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IDAHO PUBLIC  
UTILITIES COMMISSION

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF PACIFICORP DBA UTAH POWER & )  
LIGHT COMPANY FOR APPROVAL OF )  
INTERIM PROVISIONS FOR THE SUPPLY )  
OF ELECTRIC SERVICE TO MONSANTO )  
COMPANY )**  
\_\_\_\_\_)

**Case No. PAC-E-01-16  
IDAHO IRRIGATION PUMPERS  
ASSOCIATION, INC.'S  
COMMENTS RE: ORDER NO.  
29157**

COMES NOW the Idaho Irrigation Pumpers Association, Inc. ("Irrigators"), through counsel of record, and hereby respectfully submits the following Comments to the Commission in response to its Proposed Order No. 29157.

First, the Irrigators would like to correct an error in the Commission's characterization of Mr. Yankel's direct testimony. At the top of page 10 of Proposed Order, the Commission states that: "Using 1,000 hours the Irrigators calculate a rate of 25.45 mills/kWh. Tr. p. 730, Exh. 101." This sentence is incorrect and should read: "Using 1,000 hours the Irrigators calculate a rate of 20.45 mills/kWh. Tr. p. 746 & 766, Exh. 301." This change will appropriately summarize Mr. Yankel's testimony.

Second, the Irrigators have filed with the Commission in this case an Application for Intervenor Funding ("Application"). The Irrigators' Application was apparently not addressed by


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the Commission's Proposed Order because it was not final and due to the fact that it solicited additional comments. The Irrigators reassert that their participation in this case has shed light on important issues before the Commission for the reasons stated in Mr. Yankel's direct testimony, the Irrigators' Post Hearing Brief and in the Irrigators' Application. Accordingly, the Irrigators' respectfully request that the Commission to address its Application in its forthcoming final order.

Finally, in its Proposed Order, the Commission determined that the interruptible energy rate of 23.54 mills/kWh is fair, just and reasonable after giving appropriate credit for Monsanto's operating reserves and economic curtailment. However, in determining this rate the Commission has relied primarily on market power purchases in pricing economic curtailment as a demand side resource ("DSM"). The Irrigators believe that the proper approach should be to primarily look to the avoided cost of building the peaker plant as testified by Mr. Yankel. (Yankel (Dir), Vol. VI, p. 745 & 746, l. 8-25 & 1-8.) By relying primarily on market power purchases, the Commission has under priced the value of economic curtailment as a DSM resource based on current market conditions and could expose PacifiCorp to significantly higher costs to acquire this resource in the future in light of recent market volatility during the 2000/2001 energy crisis. Further, when the BPA credit is reduced or when PacifiCorp files a new general rate case, the Irrigators will be asking the Commission for rate relief in the form of some sort of interruptible tariff. Pricing interruptibility primarily on market power purchases would give a disincentive to the Irrigators from even providing economic curtailment as a DSM resource. Accordingly, the Irrigators ask the Commission to price interruptibility primarily on the avoided cost of building a peaker unit.

Respectfully submitted this 30th day of December, 2002.

RACINE, OLSON, NYE, BUDGE &  
BAILEY, CHARTERED

By   
ERIC L. OLSEN  
Attorney for Irrigators

### CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this \_\_\_\_ day of December, 2002, I served a true, correct and complete copy of the Idaho Irrigation Pumper's Association, Inc.'s Comments Re: Order No. 29157 to each of the following, via U.S. Mail or hand delivery:

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