

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR) CASE NO. IPC-E-23-11
AUTHORITY TO INCREASE ITS RATES)
AND CHARGES FOR ELECTRIC SERVICE)
IN THE STATE OF IDAHO AND FOR)
ASSOCIATED REGULATORY ACCOUNTING)
TREATMENT.)
_____)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

JAMES "BO" HANCHEY

1 Q. Please state your name, business address, and
2 present position with Idaho Power Company ("Idaho Power" or
3 "Company").

4 A. My name is James "Bo" Hanchey. My business
5 address is 1221 West Idaho Street, Boise, Idaho 83702. I am
6 employed by Idaho Power as Vice President of Customer
7 Operations and Chief Safety Officer.

8 Q. Please describe your educational background
9 and what educational opportunities you have had while at
10 Idaho Power.

11 A. I received an Associate Degree in Applied
12 Science in electric power technology from Bismarck State
13 College in 2019 and a Bachelor of Science degree in
14 business management from the same school in 2023.
15 Additionally, in 2021 I completed the University of Idaho's
16 Energy Executive Course.

17 Q. Please describe your work experience with
18 Idaho Power.

19 A. I began working with the Company in 1997 at
20 the Twin Falls Operations Center as a materials handler and
21 have held various field operations and customer service-
22 related positions of increasing responsibility since.
23 Specifically, in 1999 I became an apprentice lineman and in
24 2003 obtained my Bureau of Apprenticeship and Training
25 certificate from the United States Department of Labor. By

1 2014 I had advanced through different leadership and
2 management roles to become a Regional Manager. In 2018, I
3 assumed the role of Customer Service Senior Manager, and in
4 2019 I was promoted to my current position as Vice
5 President of Customer Operations and Chief Safety Officer.

6 Q. What are your duties as Vice President of
7 Customer Operations and Chief Safety Officer?

8 A. I am responsible for the planning, directing,
9 and strategic oversight of all activities within Idaho
10 Power's Safety and Customer Operations organizations.

11 Q. Please describe Idaho Power's Safety and
12 Customer Operations organizations.

13 A. The Safety organization within Idaho Power is
14 comprised of 11 employees, excluding myself, all of whom
15 are focused on ensuring the safety of employees and
16 contractors doing business on behalf of Idaho Power, as
17 well as providing service safely to customers and within
18 the communities we serve. These employees are tasked with
19 continuously evaluating and identifying process and
20 behavior improvements to enhance all aspects of Idaho
21 Power's Safety First culture.

22 The Customer Operations organization within Idaho
23 Power is comprised of over 600 employees that are engaged
24 in activities that provide direct service to the Company's
25 retail customers and in the communities it serves.

1 Specifically, the organization includes Customer Service,
2 Customer Relations and Energy Efficiency, Regional
3 Operations, and Regional Operations Support. Generally,
4 activities that directly serve the customer are conducted
5 within this organization, which allows the employees in the
6 organization to achieve synergies and work together in a
7 seamless manner. The Customer Operations organization
8 exists to provide excellent service to customers in the
9 most cost-effective way possible.

10 Q. What is the purpose of your testimony in this
11 matter?

12 A. First, I will briefly describe the Company's
13 Safety First culture and how Idaho Power promotes a culture
14 of safety with its customers and in the communities it
15 serves, as well as with the organizations the Company
16 frequently works and partners with.

17 I will then provide a high-level overview of various
18 initiatives that the Company has and continues to undertake
19 to provide an exceptional customer experience and enhance
20 customer choices and services. I will also discuss how the
21 Company promotes demand-side management ("DSM")
22 opportunities, provides superior customer service, and
23 pursues efficiencies in its operations.

1 **I. SAFETY**

2 Q. Please briefly explain Idaho Power's
3 philosophy regarding safety.

4 A. Safety is a core value at Idaho Power and
5 accordingly, Idaho Power embraces a Safety First culture.
6 The Safety First culture recognizes that Idaho Power's
7 family of employees is the Company's greatest asset and
8 emphasizes that each employee's most important
9 responsibility in their daily work is safety and that no
10 work is so critical that safety should be disregarded. The
11 Company is committed to the safety of its employees,
12 customers, and the public.

13 Q. How does the Company promote its Safety First
14 culture with employees?

15 A. The Company routinely conducts regular safety
16 and job-specific trainings for all employees in relation to
17 their respective area of coverage. While these safety
18 trainings vary in cadence based on role and responsibility,
19 the Company's approximately 400 field operations employees,
20 who are largely tasked with constructing and maintaining
21 the Company's system, attend safety meetings on at least a
22 monthly basis to ensure continual safety and best practice
23 updates. Additionally, since 2017, the Company has provided
24 training to employees emphasizing how certain behaviors and
25 mental statuses, such as rushing, complacency, multi-

1 tasking and fatigue, may impact one's ability to make safe
2 decisions. By training employees to be consciously aware
3 of these factors, it allows them to continually assess
4 their environment and try to mitigate risk. Another example
5 of a program implemented by the Company to enhance its
6 Safety First culture is the development of the Company's
7 safety accountability framework in 2018. This framework was
8 created and trained to all employees in 2018 to promote the
9 Company's Safety First culture as being one of trust,
10 openness, learning and accountability.

