



✓ Ken Ack
sent 7/28/04 ✓ To A.A. ✓ No Comments
E.H.

IDAHO PUBLIC UTILITIES COMMISSION

Public Hearing

Case No. AVU-E-04-01
AVU-G-04-01

Lewiston Id

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 WebSite.

www.puc.state.id.us

click on "comments & questions."

I was surprised so few attended!!
Do you offer us any alternatives to
this rate hike? What can we do?
I receive colt every year which may
be \$17 + Soc Sec - and rent goes up + Medicare
now its electric + gas
I know you run a business but I
can't understand why the people who
least can pay are hit the hardest.

Print Name Betty Linchan Sign Name Betty Linchan
Address 537-17th Ave #4 Phone Number 798-4622
City and State Lewiston, ID

✓ Gen Akk sent 7/28/04 ✓ To AV. ✓ To Comm. ;
H

Story Collection-AVISTA

203 Oak St. Nezperce ID 83543
Jenny Kinzer of, Idaho

208 - 937 - 1032

I've been a customer of AVISTA Power Company for close to 5 years now, and I have yet to have a good experience with them. My family typically has high power bills, mostly because we have really poor insulation. We've been on the waiting list for the Weatherization program for a year, but we hear we'll probably have to wait a few more years. While I have had my share of shutoff notices and actually getting my power shutoff, the winter of 2002 was perhaps my worst experience with AVISTA.

I was pregnant at the time with 2 babies in the house. My husband, who has a great deal of untreated health problems because we don't have health insurance, was out of work at the time. We hadn't received a late payment notice in the mail, a shutoff notice, or even a bill for the month of December, but we found out we were late on our payment when AVISTA came out to shut off our electricity one night in January. When they came, I explained that I had two small children in the home and was pregnant and needed electricity for heat, hot water and food. I was told that it didn't matter —my babies just turned 3 years old, and according to AVISTA, they had to be under 3 years old in order to qualify for a moratorium. We then tried to set up a payment plan, but were refused because we hadn't had a steady account for more than a year. I even talked to the head person in the AVISTA office and explained my situation; his exact words were "I don't care." He said we needed to pay our bills on time or else.

A few days later we received our bill in the mail, complete with our late notice informing us that our power would be shut off at 7pm a few days before. How does AVISTA think we're going to be able to scrounge up enough money to pay off our bill to save our electricity if we're told *after the fact*?!? To top that off, after the end of February there was an insert in our bill about the Winter Moratorium, complete with the *correct* requirements. I guess AVISTA didn't really want anyone to find out about it.

I found out recently that AVISTA did all sorts of illegal things that night, including shutting off our power with children in the home and shutting it off at 7pm, after office hours. Now they're trying to raise their rates. We have enough trouble as it is paying our outrageous power bill. If AVISTA is allowed to raise their electric rates, I guess my family just will have to learn to live without heat and electricity.

To the Public Utilities Commissioners:

✓ Ben Hill
sent 7/24/04

✓ 70 Av.

✓ To Comm
JH

My husband uses an oxygen concentrator to assist his breathing — he recently suffered his third minor stroke and has COPD (Chronic Obstructive Pulmonary Disease). We depend on the electricity for his health care equipment and are living on \$800 fixed income each month. Rate increases will really hurt — I'm already looking at increases in everything (food, housing, etc.) and my income does not increase over time to cover it all. Let's hope that Avista understands that raising the rates will continue to hurt and degrade the people who make this company possible.

