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IDAHO PUBLIC
UTILITIES COMMISSION

IPC-E-13-10

June 15, 2013

Idaho Public Utilities Commission
P.O. Box 83720
Boise, Id. 83720-0074

Dear Commissioners,

I am writing this letter, on behalf of Pacific Steel & Recycling, to ask for reconsideration of the Power Cost Adjustment (PCA) being applied to our Mayfield car shredding operation, which is a large power service customer. We do agree the PCA adjustment is appropriate for our other fifteen branch operations which are small or large general service customers, as their load requirements are very similar to a residential type customer.

It is our understanding that the PCA adjustment is, in part, for the energy costs incurred by Idaho Power Company between April 1, 2012 and March 31, 2013. Therefore we have attached a spreadsheet, labeled "Idaho Power Charges for April 2012 – March 2013" summarizing our total charges for our Mayfield operations for that same time period. Please note in the TOTAL kWh Summary that our On-Peak hours are less than 1% of our total kWh hours purchased during that time period. Our Mayfield operations had approximately the same energy usage profile for the same twelve month period the prior year.

We assume that peaking power is the most expensive Idaho Power pays for and that much of that peaking capacity would be used by residential and small to large general service customers. Since our peaking utilization is very small we are asking the Commission to lower the increase of 21.7% applied to our entire energy usage. We do not specifically know how peak, mid-peak, and off-peak rates are calculated however we think an increase to our Mayfield operations equal to approximately the average ratepayer increase of 15.3% seems more reasonable. There is also a solid argument that because we use very little peaking capacity, unlike general service and residential customers, the PCA adjustment for our Mayfield operation should be even smaller than the average increase to all ratepayers.

A simplistic approach in applying the PCA adjustment using the current ratepayer structure, which we argue is more reasonable, is as follows: For our peak utilization of .72% the full 21.7% rate increase is appropriate. For our mid-peak capacity of 67.46% (10.12% + 57.34%) the 16.86% increase being applied to large general service ratepayers and for our off-peak of 31.82% (14.72% + 16.32%) the 10.36% increase being applied to small general service ratepayers seems more appropriate. This would result in an overall increase to our Mayfield operations of 15% approximately the average increase for all ratepayers.



We are asking the Commission to please reduce our PCA adjustment to a lower increase since we have adjusted our operational hours so as to virtually avoid the peak service hours. We have made that accommodation to assist Idaho Power Company in leveling out its load requirement. However, operating our Mayfield shredder outside of peak hours, since we began that operation in 2008, is a significant inconvenience to our employees. Therefore we do not feel we should be “penalized” with the full large power service rate increase of 21.7%.

Thank you for your consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Larry Stokoe', with a stylized flourish at the end.

Larry Stokoe
Board of Director, Pacific Steel & Recycling
Nampa, Idaho



Summary of Idaho Power Energy Charges April 2012 - March 2013

April - June 2012

	Service Period			Service Period			Service Period		
	3/31/2012 - 4/30/2012	4/30/2012 - 5/31/2012	5/31/2012 - 6/30/2012	4/30/2012 - 5/31/2012	5/31/2012 - 6/30/2012	6/30/2012 - 7/31/2012	7/31/2012 - 8/31/2012	8/31/2012 - 9/30/2012	9/30/2012 - 10/31/2012
Commercial Rate Charges	kWh	Rate	Total Charge	kWh	Rate	Total Charge	kWh	Rate	Total Charge
Service Charge			\$ 299.00			\$ 299.00			\$ 299.00
Basic Charge			\$ 3,516.40			\$ 3,576.58			\$ 3,576.58
Non-Summer Demand Charge			\$ 11,882.84			\$ 12,909.39			\$ -
Summer Demand Charge			\$ -			\$ -			\$ 16,215.90
On-Peak Summer Demand Charge			\$ -			\$ -			\$ 219.60
On-Peak Summer Energy Charge			\$ -			\$ -			\$ 502.06
Mid-Peak Non-Summer Energy Charge	334,853	\$ 0.029907	\$ 10,014.45	444,819	\$ 0.029907	\$ 13,303.20		11,880	\$ 0.042261
Mid-Peak Summer Energy Charge			\$ -			\$ -			\$ -
Off-Peak Non-Summer Energy Charge	93,254	\$ 0.026005	\$ 2,425.07	132,066	\$ 0.026005	\$ 3,434.38		161,665	\$ 0.032205
Off-Peak Summer Energy Charge			\$ -			\$ -		292,219	\$ 0.028000
PCA			\$ (58.65)			\$ -			\$ -
Annual Adjustment Mechanism			\$ -			\$ -			\$ 925.01
Energy Efficiency Services			\$ 1,125.51			\$ 1,340.90			\$ 1,368.07
Total Charges-Electric Service			\$ 29,204.62			\$ 34,784.42			\$ 36,494.77
			428,107			576,885			465,764