11 Q. How does the Company promote its Safety First
12 culture with its customers?

13 A. The Company routinely sponsors print, digital
14 or radio ads related to overhead line safety, downed power
15 lines, wildfire, and water safety, among other topics. In
16 2022, the Company also authored 33 safety-related social
17 media posts. Additionally, for customers that the Company
18 has an email on file for, the Company frequently emails
19 targeted safety-related tips and reminders. For example, in
20 Spring and Fall of 2022, the Company emailed irrigation
21 safety tips to customers who receive irrigation service.
22 Similarly, in December 2022, the Company emailed
23 residential customers various tips to promote safe
24 decorating practices during the winter and holiday season.

1 Aside from the above stated outreach channels, the
2 Company frequently publishes news briefs that discuss
3 differing safety topics, six of which were picked up by
4 local media in 2022, as well as including safety-focused
5 inserts within customers' bills, an example of which is
6 included as Exhibit No. 6.

7 Q. How does the Company promote its Safety First
8 culture within the communities it serves?

9 A. The Company frequently provides training to
10 fire, police, and other first responders to inform them how
11 to remain safe around power lines. Fundamental to that
12 training, Idaho Power employees educate first responders on
13 Idaho Power's process for de-energizing electrical
14 equipment as part of their response to house fires and
15 other emergencies. Similarly, the Company has also
16 published an online first responder training aid called
17 "Responding to Utility emergencies." This short online
18 course is available at no-cost to participants and teaches
19 emergency response personnel how to recognize potential
20 hazards involving electricity.

21 Idaho Power's education and outreach energy advisors
22 also work with schools and community groups to conduct
23 educational presentations. These presentations vary in
24 content based on the audience but typically aim to promote

1 general safety awareness and certain vital behaviors to
2 help minimize the occurrence of electrical accidents.

3 The Company also conducts safety presentations at
4 numerous contractor, customer, or partner agency events
5 throughout the year. For example, in 2022, Idaho Power's
6 Safety Director presented information regarding the
7 Company's safety programs to approximately 200 Idaho
8 Transportation Department leaders and executives from
9 across the state. The Company also held two Contractor
10 Safety Summits in 2022 whereby the Company shared best
11 practices and information related to the Company's safety
12 culture and programs with contractors doing business on
13 behalf of Idaho Power.

14 Q. Has the Company been recognized for its
15 employee safety efforts and commitment to safety?

16 A. Yes. I am proud to share that after achieving
17 one of the Company's safest years on record in 2021, the
18 Company was presented with Edison Electric Institute's
19 ("EEI") Thomas F. Farrell, II Safety Leadership and
20 Innovation Award in the Member Company Project category.
21 EEI selected Idaho Power for this award due to the
22 Company's approach of combining psychological safety and
23 behavioral safety with practical application of human
24 performance principles. While the Company is incredibly
25 proud of EEI's recognition and the corresponding award, it

1 remains cognizant that the pursuit of safety excellence is
2 a never-ending journey.

3 **II. CUSTOMER RELATIONS**

4 Q. What is the Company's overall approach to
5 customer relations?

6 A. Idaho Power strives to be regarded as an
7 exceptional utility by the customers it serves. To
8 accomplish this, the Company must provide superior and
9 satisfying customer service and experiences that meet or
10 exceed its customers' needs and expectations.

11 Q. How does the Company determine the focus for
12 improving customer relations?

13 A. The Company continually focuses on ways to
14 cost-effectively improve its relationships with customers
15 by assessing customer perception of the Company,
16 identifying performance and experience gaps based on
17 customer feedback, and reviewing industry best practices
18 and trends.

19 Q. What is presently being done to address areas
20 with opportunity for improvement?

21 A. The Company's strategy for addressing areas of
22 improvement involves integrating customer input into its
23 processes, systems, and culture while also leveraging cost-
24 effective technologies to improve service. For instance,
25 activities supporting this strategy include focusing on

1 improving system reliability, offering new digital
2 experiences, and enhanced automated customer service
3 options.

4 Q. Please describe Idaho Power's continuing
5 practice of surveying its customers regarding their levels
6 of satisfaction with the Company.

7 A. Idaho Power has contracted with Burke, Inc. to
8 conduct quarterly customer relationship surveys since 1995.
9 Burke is a full-service customer market research and
10 decision support company headquartered in Cincinnati, Ohio,
11 with regional offices throughout the United States. These
12 surveys represent Idaho Power's primary customer
13 satisfaction research and determine the Company's customer
14 relationship index ("CRI"), which is a key metric used to
15 evaluate the Company's overall customer satisfaction rate.
16 Burke offers an extensive survey for the following four
17 customer segments: Residential, Small Business, Irrigation,
18 and Large Commercial and Industrial.

