings

The form submitted on <http://www.puc.idaho.gov/forms/ipuc1/ipuc.html>  
IP address is 174.126.35.87

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