

**SIYOKO PICOTTE**

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**From:** "SIYOKO PICOTTE" <spicotte@email.msn.com>  
**To:** <spicotte@msn.com>  
**Sent:** Monday, April 28, 2003 6:10 PM  
**Subject:** MPORTANT -- Atlanta Power response

RE: CASE # ATL-E-03-1

Commission Secretary

April 26, 2003

P. U. C.

P. O. Box 83720

Boise, ID 83720-0074

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 UTILITIES COMMISSION

Dear Secretary of the Commission:

This is a formal response to the P.U.C. document of April 10, 2003, Case # ATL-E-03-1, "Notice of Proposed Order" and "Notice of Comment Deadline."

I.

The first line of the August 25, 2000 request from citizens of Atlanta stated, "We hereby request a **formal investigation** into the quality of electrical service for the Atlanta townsite." It is difficult to understand why the Commission changed our request to an informal investigation without an explanation.

We hereby formally object to this change of venue and to the lack of priority given the matter by the Commission.

In your related "decision memorandum" or October 4, 2000, at the end of the staff recommendation, the staff stated that the investigation would take approximately four months. It has now been over 2 ½ years since our August 25, 2000 formal request and since an "investigation" was initiated. A reasonable person would easily question why there is such total disregard for the Atlanta Power (AP) customers. As we have communicated in writing and orally with P.U.C. staff during the past few years, there have been numerous lengthy outages during that period of time and poor service has continued. (Support documents are enclosed.) Some of us

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also were taken to court by Mr. Stevenson in what appeared to be a retaliatory action. He also made threatening late-night telephone calls. Note that we did win the court case.

## II.

Regarding our original petition, the first paragraph of the decision memorandum of October 4, 2000 stated that only six customers of record were identified as having signed the petition. Please document this charge. (Granted, some signers, such as Alva Greene, one of the largest power users in the area had their electricity listed under a different name, but Mr. Stevenson was well aware who the signers are). Please explain how and who concluded that only six customers were "of record."

Secondly, to our knowledge, even a single person can file a formal complaint regarding service. Is there is a regulation or law on the books that prohibits a person from protesting to the regulatory agency about the lack of electricity that has been paid for? Please provide any regulation that indicates that such an individual is not allowed to complain to the regulatory agency when the disruption of power interferes with their lives and service that has been paid for does not occur.

Third, if there is a regulation that a certain number of people must complain for the P.U.C. to regulate the utility – if this is a "numbers game," please let us know the number of people required.

## III.

Please explain why AP is continuously allowed to violate P.U.C.'s proposed orders. For example, as per your document, the "notice of proposed order" under the "summary of staff's investigation, #1" an electrical company is ordered to promptly repair a system when outages occur. Your rulings are clear that customers are not to be unnecessarily inconvenienced. As you are aware, we have documented that this P.U.C. order is not followed by AP.

Therefore, we absolutely disagree with the staff's findings. We have consistently documented problems to the P.U.C. over the years. (Please see support documents.) The outages since 1983 have been unnecessarily lengthy, and this has continued during the past 2 ½ years, during the staff's investigation.

The following is just one recent example. On March 4, 2003, the power went out at 6:42 p.m., and we were without power for approximately 75 hours. (Power was back about 10:00 p.m. on March 7.) If that had occurred in your geographic area, heads would have rolled.

In Atlanta, the problem was not even officially diagnosed until after the first 20 hours. A back-up generator was promised, but it was never brought into the area. Once again, people's food ruined and their lives were disturbed even though they had paid their bills on time (some patrons even pay at a rate over \$700 per month).

The people who are designated as the local people who can provide service, as this example indicates, are not always available and often have other priorities. One was out of town doing another job. Later, he drove in and then back out of town "to buy parts." However, that next day, he did not bring back a generator, which belies your document's position that a generator is brought in by AP within 24 hours.

Then, the parts did not fix the problem (completely, or at all). If they had, the power would have returned after the operator returned to town. Instead, it was out for 75 hours straight.

A reasonable person would conclude that the power company did not promptly return power to the area, as your documents and regulations order.

As the support documents indicate, this example is far from an isolated instance. In fact, it has been a predictable pattern during the lifetime of AP.

Please explain in writing why the P.U.C. has been so reluctant to enforce its own regulations as indicated on page 3 of Order # 24925, "non-compliance" with Idaho Code #61-405, etc.