19 In addition to the customer satisfaction surveys
20 performed by Burke, Idaho Power acquires the results of the
21 annual J.D. Power Electric Utility Residential Customer
22 Satisfaction Study ("J.D. Power Study"). The J.D. Power
23 Study is comprised of over 100,000 customer responses
24 nationwide, including Idaho Power's customers, and is used
25 by the Company primarily as a benchmark to other electric

1 utilities and, as its name implies, is for residential
2 customers only.

3 In addition to Burke surveys and the annual J.D.
4 Power Study, Idaho Power also utilizes customer focus
5 groups and ad hoc surveys, such as within its online
6 Empowered Community group, for project-specific qualitative
7 research, when the situation is appropriate. Further, the
8 Company also conducts post-construction surveys to help
9 ensure that working with Idaho Power on new construction
10 projects remains a satisfying and streamlined experience.

11 Q. Please describe the Company's customer
12 satisfaction performance results in recent years.

13 A. I am proud to say that based on recent years'
14 customer satisfaction surveys performed by Burke, Idaho
15 Power customers' satisfaction remains at a consistently
16 high level. In addition, the Company has recently
17 experienced levels of customer satisfaction that were
18 significantly higher than compared to the Company's
19 customer satisfaction results presented as part of Idaho
20 Power's last general rate case ("GRC") in Case No. IPC-E-
21 11-08. While 2022's customer satisfaction survey performed
22 by Burke did indicate the Company's level of customer
23 satisfaction decreased to 83.95 percent, which is a slight
24 decline compared to the five years immediately prior, which
25 had an average customer satisfaction score of approximately

1 85.5 percent, the Company understands the decrease to be a
2 trend within the industry and likely to be partially
3 attributable to factors outside of the Company's control,
4 such as inflationary pressures affecting the price of all
5 goods and services. Despite this decrease, Burke still
6 attributes the Company's 2022 customer satisfaction results
7 as signifying that overall, customers have very strong
8 positive attitudes toward Idaho Power and the level and
9 quality of service it provides.

10 The results of the 2022 J.D. Power Study indicate
11 the Company achieved very compelling residential customer
12 satisfaction results compared to many of its peers.
13 Specifically, the 2022 J.D. Power Study indicated that
14 Idaho Power ranked 3rd out of 17 within the West Midsize
15 electric utility segment for overall residential customer
16 satisfaction, and the Company ranked 6th out of 92 investor-
17 owned utilities in overall residential customer
18 satisfaction.

19 Q. Please summarize the Burke methodology and the
20 resulting information made available to the Company.

21 A. On a quarterly basis, Idaho Power receives
22 results from Burke based on customer interviews. Quarterly
23 results include an overall index score, thereby determining
24 the Company's quarterly CRI, as well as more detailed
25 information in the form of average response data collected

1 for questions in five general categories:(1) Overall
2 Satisfaction, (2) Excellent Overall Quality, (3) Excellent
3 Overall Value, (4) Likelihood to Recommend, and (5) Idaho
4 Power Cares.

5 Q. What is Idaho Power's primary way of measuring
6 its success in providing customer satisfaction?

7 A. Idaho Power's primary measure for customer
8 satisfaction is the CRI derived by Burke from quarterly
9 customer surveys. The CRI is based on research that is
10 conducted at various points in time throughout the year.
11 This reduces the potential for any one event or
12 circumstance to have a significant influence, either good
13 or bad, on the overall customer satisfaction levels. It is
14 a statistically reliable measurement of customers'
15 opinions, and it provides a historical trend that allows
16 the Company to track its performance over time.

17 The CRI is the best single satisfaction measure
18 available to Idaho Power because it depicts customers'
19 overall attitudes toward the Company in five distinct
20 criteria. The CRI is comprised of five key questions where
21 a rating ranging from zero (very dissatisfied) to four
22 (very satisfied) is given for a maximum of 20 points
23 possible among all five questions. The following are the
24 five criteria questions that are asked in the quarterly
25 customer surveys:

1 (1) What is your overall level of
2 satisfaction with Idaho Power?

3 (2) How much do you agree or disagree that
4 the overall quality of the electricity and customer service
5 and support you get from Idaho Power is excellent?

6 (3) Thinking about the price you pay, how
7 much do you agree or disagree that the overall value of the
8 electricity and customer service and support you get from
9 Idaho Power is excellent?

10 (4) If asked (by a neighbor new to your
11 area, by a company that just moved into the area, or by an
12 irrigator new to your area) how likely would you be to tell
13 them that Idaho Power is a good company to work with?

14 (5) How much do you agree or disagree that
15 Idaho Power cares about you as a customer and has done
16 everything possible to earn your loyalty?

17 Responses for each customer are totaled and divided
18 by the maximum possible points to establish a percentage
19 CRI score that is weighted by customer segment revenue. The
20 CRI can range from a minimum of 0 percent to a maximum of
21 100 percent.

22 **III. CUSTOMER DRIVEN ENHANCEMENTS**

23 Q. Based on the various surveys and focus groups
24 that the Company subscribes to or conducts, what recent

1 initiatives has Idaho Power undertaken to enhance customer
2 satisfaction?