Thank you for your time,

Louise Breshears

Louise Breshears
628 Burrell Ave., #13
Lewiston, ID 83501

July 14, 2004

✓ Gen Ack sent 7/28/04 ✓ To A.V. ✓ To Commis :H

Jean Jewell

From: Ed Howell
Sent: Wednesday, July 28, 2004 11:07 AM
To: Jean Jewell; Ed Howell; Gene Fadness; Tonya Clark
Subject: Comment acknowledgement

WWW Form Submission:

Wednesday, July 28, 2004
10:07:14 AM

Case:

Name: Robanna Brosten
Street Address: 626 9th Ave
City: Lewiston
State: ID
ZIP: 83501
Home Telephone: 208-746-3532
E-Mail: robannab@lewiston.com
Company: Avista

mailing_list_yes_no: yes

Comment description: Avista is seeking a 24% increase in electric rates and a 10% increase in natural gas for Lewiston. I work for the YWCA in Lewiston, and one of the services we provide is money to help people pay their utility bills when they have gotten a shut off notice. We get the funds for this program from United Way, NOT Project Share, I don't know where that money goes. Let me tell you clearly, that we get allocated our funds on the 1st and 15th of every month, and that within about 6 hours on each of those days, all of our funds are used up. There is no money left during the rest of the month to help anyone. The working poor, can NOT pay their utility bills, and there is not close to enough money to help them do so. One of my job responsibilities is to work as the receptionist for one half hour everyday while she takes her lunch. During that 1/2 hour I usually receive one and sometimes more phone calls from people seeking help with their utility bills. I always have to tell them that our funds are depleted. Then they tell me that their power is already shut off or that they are coming to shut it off tomorrow. Some are single mothers who tell me they have children. Some start to cry. I have no help to offer them. That is just 1/2 hour of one day. Multiply that by the number of hours in the work day, 5 days a week and you will start to get an idea of how many people can not pay their utilities. Increase the rates, and you will increase our calls, and we still won't have one penny more to help them with their problem, we'll only have more problems. How can you do this??

Transaction ID: 7281007.14
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User Hostname: 12.7.5.189

✓ Gen Ack sent 7/28/04
✓ To AV.
✓ To Commis
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Jean Jewell

From: Ed Howell
Sent: Tuesday, July 27, 2004 10:48 PM
To: Jean Jewell; Ed Howell; Gene Fadness; Tonya Clark
Subject: Comment acknowledgement

WWW Form Submission:

Tuesday, July 27, 2004
9:48:11 PM

Case: AVU-E-04-01 & AVU-G-04-01
Name: Ged W Randall
Street Address: 919 Grelle Ave
City: Lewiston
State: ID
ZIP: 83501
Home Telephone: (208)746-7186
E-Mail: Gedski2@aol.com

Company: Avista

mailing_list_yes_no: yes

Comment_description: I attended the hearing in Lewiston on 7/24/04. Its my understanding that Avista made \$44.5 million in profits in 2003. And Avista is saying they need a rate hike because they need more money? I worked for Potlatch Corp for 27 years, and when rough financial times came, the did every thing they could to avoid raising prices to remain competitive. So why can't Avista do the same? This means EVERYONE (CEO, VPs, shareholders, ect) at Avista has to bite the bullet. Just like Chrysler did years ago, and survived. On a personal level, my income has changed significantly from when i was employed by Potlatch Corp to now that i am retired and working at Opportunities Unlimited. I adjusted, and so can Avista. I can see a rate hike to adjust for significant population growth or inflation, but neither has occurred. In fact, i feel any rate hike over inflation is ridiculous. I say NO TO ANY RATE HIKE OVER INFLATION.

Transaction ID: 7272148.11
Referred by: <http://www.puc.state.id.us/scripts/polyform.dll/ipuc>
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sent 7/28/04

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Jean Jewell

From: Ed Howell
Sent: Tuesday, July 27, 2004 9:22 PM
To: Jean Jewell; Ed Howell; Gene Fadness; Tonya Clark
Subject: Comment acknowledgement

WWW Form Submission:

Tuesday, July 27, 2004
8:21:43 PM

Case: AVU-E-04-01 AVU-G-04-01

Name: Wendy Diessner

Street Address: 1425 9th Ave.

