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 IDAHO PUBLIC
 UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
ROCKY MOUNTAIN POWER SEEKING)	CASE NO. PAC-E-11-13
AUTHORIZATION TO SUSPEND FUTURE)	
PROGRAM EVALUATIONS OF SCHEDULE 21,)	COMMUNITY ACTION
LOW INCOME WEATHERIZATION SERVICES)	PARTNERSHIP ASSOCIA-
FOR INCOME QUALIFYING CUSTOMERS)	TION OF IDAHO'S
)	COMMENTS
)	
)	

COMES NOW, the Community Action Partnership Association of Idaho (CAPAI) and, pursuant to Idaho Code § 61-617A and Rules 161-165 of the Commission's Rules of Procedure, IDAPA 31.01.01, petitions this Commission for an award of intervenor funding in the above-captioned proceeding.

Rule 161 Requirements:

Rocky Mountain Power Company (RMP or Company) is a regulated electric public utility with gross Idaho intrastate annual revenues exceeding three million, five hundred thousand dollars (\$3,500,000.00).

Rule 162 Requirements:

(01) Itemized list of Expenses

Consistent with Rule 162(01) of the Commission's Rules of Procedure, an itemized list of all expenses incurred by CAPAI in this proceeding is attached hereto as Exhibit "A." CAPAI seeks total funding of \$16,845.00.

(02) Statement of Proposed Findings

The proposed findings and recommendations of CAPAI are set forth in CAPAI's detailed comments, including a lengthy legal analysis, supported by the exhaustive 28 page analysis performed by CAPAI's expert retained for this case, Mr. Roger Colton.

CAPAI recommends that the Commission accept the Company's application that its low-income weatherization program continue to be included in its overall DSM portfolio, but recommends that the Commission reject the application's request that the Company be relieved from further cost-effectiveness evaluations. Most of all, CAPAI recommends that the Commission reject RMP's contention that its LIWA program is not cost-effective and that the Commission provide guidance to the parties in terms of how to properly evaluate LIWA in the future, including how to value the social benefits derived from the program as well as the "non-energy" benefits of LIWA such as reduced arrearages, reduced debt collection costs, improved cash flow, etc.

Finally, CAPAI recommends that if the Commission believes that the information already provided by the parties does not fully provide the Commission with sufficient ability to provide a definitive cost-effectiveness evaluation technique, that LIWA continue to be considered cost-effective and that no "hold" be placed on future funding increases until this issue is fully resolved.

(03) Statement Showing Costs

CAPAI submits that its requested costs are reasonable in amount. CAPAI intervened in this proceeding shortly after it was filed and prior to a Notice of Application being issued. Because of the landmark nature of this case, the legal and pragmatic predicament is created, the consequences it threatened to have on all LIWA programs in Idaho, and CAPAI's wish to satisfy Staff's desire for guidance from the Commission in evaluating LIWA programs, CAPAI participated in this case on a level equal to or greater than a general rate case. Because RMP's application was facially supported by a type of analysis that CAPAI's staff and representatives were not capable of responding to in full, and because of the potential for this case to undermine nearly a decade of a substantial investment of time and money by CAPAI in advocating for low-income interests and, finally, the because of the uncertainty whether this proceeding might ultimately be converted into a formal case or result in a generic proceeding requiring an expert witness in the field, CAPAI believed it essential to retain the services of an expert, Mr. Roger Colton, who is a nationally renowned expert in the field of evaluating low-income programs.

The effort put into this case by CAPAI and its representatives is substantial and included the normal time and effort expended to become a formal party to this case as well as engaging in substantial discovery, participating in a webinar with RMP, Staff, and CADMUS, extensive analysis of data and the compilation of comments and Mr. Colton's analysis.

Several primary points were raised and addressed by CAPAI in the combined 45 pages of comments/analysis it filed in this case. The application effectively seeks a ruling from the Commission that LIWA is not cost-effective, but that it should, nonetheless, be included as part of the Company's overall DSM portfolio and that RMP be relieved of any future obligation to evaluate the cost-effectiveness of LIWA.