3 A. Recently, the Company has focused on pursuing
4 the enhancement of its digital offerings and solutions to
5 better align with industry trends and evolving customer
6 preferences and expectations. Specifically, the Company's
7 investment in modernizing its My Account platform stemmed
8 from customers' desire to digitally self-serve and manage
9 their accounts. Not only does the newest iteration of the
10 Company's My Account provide increased security measures to
11 better protect enrolled customers' personal information, it
12 also allows for flexible payment options for a variety of
13 circumstances and streamlines enrollment in other optional,
14 account-related offerings such as Paperless Billing, Auto
15 Pay, Budget Pay, and Green Power, as well as contributing
16 to Project Share.

17 Q. What other notable enhancements are part of
18 the Company's updated My Account Platform?

19 A. As part of the Company's updated My Account
20 platform, enrolled customers can efficiently self-manage
21 and update their contact information and notification
22 preferences, as well as easily complete a home energy
23 profile, which provides customers with continuous insights
24 on how to save energy and thereby reduce their monthly
25 bills.

1 Additionally, the Company's updated My Account
2 platform allows for one-stop enrollment in outage and
3 account-related alerts, which are provided via each
4 customer's preferred communication channel(s).

5 Q. Has the Company implemented any other digital
6 offerings based on customer feedback or changed
7 preferences?

8 A. Yes. In early 2022, the Company released a
9 Mobile Application ("App") on the Apple and Google Play
10 stores due to the increasing shift in customers'
11 preferences toward accessing their account and service-
12 related information on the go. While the App provides
13 customers with nearly all the same previously stated My
14 Account enhancements from the palm of their hand, in
15 addition to increased security and login functionality
16 using face or touch identification, it also allows for
17 optional push notification functionality, thereby providing
18 enrolled customers with real-time alerts regarding
19 important billing information or an outage affecting one of
20 their registered addresses.

21 Q. Why is the emphasis of improved outage
22 communications as part of the Company's enhanced My Account
23 and App so important?

24 A. Unsurprisingly, reliability of service is a
25 key driver of customer satisfaction. Though the Company

1 keeps customers' lights on more than 99.9 percent of the
2 time, if a customer does experience an outage, they expect
3 timely and relevant information to be provided via their
4 preferred communication channel, which has increasingly
5 shifted to digital means. The Company has routinely seen
6 and heard this growing customer preference when evaluating
7 the various surveys and focus groups' results.

8 Q. Are customers required to install the App or
9 register for My Account to receive outage communications?

10 A. No. Although the App and My Account are
11 required for users to receive address specific, real-time
12 outage alerts, all customers have the option to view
13 outage-related information and elect to receive outage-
14 specific text messages via the Company's outage webpage.
15 Customers opting to receive outage-specific communications
16 in this manner are not required to register for My Account.
17 Instead, only a mobile phone number is required so that
18 outage-specific text message updates can be provided.

19 Q. What sort of outage updates are provided to
20 enrolled customers?

21 A. While the content and frequency of outage
22 communications is constantly evolving to better align with
23 customers' changing preferences, the Company has made
24 continual improvements to its outage communications over

1 the years, all of which have currently culminated in
2 customers receiving updates related to the below topics:

- 3 • Outage location
- 4 • Probable cause of the outage
- 5 • Status of the outage, such as a crew being
6 enroute or onsite
- 7 • Estimated time of restoration
- 8 • Power restoration

9 Q. For planned and unplanned outages, has the
10 Company made any other improvements to enhance customer
11 communications and the delivery thereof?

12 A. Yes. As part of the Customer Operations
13 Support group, an Enterprise Communication Coordinator has
14 been established to oversee all aspects surrounding the
15 Company's preparation, planning and communication of
16 planned and unplanned outages. Additionally, the Enterprise
17 Communication Coordinator is also responsible for
18 identifying and implementing process and technological
19 improvements for all outages that may impact customers,
20 such as the Emergency Outage Notification System
21 implemented in 2022 which allows the Company to promptly
22 and, when practicable, proactively notify customers of
23 pertinent information regarding outage or load shed events
24 through text and voice messaging. By channeling all these
25 functions and responsibilities through the Enterprise

1 Communication Coordinator, customer experience and
2 potential impact can remain forefront.

3 Q. Does the Company conduct mock events to
4 simulate situations that may require an emergency load shed
5 or public safety power shutoff?

6 A. Yes. The Company routinely conducts mock
7 events ahead of wildfire season for these types of
8 situations so that it can try to identify process
9 improvements prior to actually needing to enact any such
10 processes.

11 Q. Are there any other customer-driven
12 enhancements that the Company has recently implemented?

13 A. Since Idaho Power's last GRC, the Company has
14 implemented various web portals or webpages to improve
15 different customer groups' experiences. In particular, the
16 Company has implemented the following:

- 17 • Energy Assistance Portal: a portal that
18 streamlines the process for energy assistance
19 providers to pledge and commit funds to
20 eligible customers' accounts.
- 21 • Large Business Portal: a portal that allows
22 Large Commercial and Industrial customers the
23 ability to view their interval usage data, down
24 to 15-minute intervals, for the most recent 18
25 months.