#### IV.

Case No. ATLE-03-1 also refers to the "perceived lack of communication" between AP and its customers. Your document lists a phone number that AP customers can call now to find out when the power will be turned off or why it is out. The P.U.C. document praises this "solution." To my knowledge, we have not personally received any notice from the power company of the telephone number and the policy. Please explain:

- What good is a tape-recorded answering machine message when scheduled maintenance occurs if customers don't know when to call the telephone number? Are we to routinely call the number several times a day and listen to the message just in case there will be an outage? Please remember that what customers asked for by petition and other correspondence to the P.U.C. was advance notice of outages related to routine maintenance, as well as reliable information concerning when the power will be resumed during unplanned outages. Do you understand that we are asking for information so that we can plan our lives? Having lived in cities in many other states, we know first-hand that this is a common courtesy extended by other power companies (as well as "good business").
- Yes, the answering machine message is a start toward a solution. However, your document praises AP and infers that the problem has been solved so you have no further responsibility to intervene. There is still a flagrant lack of communication. The problem is very real. If you lived here and your power consistently went off unexpectedly and you had incurred major expenses replacing electrical equipment damaged by "bad power," you would understand. You would never, ever put up with the situations you have expected us to overlook.
- Regarding your statement that key and advance communication occurs via the post office, Beaver's Lodge, and The Hub, you have been misinformed because this simply isn't true.

- Although your document mentions that friction (lack of communication) exists between Mr. Stevenson and his customers, there is also a lack of communication between his key on-site person and customers.
- Again, most customers have not been notified of the telephone number to call.

V.

Regarding your comments that a company-owned backup generator is not warranted, the town desperately needs AND DESERVES a backup generator. In fact, we previously paid for one.

Please provide documentation regarding how many hours the previous backup generator ran. AP used the town's money to buy an old, worn-out unit that would not last. Understand that generators are designed to last and last for year and years, so a responsible businessperson would be expected to use public money to buy a unit that would last. Also, even if AP bought a used generator, AP would be expected to maintain it in good working condition. It is our understanding that this didn't occur. For evidence, you can review your own in-house documents indicating that AP does not tend to do preventive maintenance. The unit was seldom run because Mr. Stevenson said it "was too expensive to turn it on." Therefore, what good did it do us to buy a generator the first time? Since AP won't even rent a generator when the power is out for days in a row now (e.g., during the last 75-hour outage), what makes the P.U.C. think that he would operate differently?

Please explain why AP was allowed to purchase a "junk generator" with customer money that he now claims is old, inefficient, and not economical to repair.

Please provide records showing: 1.) how many hours the old generator was run before it "broke" and 2.) how many hours the P.U.C. expected the town-funded equipment to function.

The town should absolutely not be expected or required to fund the purchase for another generator when AP appears to have misused our money the first time.

Please consider the following information which can lead to an alternative solution.

For the \$60,000+ that the townspeople pay for electricity per year, the town can do better. If we had access to the lines in town, we could use a modern diesel generator that received proper maintenance. Such a generator could provide 24-hour power, seven days a week, for less than it currently costs to generate hydropower through AP.

A new generator would cost between \$30,000 - \$35,000. Fuel would cost about \$2 per gallon, and the generator would use about 1 ½ gallons per hour. At a cost of about \$17,000 - \$20,000, \$10,000 would remain for miscellaneous expenses as well as labor to service and operate the equipment.

**When you review these estimates, doesn't it also occur to you that something must be very, very**

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**wrong regarding the current "costs" of running AP, especially since AP is not buying diesel?**

There are certainly more reliable ways to serve a paying public, so we hereby formally request that you consider this option.

VI.

Regarding your assumption that there are trained and reliable backup personnel to solve problems, it sounds like you think the problem has been solved and you can relinquish any responsibility to push for improvement.

Please explain: Who is the "third person who lives in Atlanta" who can assist with system problems. Has this worker been adequately trained and given the authority to really fix problems by himself? (The last 75-hour outage as the basis for this question.)

VII.

Contrary to your document's conclusions, although small changes have occurred, our major problems remain.

Please explain why we were virtually ignored by the P.U.C. for over two years since the petition (when we were promised information or changes within a four month period of time).

VIII.

**Please explain why It appears that the P.U.C., which is supposedly a regulatory agency, requires so little accountability from AP? As per the attached documents, AP has not even complied with your Order # 24925 and Idaho Code #61-405, case # ATL-E-93-1.**

Is there some reason we should believe that AP will now provide the service we pay for and that AP is supposed to provide?

In spite of legal regulations and requirements, it would appear to a reasonable person that Stevenson has no fear of sanctions or fines from the P.U.C. for noncompliance. And, why should he, after so many years of noncompliance?

The fact that nearly a third of AP customers finally felt compelled to buy a personal generator so they circumvent AP's long power outages is not an excuse for AP not providing the service we all pay for. Remember, we pay a "service fee" every month. Is that the case in any other part of the U.S.?

Your document mentioned that a company-owned backup generator cannot provide electricity to all customers under all outage scenarios. This would also be true in the Boise area, but it wouldn't prohibit the P.U.C. from carrying out its regulatory authority and compelling a power company to act in a responsible manner.