To the extent not obvious, the manner in which RMP framed and phrased its application, if accepted as proposed, could well result in a Commission Order that would likely be unlawful and not withstand potential legal challenge; i.e., the Commission would find a DSM program to not be cost-effective and, therefore, not prudent, but allow indefinite continuation of that program by simply including it in RMP's overall DSM portfolio requiring ratepayers to pay for it. In calling into question the wisdom of RMP's application, CAPAI was clearly not merely serving its own interests, but seeking to avoid a situation that would place the Commission and its Staff in an awkward position.

Thus, although CAPAI firmly believes that LIWA is a cost-effective program when properly evaluated, it avoided the arguable convenience of allowing RMP to seek a formal ruling that would effectively immunize LIWA from attack. This might have been the expedient thing for CAPAI to do, but not a fair-minded position to take. CAPAI was well aware of Staff's concerns about this, was deeply concerned over the legality of the application as just discussed, and legitimately believes that LIWA should be subject to some manner of evaluation, so long as it is reasonable and takes into account the unique characteristics and benefits of LIWA to not just low-income, but all RMP customers.

Though it is unfortunate that CAPAI was effectively obligated to incur costs that pushed it so far financially, CAPAI is confident that the efforts made by its representatives, including Mr. Colton, will ultimately aid Staff and the Commission considerably in determining how to evaluate a uniquely desirable program such as LIWA. The analysis offered by Mr. Colton is such that so long as RMP does a proper job of collecting the needed information in type and magnitude, it should not be difficult to more accurately assess LIWA from a cost-effectiveness standpoint using and valuing both non-energy and societal benefits.

In addition to the foregoing, CAPAI had even greater involvement in this case because of the ripple effect it has had on other pending cases, including the RMP, Idaho Power and AVISTA general rate cases either recently completed or still pending. Because RMP's application in this case was filed first, CAPAI correctly predicted that RMP's filing, flawed as it is, would result in a hesitation on the part of Staff and perhaps other parties to not object to an increase in LIWA funding for the three utilities. CAPAI was most concerned about Idaho Power and the fact that, as CAPAI determines it, that utility is funding its WAQC program at a fraction of the other two companies. CAPAI's predictions have proven accurate and the Commission is now being presented with widely disparate points of view on LIWA funding, all as a direct result of this case.

It is unfortunate enough that a single filing by one utility (who was obligated to file this case roughly a year ago) can cause such widespread disruption for the only low-income advocate that regularly appears before this Commission and, more importantly, for the segment of customers it represents, but the half-hearted nature in which RMP went about providing its contractor CADMUS with what Staff considers insufficient detailed data, makes it worse. As noted by both CAPAI's expert Roger Colton and Staff expert Stacey Donohue, the techniques employed by CADMUS were not necessarily inappropriate, as far as they went. The problem lies in what clearly was a minimalist effort by the Company to provide CADMUS with sufficient information to legitimately render a meaningful conclusion about the cost-effectiveness of LIWA. The financial and practical consequences to CAPAI, Staff and the Commission of this are considerable. Because of the ripple effect caused by RMP's filing and supporting report, CAPAI's required efforts in the pending three electric rate cases was also increased, causing a commensurate increase to costs in those cases as well.

In its comments, CAPAI notes that this case is unique not only in substance, but procedure as well. CAPAI assumed that Staff and RMP would desire time to review Mr. Colton's analysis, considering that both Staff and CAPAI filed their comments by the same deadline. CAPAI is uncertain whether any further procedural steps might be deemed necessary by the Commission. When CAPAI filed its comments, it recommended that additional time be provided for the other parties to respond to CAPAI's comments and Mr. Colton's analysis and that a deadline be set for that response. CAPAI recommended that the Commission then base its final determination on that record. CAPAI prepared this petition as soon as possible after learning that some manner of ruling might be imminent. CAPAI does not know if that determination will order additional action taken by the parties, possibly defer ruling pending additional action or make this a generic proceeding, or completely and finally resolve all of the issues raised during this case in the near future.