- 1 • Construction Portal: a portal that allows
2 customers to electronically submit new service
3 and meter installation requests, as well as
4 receive notifications and project updates.
- 5 • Landlord Webpage: a webpage that allows
6 landlords to more easily manage service at
7 their various properties.

8 IV. DEMAND-SIDE MANAGEMENT

9 Q. What is the Company's goal or philosophy
10 toward energy efficiency and demand response programs?

11 A. The Company is committed to pursuing all cost-
12 effective energy efficiency on behalf of its customers.
13 Idaho Power also pursues cost-effective demand response
14 programs based on system needs identified in the Company's
15 Integrated Resource Plan ("IRP").

16 Q. How does the Company view energy efficiency
17 and demand response?

18 A. Cost-effective energy efficiency and demand
19 response programs are the Company's resource of choice -
20 both from a cost standpoint and from an environmental
21 perspective. The cleanest, most efficient resource in the
22 Company's portfolio is the one it does not have to build or
23 acquire. To that end, the Company believes that cost-
24 effective energy efficiency should be pursued aggressively.
25 Idaho Power also believes demand response is a resource

1 that should be pursued based on system needs to meet the
2 highest risk hours during the summer season. Because the
3 Company is able to dispatch demand response and potentially
4 reduce the necessary amount of load, building or acquiring
5 an additional resource to meet load for a relatively few
6 number of hours a year might be avoided, which ultimately
7 benefits all customers by avoiding these costs and keeping
8 prices lower.

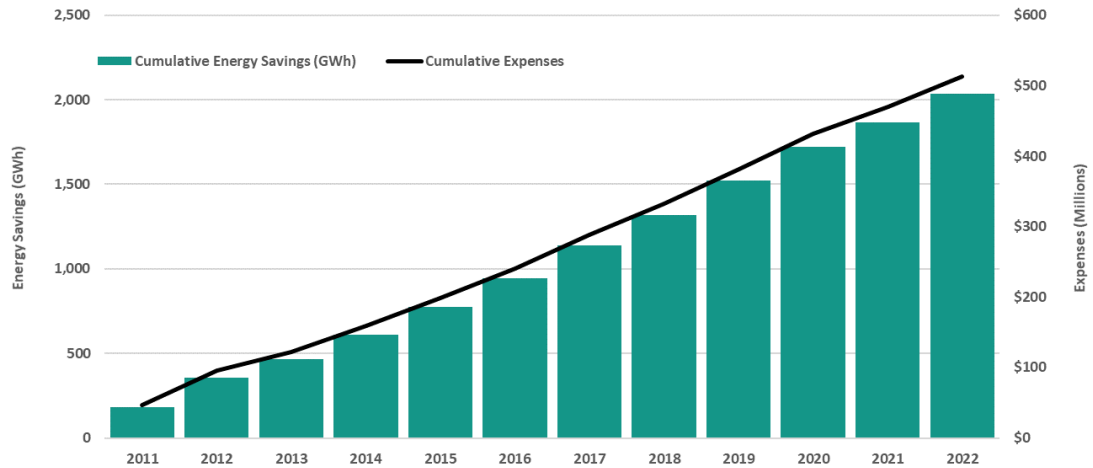
9 Q. Please describe the progress made by the Company
10 in providing energy efficiency programs.

11 A. The Company's *Demand-Side Management 2022*
12 *Annual Report* was filed with the Commission on March 15,
13 2023. As noted in the Annual Report, Idaho Power offers a
14 combined total of 17 energy efficiency and outreach
15 programs for all customer segments. Energy savings from
16 energy efficiency activities increased on a system-wide
17 basis by 19 percent, as compared to 2021, and overall
18 energy efficiency activities in 2022 resulted in 169,889
19 megawatt-hours in energy savings. As shown in Chart 1
20 below, the Company has spent over \$513 million on energy
21 efficiency and demand response since 2011 for an average of
22 about \$43 million per year. These expenses have
23 cumulatively resulted in over 2,000 gigawatt-hours of
24 energy savings for the Company's service area. Because
25 these are cumulative incremental annual savings, the

1 Company believes this is the lower boundary of the total
2 energy efficiency savings realized by customers since 2011.

3 **Chart 1.**

4 Cumulative Energy Savings & Expenses Since 2011



5

6 Q. Are Idaho Power's energy efficiency programs
7 proving to be successful?

8 A. Yes. The Company believes that the
9 quantifiable benefits since its last GRC, as outlined
10 above, have been substantial and only serve as a starting
11 point for all the non-quantifiable benefits the energy
12 efficiency programs have provided. Each program offered has
13 directly benefited customers and the Company. Programs
14 either provide monetary incentives to customers for
15 participation, target educational efforts and long-term
16 energy saving opportunities, or encourage energy efficient
17 behavioral changes by customers. Increased participation in
18 the Company's programs benefits all customers by using
19 resources wisely while avoiding or delaying the development

1 of supply-side resources.

