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                     BEFORE THE WASHINGTON
          UTILITIES AND TRANSPORTATION COMMISSION
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     WASHINGTON UTILITIES AND
                                         )Docket UE-032065
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    TRANSPORTATION COMMISSION,
                                         )Volume VII
                                         )Pages 794-840
                        Complainant,
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           v.
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     PACIFICORP d/b/a PACIFIC POWER &
 7
    LIGHT COMPANY,
                        Respondent.
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                   A public hearing in the above-entitled
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    matter was held at 6:03 p.m. on Monday, September 27,
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     2004, at 128 Second Street, Room B-33, Yakima,
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     Washington, before Administrative Law Judge DENNIS J.
    MOSS and Commissioner PATRICK OSHIE.
14
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                   The parties present were as follows:
17
                   COMMISSION STAFF, by Shannon Smith,
    Assistant Attorney General, 1400 S. Evergreen Park
18
    Drive, S.W., P.O. Box 40128, Olympia, Washington,
19
    98504-1028.
20
                   PACIFICORP, by Stephen C. Hall,
     Attorney at Law, Stoel Rives, LLP, 900 S.W. Fifth
21
    Avenue, Suite 2600, Portland, Oregon 97204.
22
                   PUBLIC COUNSEL, by Robert Cromwell,
     Assistant Attorney General, 900 Fourth Avenue, Suite
     2000, Seattle, Washington 98164.
23
24
    Barbara L. Nelson, CCR
25 Court Reporter
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1	CITIZENS UTILITY ALLIANCE OF
2	WASHINGTON, by John O'Rourke, Program Director, and Lupido Flores, 212 W. Second Avenue, Suite 100, Spokane, Washington 99201.
3	THE ENERGY PROJECT/THE OPPORTUNITY
4	COUNCIL, by Chuck Eberdt, 1701 Ellis Street, Bellingham, Washington 98225.
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- 1 COMMISSIONER OSHIE: Evening everyone. My
- 2 name is Patrick Oshie, I'm one of the three
- 3 Commissioners at the Washington Utilities and
- 4 Transportation Commission. We are here tonight for
- 5 the public comment hearing in the matter of the
- 6 Washington Utilities and Transportation Commission
- 7 versus PacifiCorp, doing business as Pacific Power
- 8 and Light Company. And the purpose of this hearing
- 9 is to take your comments on the rate case that has
- 10 been filed by PacifiCorp and the proposed settlement
- 11 that is before the Commission at this time for
- 12 decision.
- 13 And at this point, I would like to turn this
- 14 matter over to the presiding judge in this
- 15 proceeding, which is Dennis Moss, and Judge Moss will
- 16 be presiding over this public hearing. He'll
- 17 explain, if you will, the ground rules that the --
- 18 under which the hearing will be conducted, and give
- 19 you an opportunity, then, to make your comments to
- 20 the Commission.
- 21 As you can see, there's a court reporter
- 22 here. She will be taking your comments verbatim,
- 23 which will be placed in the record of this
- 24 proceeding. So Dennis.
- JUDGE MOSS: All right. Thank you,

- 1 Commissioner Oshie. I'll introduce Pam Smith, from
- 2 our Staff, who's kindly agreed to assist us here this
- 3 evening. She's with the Washington Utilities and
- 4 Transportation Commission. Our court reporter is
- 5 Barbara Nelson, who's with a private firm in Seattle.
- 6 Also here tonight for the Commission Staff
- 7 is Mr. Roger Braden, if you'll raise your hand and
- 8 rise. Mr. Braden is the assistant director for
- 9 electricity at the WUTC, and those of you who may
- 10 have questions for the WUTC about the case might wish
- 11 to speak to him during a break or at the close of the
- 12 evening.
- 13 I'm going to let the attorneys introduce
- 14 themselves in a couple of minutes, but I just wanted
- 15 to introduce the other people who are here for the
- 16 various parties. For the Company, PacifiCorp, Mr.
- 17 Anderberg and Mr. Satre are here this evening, if you
- 18 will indicate who you are.
- MR. HALL: Mr. Satre's out in the hall.
- 20 JUDGE MOSS: All right. Well, he'll come in
- 21 presently, then. As I said, I'll let counsel
- 22 introduce themselves in a minute. I do have a couple
- 23 of comments, preliminary comments about the nature of
- 24 our proceedings, and I'll explain a little bit more
- 25 about what we're doing this evening.

- 1 This is a formal proceeding. We conduct
- 2 these proceedings in much the same way as a trial in
- 3 a court. The Commissioners sit as judges. I assist
- 4 them in that capacity. I am an Administrative Law
- 5 Judge with the Utilities and Transportation
- 6 Commission. As Commissioner Oshie mentioned,
- 7 everything is transcribed, it becomes part of our
- 8 official record in this proceeding, which is the
- 9 basis upon which the Commissioners reach their
- 10 decision about the rate request that PacifiCorp
- 11 filed.
- 12 The Commission regulatory staff participates
- in the proceeding in the same way as any other party,
- 14 that is to say, the only contact the Commissioners
- 15 have, the only information the Commissioners receive
- 16 from the regulatory staff is through the witnesses
- 17 and testimony that they put on and the arguments that
- 18 they make through counsel, just as in the same
- 19 fashion as the other parties, who in this case
- 20 include, of course, the company, PacifiCorp, the
- 21 Industrial Customers of Northwest Utilities, which is
- 22 a group that represents various industrial customers
- 23 of the utility, the Natural Resources Defense
- 24 Council, the Citizens Utility Alliance of Washington
- 25 is a party, as is the Energy Project/Opportunity