City: Lewiston

State: ID

ZIP: 83501

Home Telephone: 208 746 0273

E-Mail: wdiessner@cableone.net

Company: Avista

mailing_list_yes_no: yes

Comment description: Oppose the Avista hike. Curious about the 19.4% hike in 2000-01 that Avista said they would slide back over a two year period. Worry about those on a fixed income. Non-profits are expected to pick up slack for services that are not provided through SSI, etc. Nibbling away at social service donor base (middle-income) dominos to community support, assistance to those in low-income situations. Income for area affected is just not able to handle additional tariff's.

Transaction ID: 7272021.43

Referred by: <http://www.puc.state.id.us/scripts/polyform.dll/ipuc>

User Address: 24.116.121.143

User Hostname: 24.116.121.143

✓ Gen Ack sent 7/28/04 *✓ To A.V.* *✓ To Commus } H*

Jean Jewell

From: Ed Howell
Sent: Tuesday, July 27, 2004 3:37 PM
To: Jean Jewell; Ed Howell; Gene Fadness; Tonya Clark
Subject: Comment acknowledgement

WWW Form Submission:

Tuesday, July 27, 2004
2:37:03 PM

Case: AVU-G-04-1
Name: Clyde Dailey (AARP)
Street Address: 3080 Gentry Way. Suite 100
City: Meridian
State: ID
ZIP: 83642-3599
Home Telephone: 208-288-2277
E-Mail: channon@aarp.org
Company: Avista Corporation
mailing_list_yes_no: yes
Comment_description: AARP Idaho
3080 Gentry Way. Suite 100
Meridian, ID 83642-3599

Commission Secretary
Idaho Public Utilities Commission
472 W Washington Sheet
Boise, ID 83702-5983

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF) CASE NO. AVU-E-04-1
AVISTA CORPORATION FOR THE) AVU-G-04-1
AUTHORITY TO INCREASE ITS RATES AND)
CHARGES FOR ELECTRIC AND NATURAL)
GAS SERVICE TO ELECTRIC AND NATURAL) COMMENTS OF
GAS CUSTOMERS IN THE STATE OF IDAHO.) AARP IDAHO

Filed: July 27, 2004

AARP Idaho submits these comments in response to the Notice of Application issued by the Idaho Public Utilities Commission in response to Avista Corporation's application for authority to increase the Company's general rates for energy services. According to the Notice issued on February 25, 2004, the Company requests to increase rates for electric and natural gas services by averages of 24.1% and 9.2%, respectively. The Company also proposes to increase the monthly, basic customer service charge for electric service from \$4.00 to \$5.00 per month and from \$3.28 to \$5.00 for natural gas service.

INTRODUCTION

AARP is the nation's leading organization for people age 50 and older. It serves their needs and interests through information, education, advocacy, and community services which are provided by a network of local chapters and experienced volunteers throughout the country. AARP has over 154,000 members in Idaho, many of whom receive electric and natural gas services from Avista Corporation. AARP's membership has a vested interest in ensuring that energy services are readily available at prices that are just, reasonable

and affordable. We appreciate this opportunity to present our views regarding this matter.

DISCUSSION

As the Commission deliberates on the Company's filing, we ask that you keep the interests of residential customers in mind, especially those customers living on fixed and low incomes. Older Americans are particularly susceptible to extremes in temperature. Research shows that seniors are more susceptible to health problems in extremes of heat and cold. Adequate heating and cooling are essential, since older Americans rely on the ability to heat and cool their homes for both comfort and well-being. Any degradation in utility services can pose serious health concerns. Likewise, increases in energy rates can be especially devastating for those living on fixed and low-incomes.

According to research performed by AARP's Public Policy Institute, for an average household, telephone, energy, water, and sewer services can account for more than 6 percent of the monthly household income. For some older Americans, this share can be as much as 23 percent of monthly income. Incredibly, some low-income households often spend a greater share of their income on utilities than on certain other necessities such as health care or property taxes. This is the case for an increasing number of older persons, as the average expenditures for energy, telephone, water, and sewer services for households headed by persons age 65 and older increase at a faster rate than both the level of income in the households and inflation.