2 Q. Please describe the progress made by the Company
3 in providing demand response programs.

4 A. As described in the Company's *Demand-Side*
5 *Management 2022 Annual Report*, Idaho Power offers three
6 demand response programs with program options for
7 Residential, Commercial & Industrial, and Irrigation
8 customers respectively. In 2022, the demand response
9 programs had a maximum non-coincident load reduction of 200
10 megawatts ("MW") from 312 MW of capacity, and the Company
11 has had an average of 272 MW of demand response capacity
12 for the Company's service area since its last GRC. Chart 2
13 shows the total demand response portfolio capacity, the
14 actual maximum load reduction, and the annual expenses
15 since 2011. In 2022, about 60 percent of expenses were in
16 the form of program incentives paid to customers.

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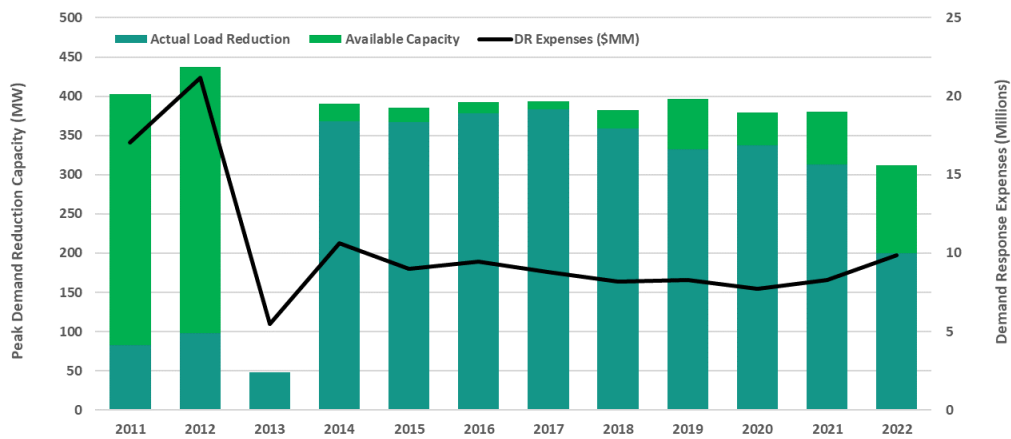
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1 **Chart 2.**
 2 Demand Response Capacity, Load Reduction, and Expenses



3 Q. Are Idaho Power's demand response programs
 4 proving to be successful?

5 A. Yes. The Company's demand response programs
 6 are designed to minimize or delay the need to build or
 7 acquire new supply-side resources. The demand response
 8 programs are also intended to address the highest need
 9 electricity demand hours, thus minimizing the need for
 10 selecting supply-side alternatives that would only be
 11 needed for a few hours. These potential hours typically
 12 occur during low hydro generation and high load events, and
 13 the programs are designed to be available to meet potential
 14 system capacity deficits during these hours. The deficits
 15 are expected to be relatively large in magnitude but short
 16 in duration. Therefore, Idaho Power has determined it can
 17 be cost-effective for its customers to utilize demand
 18 response programs rather than building or acquiring a
 19 supply-side resource that would only be required to operate

1 for a small number of hours. Overall, the Company's demand
2 response programs have been cost-effective every year since
3 the last GRC and have been successful in accomplishing the
4 goals stated above.

5 Q. Are there any other benefits outside energy
6 saving and demand reduction that you consider to be a good
7 outcome of Idaho Power's energy efficiency and demand
8 response programs?

9 A. Yes. These programs, along with the Company's
10 education outreach and customer energy usage information,
11 provide more opportunities for customer engagement in their
12 energy management decisions. For example, through the
13 Company's outreach programs, the customer has opportunities
14 to learn about their energy consumption and how to use
15 energy more efficiently. By using My Account, customers can
16 see how their hourly energy usage is affected by their
17 energy management decisions and the products they use in
18 their homes and businesses.

19 Q. What are the sources of funding for the
20 Company's energy efficiency and demand response activities?

21 A. The majority of the funding for energy
22 efficiency activities in Idaho comes from the Energy
23 Efficiency Rider ("Rider") with a lesser amount funded
24 through base rates. The Company's demand response
25 incentives are funded through base rates and tracked

1 through the Company's Power Cost Adjustment ("PCA") with
2 the remaining demand response program expenses, such as
3 overheads, funded through the Rider.

4 Q. What energy efficiency programs are funded
5 through base rates?

6 A. Idaho Power funds its low-income
7 weatherization program, called Weatherization Assistance
8 for Qualified Customers("WAQC"), through base rates in
9 compliance with Commission Order No. 29505.

10 Q. Do Idaho Power's energy efficiency activities
11 affect customer satisfaction?

12 A. Yes. Results of independent surveys show Idaho
13 Power's efforts to educate and inform customers are
14 successful: the Company remains one of the top-ranked
15 utilities for energy efficiency awareness and, as indicated
16 within the 2022 J.D. Power Study, ranked 3rd in the West
17 Midsize Segment for the same.

18 According to the 2022 customer satisfaction survey
19 performed by Burke, customers were very satisfied with
20 Idaho Power regarding offering programs to help customers
21 save energy and providing customers with information on how
22 to save energy and money. These results in regard to energy
23 efficiency undoubtedly play a part in overall customer
24 satisfaction.