In our case, a backup generator would provide power to all customers in instances when the plant stops functioning, and that covers the vast majority of the instances in which we are without power for a long period of time.

IX.

**Regarding the "staff audit," please explain how the staff can accurately audit a company when they have not complied with their Orders #24925 and #24702 or Idaho Code #61-405? A reasonable person would ask questions, such as:**

- **What is AP trying to hide from the regulatory agency and the public?**
- **Is there a reason for allowing what appear to be "Enron accounting methods?"**
- **What is the real reason P.U.C. won't perform its statutory and regulatory duties?**

X.

Your documents state that AP earned \$3,000 more than it should have in 1999 using improper accounting methods. As per your audit, AP still has not corrected the problem. **How much has AP overcharged its customers from 1999 to 2003 and the year prior to the audit, starting June 4, 1993 when Order # 24925 was issued, plus the fact that annual reports have not been filed since 1997? This overpayment by customers would most likely have purchased a new generator for the town, which would have solved the ongoing problem of long outages.**

**We formally request that AP be ordered to go back in time and correct ALL of its improper accounting practices from the date of your last order in 1993. We also formally request that AP be ordered to file all of its annual reports since 1997. Please understand why this is so important. All of the overpayments made by the customer base could be refunded to customers and the town could use the money to fund its own new generator. This new generator could be used as a badly-needed backup system if we had access to the town lines.**

**As for AP's total disregard of your previous orders # 24925 and 24702 and for not complying with Idaho Code 61-405 and not filing their state paperwork, as well as for the disregard shown to customers over the years, the staff should pose a substantial fine or sanction. This will finally send a message to AP to change and correct their past and consistent misbehaviors, such as not following the orders of the regulatory agency (P.U.C.). At a minimum, AP should bear the added cost P.U.C. has had to incur such as taking over two years to do an audit that could have taken a**

month.

**As per your decision memorandum of March 6, 2003, it is clear that AP does not seem to mind paying late fees or interest. Since that is true, why doesn't P.U.C. force AP to follow P.U.C.'s orders? Is P.U.C. not truly a "regulatory" agency?**

The only real P.U.C. order that AP appears to have followed was the order to file the 1992 annual report **which then allowed AP to raise the power rates.** Then, AP resumed its old pattern of not filing annual reports until AP lost its corporate name for not filing its reports (which your document notes has occurred more than once).

**In view of the above, doesn't AP's record indicate that it responds ONLY to fines and sanctions? Don't his bill-paying customers deserve for you to respond to AP in the only method they respect and follow – fines and sanctions?**

**We hereby request that you respond to AP with fines and sanctions. When a company, according to your own records, is willing to incur late fees and interest of more than \$35,000, it appears that they could and would pay a \$10,000 fine for noncompliance with your orders.** Again, note Section X, page 11 of Attachment A of your report to note AP's pattern of paying obligations in an untimely fashion.

It is beyond our understanding how the federal agency (FERC) on May 9, 2002 could have issued a 30-year license for the AP station hydroelectric project, without first consulting with the P.U.C. regarding the credibility of the current license holder.

**Please answer the following questions:**

- Given AP's history, what makes the staff believe that AP will follow any order that is issued?
- What makes P.U.C. staff believe that AP will suddenly change and will begin to bring a generator to town for an outage of more than 24 hours?

XI.

Please note the following regarding AP overcharging its customers because of improper tariffs, Tariff No. 5, page 4 of 4, schedule 4, issued on June 29, 1993, deals with the charges for connection and reconnection of service. Customers disconnected for a period of more than 30 days are charged \$200. Please see Title 21, chapter 1 IDAPA 31.21.01 because Rule 011 conflicts with utility tariffs. It states that if a utility tariff on file with the commission contains provisions that deny or restrict customers' rights protected by any of the P.U.C. rules, the P.U.C. rules supercede any conflicting tariff provisions that deny or restrict any of these rights (7-1-93).

The AP tariff listed above clearly violates a customer's right to be considered a new customer after being disconnected for more than 60 days. In Rule 5 – 01 and 02 (ii), the 60 day rules for an applicant and a customer are clearly defined. I.e., after 60 days, a customer must be considered a

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"new customer."

Therefore, we hereby file a formal complaint against AP for the violation above and demand that the tariff be removed and that all money erroneously collected from Atlanta customers (because of this tariff) be refunded to them. Again, note that the effective date was June 15, 1993.)

Please note: **This issue was decided in favor of Atlanta citizens as per a case in the Elmore County court in which AP lost.**

XII.