For these reasons, AARP strongly urges the Commission to reject Avista Corporation's proposal to increase its monthly electric and natural gas customer charges to \$5.00. While fixed charges may stabilize the utility's cash flow in the face of loads that fluctuate with weather, high fixed charges represent bad public policy. Increasing the customer charges for electric and natural gas service will adversely impact small customers the hardest, especially those living on fixed and low incomes.

The costs for services such as meters, distribution facilities and billing services were incurred by the Company so that customers can receive energy and meet their peak loads throughout the year. These investments were made to sell customers electricity and the costs associated with serving this market should be met, as most other businesses meet them, through usage charges, not inflated per customer charges. The point is not to penalize customers for unavoidable energy usage but to provide an economic incentive that encourages electricity users to look for cost effective ways of reducing their usage, thus helping their families and Avista Corporation to avoid high and rising incremental costs.

Moreover, AARP urges the Commission to take a hard look at the company's requests to increase its general rates for electric and natural gas services. The Commission must use its statutory discretion to render a decision in the best interest of residential consumers. A thorough review and evaluation of all information and data offered to justify the company's proposals must be conducted in order to avoid significant increases in rates that have the potential of causing rate shock. Only prudent costs should be allowed recovery, and alternative methods of recovery must be explored. Moreover, residential customers should only be required to pay their fair share of any increase approved by this Commission.

In addition, AARP urges the Commission to ensure that adequate low-income assistance is available to help reduce the energy burdens so these customers can afford reasonable levels of electric and natural gas usage. AARP has advocated for the adoption of categorical eligibility and automatic enrollment of eligible low-income customers in energy assistance programs that are designed to reflect the "needs" of these customers. This approach will of necessity require the Commission to review the energy burdens faced by low-income households for energy services, i.e., to consider the interaction of both household income (ability to pay) and the size of the monthly bill.

In the consideration of program design features such as eligibility criteria, AARP recommends that the Commission consider criteria that will enhance the potential for cost effective enrollment procedures and practices. This should result in the selection of eligibility criteria that reflects ongoing Idaho financial assistance programs, such as Food Stamps, Supplemental Security Income (SSI), TANF and LIHEAP, which are already targeted to low-income households. Where possible, the Commission should select eligibility criteria that will allow for the automatic enrollment of customers in the applicable energy assistance program when the individual or household applies for the underlying financial assistance programs that must determine household income.

This approach will obviate the need for utilities to conduct a separate application process for these customers. Relevant client information, like name, address, and (where easily obtainable) utility account number, would be transferred (with informed consent) to the customers' utility provider who would then enroll the customer in the energy assistance program and reflect the applicable discount on the customer's next monthly bill. There is no policy reason to maintain significantly different eligibility criteria for the specific programs targeted to Idaho's low income households. If properly coordinated, this approach will reduce the administrative costs associated with outreach, education, application, and enrollment procedures.

However, AARP does not suggest that only customers who have applied for other financial assistance programs should be eligible for energy assistance. Instead, AARP also strongly supports the adoption of a meaningful income eligibility criterion based on the Federal Poverty Guidelines. This will allow individual customers who are not otherwise participating in financial assistance programs to receive energy assistance. As with automatic enrollment, this initiative should include outreach and education efforts. Moreover, funding for energy assistance programs should be expanded to meet customer needs.

CONCLUSION

AARP appreciates this opportunity to comment on this critical matter. For the reasons stated above, AARP urges the Idaho Public Utilities Commission to reject Avista Corporation's proposal to increase the monthly, basic customer service charges for electric and natural gas services to \$5.00. AARP also recommends that the Commission thoroughly evaluate Avista Corporation's proposals to increase general rates for energy services. Finally, AARP welcomes the opportunity to work with the Commission to implement low-income assistance program automatic enrollment and to educate our members on the existence of available energy assistance programs.

Respectfully submitted,

Clyde Dailey
AARP Idaho
State Director

Janice Stover
AARP Idaho
State President

Transaction ID: 7271437.3

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