25 Q. Does Idaho Power offer energy efficiency

1 programs to its income-qualified customers?

2 A. Yes. Idaho Power has two programs designed to
3 assist income-qualified customers with energy efficiency at
4 no cost: WAQC and Weatherization Solutions for Eligible
5 Customers ("Solutions"). The WAQC and Solutions programs
6 provide financial assistance to regional Community Action
7 Partnership agencies in Idaho Power's service area. This
8 assistance helps fund weatherization costs of electrically
9 heated homes occupied by qualified customers who have
10 limited incomes. Weatherization improvements enable
11 residents to maintain a more comfortable, safe, and energy-
12 efficient home while reducing their monthly electricity
13 consumption and are available at no cost to qualified
14 customers who own or rent their homes.

15 **V. CUSTOMER SERVICE**

16 Q. Please briefly describe Idaho Power's customer
17 service organization.

18 A. Idaho Power operates a centralized Customer
19 Service Center ("CSC") that provides customers with full-
20 service access to Customer Service Representatives ("CSR")
21 weekdays from 7:30 a.m. to 6:30 p.m. MST, and outage and
22 emergency access to Outage Specialists 24 hours a day,
23 seven days a week. Idaho Power also employs bilingual CSRs
24 that provide service to the Company's Spanish-speaking
25 customers. Additionally, the Company utilizes a third-party

1 language service to help it communicate with other non-
2 English speaking customers. Over the last five years, an
3 average of approximately 1.2 million inbound customer calls
4 were received by the CSC each year.

5 Q. How does the Company try to ensure that
6 customers calling the CSC have a positive experience?

7 A. "First Call Resolution" is a priority of the
8 Company's. If a CSR can resolve a customer's concerns on
9 the first call, the customer is likely to have a more
10 positive experience. As such, a strong emphasis is placed
11 on ensuring customers' concerns are addressed as
12 efficiently and effectively as possible.

13 Q. Please describe how CSRs assist customers who
14 express having difficulty paying their electric bill.

15 A. The Company's CSRs are committed to helping
16 all customers expressing difficulty paying their electric
17 bill and work to identify and offer reasonable payment
18 arrangement options that may be best suited to assist with
19 each customer's individual circumstances. Additionally,
20 when a customer declares their inability to make a payment,
21 CSRs will provide the customer with the contact information
22 of their local energy assistance agency so that the
23 customer may call and request receipt of Low-Income Home
24 Energy Assistance Program funds or any other bill
25 assistance that may be available.

1 Q. Does Idaho Power support any energy assistance
2 programs for customers who are having difficulty paying
3 their electricity bill?

4 A. Yes. Project Share is a year-round energy
5 assistance program, which was started by Idaho Power in
6 1982. It is administered by the Salvation Army and funded
7 by customer donations and Idaho Power shareholder funds.
8 For Idaho Power's customers, grants from this program can
9 be used for the payment of electricity bills. During the
10 last program year, more than 1,300 households in Idaho
11 Power's communities benefited from Project Share to keep
12 their homes warm during cold winter months and cool during
13 hot summer days. In the last five program years ending
14 September 30, 2022, Idaho Power customers and shareholders
15 have combined to contribute more than \$1 million to the
16 program.

17 In recognition of the cost pressures that customers
18 in need may be experiencing, the contribution amount from
19 Idaho Power's shareholders to Project Share will be
20 increased from \$25,000 to \$125,000 during 2023. This
21 increased contribution amount to Project Share is in
22 addition to shareholders continuing to cover the entirety
23 of the program's administrative costs, which ensures 100
24 percent of customer donations go toward helping those in
25 need.

1 Q. Do customers calling the CSC need to speak
2 with a CSR to retrieve account information, conduct account
3 transactions, or inquire about an outage affecting their
4 service address?

5 No. Idaho Power customers have access to account and
6 outage information 24 hours a day, seven days a week
7 through an Interactive Voice Response ("IVR") unit, which
8 has undergone numerous enhancements over the years to
9 enable additional customer self-serve functionality. As a
10 result of these updates, the IVR unit was able to contain
11 and resolve, within the last five years, approximately 48
12 percent of customer calls.

13 Through the IVR, customers can make payment
14 arrangements; retrieve billing, payment, and meter reading
15 information; sign up for Budget Pay; access energy
16 efficiency and usage information; and receive personalized,
17 address-specific outage information. Notably, Idaho Power's
18 IVR system and its enhanced self-serve functionality has
19 been nationally recognized in recent years by the IVR
20 Doctors, a leading human factors and usability-consulting
21 firm in evaluating and improving customer experience and
22 system performance in automated phone systems.

23 Q. Has the CSC experienced an impact from the
24 various self-serve features implemented through the
25 Company's IVR, App and My Account enhancements?

1 A. Yes. The CSC has experienced decreases in
2 annual call volumes, which is likely a result of the
3 various self-serve enhancements implemented by the Company.
4 However, the types of calls fielded by CSRs are now
5 typically related to more complex situations, for which a
6 self-serve option does not currently exist, or to help
7 troubleshoot questions that customers may have related to
8 the App or My Account.