July - September 2012

	Service Period			Service Period			Service Period		
	6/30/2012 - 7/31/2012	7/31/2012 - 8/31/2012	8/31/2012 - 9/30/2012	7/31/2012 - 8/31/2012	8/31/2012 - 9/30/2012	9/30/2012 - 10/31/2012	8/31/2012 - 9/30/2012	9/30/2012 - 10/31/2012	10/31/2012 - 11/30/2012
Commercial Rate Charges	kWh	Rate	Total Charge	kWh	Rate	Total Charge	kWh	Rate	Total Charge
Service Charge			\$ 299.00			\$ 299.00			\$ 299.00
Basic Charge			\$ 3,819.06			\$ 3,819.06			\$ 3,819.06
Non-Summer Demand Charge			\$ -			\$ -			\$ 13,317.34
Summer Demand Charge			\$ 17,016.48			\$ 17,361.90			\$ -
On-Peak Summer Demand Charge			\$ 179.52			\$ 262.08			\$ -
On-Peak Summer Energy Charge	10,062	\$ 0.045257	\$ 455.38	14,090	\$ 0.045257	\$ 637.67			\$ -
Mid-Peak Non-Summer Energy Charge			\$ -			\$ -		276,422	\$ 0.032091
Mid-Peak Summer Energy Charge	111,772	\$ 0.034489	\$ 3,854.90	235,285	\$ 0.034489	\$ 8,114.74			\$ -
Off-Peak Non-Summer Energy Charge			\$ -			\$ -		80,899	\$ 0.027912
Off-Peak Summer Energy Charge	307,004	\$ 0.029985	\$ 9,205.51	180,320	\$ 0.029985	\$ 5,406.90			\$ 2,258.05
PCA			\$ -			\$ -			\$ -
Annual Adjustment Mechanism			\$ 851.67			\$ 853.37			\$ 709.64
Energy Efficiency Services			\$ 1,393.19			\$ 1,436.05			\$ 1,142.56
Total Charges-Electric Service			\$ 37,074.72			\$ 38,190.77			\$ 30,416.31
			428,838			429,695			357,321



October - December 2012

	Service Period 9/30/2012 - 10/31/2012		Service Period 10/31/2012 - 11/30/2012		Service Period 11/30/2012 - 12/31/2012	
	kWh	Rate	Total Charge	kWh	Rate	Total Charge
Commercial Rate Charges						
Service Charge			\$ 299.00			\$ 299.00
Basic Charge			\$ 3,810.24			\$ 3,918.60
Non-Summer Demand Charge			\$ 12,994.06			\$ 14,026.76
Summer Demand Charge			\$ -			\$ -
On-Peak Summer Demand Charge			\$ -			\$ -
On-Peak Summer Energy Charge			\$ -			\$ -
Mid-Peak Non-Summer Energy Charge	176,007	\$ 0.032091	\$ 5,648.24	255,527	\$ 0.032091	\$ 8,200.12
Mid-Peak Summer Energy Charge			\$ -			\$ -
Off-Peak Non-Summer Energy Charge	45,622	\$ 0.027912	\$ 1,273.40	73,454	\$ 0.027912	\$ 2,050.25
Off-Peak Summer Energy Charge			\$ -			\$ -
PCA			\$ -			\$ -
Annual Adjustment Mechanism			\$ 440.16			\$ 1,042.14
Energy Efficiency Services			\$ 961.00			\$ 1,385.89
Total Charges-Electric Service			\$ 25,426.10	328,981		\$ 30,129.61
					524,742	\$ 37,075.27