Regarding the costs set forth in Exhibit A, CAPAI notes that it normally relies upon the expertise of Ms. Teri Ottens who typically testifies on behalf of CAPAI. Ms. Ottens's expertise in low-income issues was relied upon to a lesser degree in this case, but still necessary to a certain extent. Mr. Colton's fees are relatively modest given his vast knowledge, experience and expertise in the precise field of evaluating the costs and benefits of low-income programs as evidenced by his resume filed with CAPAI's comments. CAPAI's legal representative charges a reduced fee in light of CAPAI's limited budget. That fee has increased only modestly since 2003.

CAPAI respectfully submits, therefore, that the costs and fees incurred in this case, and set forth in Exhibit "A," are reasonable in amount.

(04) Explanation of Cost Statement

CAPAI is a non-profit corporation overseeing a number of agencies who fight the causes and conditions of poverty throughout Idaho. CAPAI's funding for any given effort might come from a different variety of sources, including governmental. CAPAI does not have "memberships" and, therefore, does not receive member contributions of any kind. Many of CAPAI's funding sources are unpredictable and impose conditions or limitations on the scope and nature of work eligible for funding. CAPAI, therefore, has relatively little "discretionary" funds available for all projects. Some matters before this Commission, furthermore, do not qualify for intervenor funding by virtue of their nature.

Thus, were it not for the availability of intervenor funds and past awards by this Commission, CAPAI would not be able to participate in cases before this Commission representing an important and otherwise unrepresented segment of regulated public utility customers. Even with intervenor funding, participation in Commission cases constitutes a significant financial hardship because CAPAI must pay its expenses as they are incurred, not if and when intervenor funding becomes available.

(05) Statement of Difference

There appears to be some degree of agreement between CAPAI and the Commission Staff in this case, but there are also material differences. Staff recommends that workshops be conducted at some future date in order to fill in the holes in RMP's evaluation in this case. CAPAI recommends that LIWA not be affected by what CAPAI perceives as a flawed evaluation and though CAPAI will willingly participate in any workshops conducted that involve low-income programs, it does not agree that this proceeding should cast into doubt the efficacy and cost-effectiveness of RMP's LIWA or other low-income weatherization programs and should

not be relied upon as a basis to not increase funding for those programs where otherwise justified. To this extent, there are material differences between CAPAI and Staff.

(06) Statement of Recommendation

CAPAI asserts that all cost-effective DSM programs are in the best interests of the general body of any regulated public utility. RMP's LIWA program is no different in that respect. While RMP's filing might have temporarily cast doubt, in the minds of some, as to LIWA's cost-effectiveness, the Commission doubled funding to LIWA this very year. CAPAI is confident that LIWA is and will continue to prove to be a cost-effective DSM program benefitting all RMP ratepayers. Low-income DSM provides an additional benefit to all customers because of the many non-energy benefits thoroughly analyzed in Mr. Colton's analysis.

(07) Statement Showing Class of Customer

To the extent that CAPAI represents a specific RMP Power customer class, it is the residential class.

RESPECTFULLY SUBMITTED, this 14th day of December, 2011.


Brad M. Purdy

CERTIFICATE OF SERVICE

I, the undersigned, hereby certify that on the 14th day of December, 2011, served a copy of the foregoing document on the following by email and U.S. mail, first class postage.

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DATED, this 14th day of December, 2011


Brad M. Purdy

EXHIBIT "A"
ITEMIZED EXPENSES

Costs:		
	Photocopies/postage	\$175.00
	Total Costs	\$175.00
Fees:		
	Legal (Brad M. Purdy –63.00 hours @ \$130.00/hr.)	\$8,190.00
	Expert Witness (Teri Ottens – 20.0 hours @ \$50.00/hr.)	\$1,000.00
	Roger Colton (44.0 hrs @ \$170/hr.)	\$7,480.00
	Total Fees	\$16,670.00
	Total Expenses	\$16,845.00