9 Q. As a result of the reduced call volume, has
10 the Company made any reorganizations to its CSC?

11 A. Yes. As the Company continues to intently
12 focus on continuously improving customers' overall
13 experience, several positions within the CSC were
14 recalibrated to focus on operational efficiencies and
15 identify ways to enhance customers' satisfaction when
16 interacting with Idaho Power. As an example, Idaho Power's
17 call routing system was improved after the Company
18 identified that customers were too often being placed in
19 the wrong call queue, thereby necessitating transfers
20 between CSRs. As a result of the improved call routing
21 system, customers are now more frequently placed in the
22 correct call queue and able to have their questions
23 answered in a more timely and effective manner.

24 Q. How have call handle times been affected?

1 A. As part of the Company's effort to ensure
2 customers are placed in the right call queue, customers
3 likelier to be facing a more complex situation are routed
4 to CSRs best equipped to handle such questions, which may
5 result in slightly longer hold and handle times, whereas
6 calls more routine in nature are typically placed in a
7 separate queue with lower hold and handle times. The result
8 of this approach is that customers' hold times are
9 minimized for relatively simple requests because CSRs can
10 handle them in quicker fashion. Conversely, situations
11 necessitating additional handle time and care are afforded
12 the same.

13 Q. Have there been other types of positions added
14 within the CSC to enhance customer experience?

15 A. Within the last few years, the Company shifted
16 several CSRs to a Customer Solution Advisor ("CSA") role.
17 CSAs are an extension of the Company's field
18 representatives and assist with customer engagement when a
19 field visit is not possible or practicable. While CSAs
20 typically engage with new commercial and irrigation
21 customers to explain their bills or discuss energy
22 efficiency options, they are also responsible for answering
23 customers' questions related to on-site generation. Often
24 the types of calls CSAs handle require thorough knowledge

1 of the Company's field practices and tariff schedules,
2 thereby necessitating a more specialized role.

3 Q. Are there any other recently implemented
4 customer experience initiatives that you believe have
5 resulted in positive customer experiences?

6 A. In 2017, Idaho Power implemented its Idaho
7 Power Cares Greeting Card program. The program enables CSRs
8 and other customer-facing employees to send a greeting card
9 produced by Hallmark Cards, Inc. to a customer when they
10 feel it is warranted. Such examples of these cards' topics
11 include, but are not limited to, thank you, care and
12 concern, sympathy, new home, baby, and birthday. In 2022,
13 the Idaho Power Cares program sent an average of 14 cards
14 each day.

15 Q. Does the Company believe its Idaho Power Cares
16 program has a positive impact on customers?

17 A. Yes. Idaho Power often receives thank you
18 cards, emails, phone calls or social media posts from
19 customers thanking the Company for sending them a
20 personalized card. In doing so, the Company reaffirms to
21 customers its commitment to them and to try and provide an
22 exceptional customer service experience.

23 Q. Aside from the CSC, are there other positions
24 within your organization that routinely engage with
25 customers?

1 A. Yes. The Company has several Energy Advisors
2 who are responsible for engaging with their respective
3 customer segment, typically in the field, and conducting
4 education and outreach efforts. Like CSAs, Energy Advisors
5 assist customers with understanding their bills and promote
6 Idaho Power's energy efficiency programs; however, they
7 also act as energy consultants during customers' projects
8 and help resolve any concerns that customers may have.

9 Q. Do you believe the initiatives and various
10 enhancements within the Customer Operations organization
11 have met the Company's commitment to provide superior
12 service to its customers?

13 A. Yes. believe the organizational changes and
14 technological improvements made over the last several years
15 demonstrate Idaho Power's commitment to its customers to
16 provide superior and satisfying service.

17 Q. In your opinion, should the Company's
18 requested rate increase be viewed as reasonable based upon
19 the Company's customer service and customer satisfaction
20 performance?

21 A. Yes. By providing the Company with fair and
22 timely recovery of its revenue requirement, the Commission
23 will be recognizing that the Company has adequately
24 addressed customer needs and that the Company's investments
25 that support customer service and satisfaction have been

1 appropriately incurred on behalf of customers.

2 Q. Does this conclude your direct testimony in
3 this case?

4 A. Yes, it does.

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DECLARATION OF BO HANCHEY

I, Bo Hanchey, declare under penalty of perjury under the laws of the state of Idaho:

1. My name is Bo Hanchey. I am employed by Idaho Power Company as Vice President of Customer Operations and Chief Safety Officer.

2. On behalf of Idaho Power, I present this pre-filed direct testimony and Exhibit No. 6 in this matter.

3. To the best of my knowledge, my pre-filed direct testimony and exhibit are true and accurate.

I hereby declare that the above statement is true to the best of my knowledge and belief, and that I understand it is made for use as evidence before the Idaho Public Utilities Commission and is subject to penalty for perjury.

SIGNED this 1st day of June 2023, at Boise, Idaho.

Signed: 
Bo Hanchey