January - March 2013

	Service Period 12/31/2012 - 01/31/2013		Service Period 01/31/2013 - 02/28/2013		Service Period 2/29/12 - 3/31/12	
	kWh	Rate	Total Charge	kWh	Rate	Total Charge
Commercial Rate Charges						
Service Charge			\$ 299.00			\$ 299.00
Basic Charge			\$ 3,918.60			\$ 3,918.60
Non-Summer Demand Charge			\$ 13,577.76			\$ 12,607.92
Summer Demand Charge			\$ -			\$ -
On-Peak Summer Demand Charge			\$ -			\$ -
On-Peak Summer Energy Charge			\$ -			\$ -
Mid-Peak Non-Summer Energy Charge	369,878	\$ 0.032091	\$ 11,869.75	310,791	\$ 0.032091	\$ 9,973.59
Mid-Peak Summer Energy Charge			\$ -			\$ -
Off-Peak Non-Summer Energy Charge	98,470	\$ 0.027912	\$ 2,748.49	92,340	\$ 0.027912	\$ 2,577.39
Off-Peak Summer Energy Charge			\$ -			\$ -
Annual Adjustment Mechanism			\$ 930.14			\$ 800.62
Energy Efficiency Services			\$ 1,296.54			\$ 1,200.92
Total Charges-Electric Service			\$ 34,640.29	403,131		\$ 32,024.61
					394,437	\$ 31,012.16



IDAHO POWER CHARGES FOR April 2012 - March 2013

Commercial Rate Charges	kWh	Rate	Total Charge
Service Charge			\$ 3,588.00
Basic Charge			\$ 45,503.52
Non-Summer Demand Charge			\$ 118,471.59
Summer Demand Charge			\$ 50,594.28
On-Peak Summer Demand Charge			\$ 661.20
On-Peak Summer Energy Charge	11,880	\$ 0.042261	\$ 502.06
On-Peak Summer Energy Charge	24,152	\$ 0.045257	\$ 1,093.05
Mid-Peak Non-Summer Energy Charge	779,672	\$ 0.029907	\$ 23,317.65
Mid-Peak Non-Summer Energy Charge	2,103,483	\$ 0.032091	\$ 67,502.87
Mid-Peak Summer Energy Charge	161,665	\$ 0.032205	\$ 5,206.42
Mid-Peak Summer Energy Charge	347,057	\$ 0.034489	\$ 11,969.65
Off-Peak Non-Summer Energy Charge	225,320	\$ 0.026005	\$ 5,859.45
Off-Peak Non-Summer Energy Charge	595,106	\$ 0.027912	\$ 16,610.60
Off-Peak Summer Energy Charge	292,219	\$ 0.028000	\$ 8,182.13
Off-Peak Summer Energy Charge	487,324	\$ 0.029985	\$ 14,612.41
PCA			\$ (137.68)
Annual Adjustment Mechanism			\$ 7,989.46
Energy Efficiency Services			\$ 14,946.98
Total Charges-Electric Service	5,027,878		\$ 396,473.64

	April 12 - Mar 13	
TOTAL kWh Summary		
On-Peak Summer	36,032	0.72%
Mid-Peak Summer	508,722	10.12%
Off-Peak Summer	779,543	15.50%
Mid-Peak Non-Summer	2,883,155	57.34%
Off-Peak Non-Summer	820,426	16.32%
	5,027,878	100.00%

	April 12 - Mar 13	
TOTAL Energy Charges Summary		
On-Peak Summer	\$ 1,595.11	1.03%
Mid-Peak Summer	\$ 17,176.07	11.05%
Off-Peak Summer	\$ 22,794.54	14.72%
Mid-Peak Non-Summer	\$ 90,820.52	58.65%
Off-Peak Non-Summer	\$ 22,470.05	14.51%
	\$ 154,856.29	100.00%