**Regarding erroneous determination of the rates customers must pay:**

**According to P.U.C. documents, for over twenty years (since 1983), the rates for AP customers have been based on Lynn Stevenson's "oaths" verifying that his expenses were valid IN SPITE OF THE FACT THAT P.U.C. DOCUMENTS STATE THAT HE DID NOT HAVE RECORDS TO SUPPORT HIS OATHS. This is ludicrous. Please consider the following:**

- This very same individual blatantly refuses to follow orders issued by P.U.C.
- P.U.C. documents describe the P.U.C. audit disallowing some rather bizarre "ineligible expenditures" such as over \$3,500 to Kinko's without a single receipt. This is the same audit that it took P.U.C. two years to do because your documents indicate that P.U.C. staff had to construct records themselves because of improper accounting and record-keeping procedures.
- AP has refused to follow P.U.C. orders
- AP has violated both his own tariffs and P.U.C. regulations
- Stevenson frequently tells P.U.C. staff he will do something and does not follow through or is "seriously late" in doing so.

Please answer the following question: **How and why can the P.U.C. justify penalizing AP customers by accepting the "oath" of such an individual – with "improper records?" How and why can the P.U.C. justify doing so when AP customers already pay the highest base rates in the nation – and a monthly service charge?**

XIII.

**P.U.C. can stop the current AP practices. We formally request that you:**

- Fine and sanction AP
- Disallow all expenses in the past, present, and future that do not have supporting documentation. The rest of the U.S. is at least attempting to clean up Enron accounting practices. Documentation indicates that P.U.C. has given AP over 20 years to clean up their books. Your own records indicate there has been little or no progress, and a reasonable person would have to conclude that AP is scoffing at P.U.C.

#### XIV.

Please answer the questions below:

- How can P.U.C. base the town's rates on "estimates" and "oaths" without supporting documentation? Utility rates are supposed to be based on hard data – figures, receipts, bank records, invoices, an equipment inventory, etc. P.U.C. records indicate that such have often been lacking, yet P.U.C. has not yet fined or sanctioned AP. The customers of AP have been repeatedly penalized by paying the highest rates in the nation.
- What are the true costs of generating power at Kirby Dam?

We hereby formally object to our rates being based (according to P.U.C. documentation) on "oaths" and "estimates" of an individual who does not file required reports or follow P.U.C. orders. We ask that the situation be rectified immediately. A 1993 P.U.C. document spelled it out clearly when a staff member wrote that the town's rates should not be based on a "trust me" representation of utility management.

Subsequent documents also indicated that Stevenson received a fee management raise of \$6,000 without documentation of Board minutes or approval.

Please answer the following questions:

- Is it true that customers should not be asked/required by AP to fund new transformers?
- What is the reason that customers should be required to take so much of their personal time (e.g., conducting research and writing this document to you) simply to receive the assistance of a "regulatory agency" to gain the services for which they pay one of the highest rates in the nation?

XV.

We also formally request:

A total list of P.U.C. orders that have not been complied with to date

A list of AP investors and stockholders. Specifically, please answer this question: Is there some kind of conflict of interest that is impeding P.U.C. from doing its duties as a regulatory agency?

XVI.

After a limited response from P.U.C. for over two years to the town's petition, we were only given 30 days to respond to your correspondence.

The abusive treatment of AP customers is so blatant that we could easily continue to document problems and flood you with many more pages. We could also have done an even more thorough response if time had allowed versus having less than three weeks to respond (from April 10 to May 1.)

Our 2000 request was worded in the way that P.U.C. staff member, Judy Stokes, said to word it. We later found out that she neglected to tell us that we could have tied it to an existing case number, which would have required greater action from the P.U.C.

Therefore, we hereby request the highest possible response and urgency be given to this document.

We reserve the right to amend and plea further.

XVII.

We have provided you with a great deal of data. In conclusion, we ask that you also search your conscience and your heart. Assume for just a minute that you lived in this area and suffered power outages for days on end, in spite of the fact that you had sought assistance from the regulatory agency for years. Imagine opening your cupboard to have peanut butter and crackers for dinner once again because your couldn't open your refrigerator – just in case your food might not spoil this time.

You are the regulatory agency. We hope that you will do the humane thing, the required thing, and the right thing for fellow citizens.

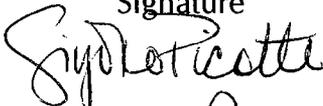
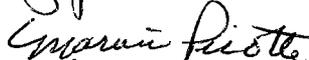
4/28/2003

Sincerely,

Bill Uhl

Doris Helge

Other concerned citizens of Atlanta

Name (printed)	Signature	If you are not currently
Siyoko Picotte		an Atlanta Power customer
Marvin Picotte		but would be if the situation was improved, please note
Julia Picotte		this fact.
Kathryn Picotte	