- 1 Council.
- 2 Finally, the Public Counsel section of the
- 3 Attorney General's Office, who represents the
- 4 residential and small business ratepayers, is a
- 5 party. So all those persons or entities are part of
- 6 our case.
- 7 As I mentioned, there are legal
- 8 representatives here tonight or other representatives
- 9 for a number of the parties. I'm going to give them
- 10 an opportunity in a minute, if they choose to do so,
- 11 to make a statement to inform you of their
- 12 perspectives on the case. I'm also going to say a
- 13 few words about the case preliminary to that.
- 14 Before getting into that general discussion
- 15 about the case, I do want to have the legal
- 16 representatives make a brief appearance for the
- 17 record, and we'll start with the Company here, Mr.
- 18 Hall.
- 19 MR. HALL: My name is Stephen Hall, and I'm
- 20 appearing here on behalf of Pacific Power.
- JUDGE MOSS: And Ms. Smith.
- MS. SMITH: Good evening. I'm Shannon
- 23 Smith. I'm an Assistant Attorney General, and I'm
- 24 here on behalf of the Washington Utilities and
- 25 Transportation Commission Regulatory Staff.

- JUDGE MOSS: Mr. Cromwell.
- 2 MR. CROMWELL: Good evening. My name is
- 3 Robert Cromwell, I'm an Assistant Attorney General,
- 4 as well, but with the Public Counsel section,
- 5 appearing on behalf of the Public Counsel section of
- 6 the Washington State Attorney General's Office.
- 7 JUDGE MOSS: And we have a representative
- 8 for the Citizens Utilities Alliance.
- 9 MR. FLORES: I'm Lupido Flores. I'm with
- 10 the Citizens Utility Alliance, and we also have John
- 11 O'Rourke, the Director, who's out in the hall being
- 12 interviewed, he's also here.
- 13 JUDGE MOSS: All right. Very good. And
- 14 Energy Project/Opportunity Council.
- 15 MR. EBERT: Hi, I'm Chuck Ebert, Director of
- 16 the Energy Project.
- JUDGE MOSS: Welcome. Do we have anybody
- 18 here for NRDC? I don't think so. And how about the
- 19 Industrial Customers of Northwest Utilities? No one
- 20 present. All right.
- 21 Let me just generally discuss the case, and
- 22 then, again, I'll give the parties -- any parties
- 23 that wish to make a statement about the case the
- 24 opportunity to do that. In this proceeding,
- 25 PacifiCorp came to the Commission and made a filing

- 1 asking for a rate increase of \$26.7 million, or about
- 2 13.5 percent.
- 3 Staff, the Industrial Customers of the
- 4 Northwest Utilities, and Public Counsel offered
- 5 testimony supporting smaller increases or even a rate
- 6 decrease, in the case of Public Counsel.
- 7 Shortly before the evidentiary hearing that
- 8 was scheduled for the first few weeks of September,
- 9 PacifiCorp, Staff, and the Natural Resources Defense
- 10 Council filed a proposed settlement in the case.
- 11 They asked the Commission to resolve this case by
- 12 authorizing an increase in rates of about 15.5
- 13 million, or 7.8 percent.
- 14 The Commission held evidentiary hearings on
- 15 the settlement, and that is now the focus of our
- 16 public comment hearing this evening. In other words,
- 17 it is the settlement that is before us at this point
- 18 in time for consideration as a means to resolve the
- 19 case.
- 20 Having said that, I want to describe the
- 21 process tonight, and then I'm going to let the party
- 22 representatives make their statements. The process
- 23 is we will have those brief statements, I will then
- 24 swear in any of you who are here tonight who wish to
- 25 make a comment to the Commission to become part of

- 1 the record in this proceeding. I'll call you up one
- 2 at a time, based on the sheets that you signed up
- 3 when you came in. If you want to make a comment and
- 4 you haven't signed up, then you might see Ms. Smith
- 5 and do that now and she can bring that up and I'll
- 6 add you to the list.
- 7 Please keep in mind that the opportunity for
- 8 you this evening is not an opportunity to ask us
- 9 questions or to exchange views with us, but rather to
- 10 make your comments to us, to give us an opportunity
- 11 to hear your comments about this proposed rate
- 12 increase and proposed settlement that I have just
- 13 briefly mentioned.
- 14 I'm going to have to ask the speakers to
- 15 limit themselves to five minutes, which actually is
- 16 quite a bit more time than it may sound like. You
- 17 can say an awful lot in five minutes. We do that so
- 18 that everyone who may wish to comment will have an
- 19 opportunity to do so, and we have had a lot of
- 20 experience with these hearings over the years and
- 21 find that that is about the right amount of time. If
- 22 you do run over time, I'll have to interrupt you, and
- 23 I don't like to do that, but it is necessary so that
- 24 we give everybody the same opportunity to speak.
- We will accept additional written comments.

- 1 If you have more to say and your five minutes is up,
- 2 you can submit additional written comments, or if you
- 3 don't want to comment orally this evening, but would
- 4 like to present some comments in writing, you can
- 5 still do that, but we do require that those be
- 6 postmarked by September 30th, so that we can include
- 7 them in our record in a timely way.
- 8 And having said that, if you have a question
- 9 about the process, you can certainly ask when you
- 10 come up and I'll be happy to assist you, and I will
- 11 assist you to give your testimony this evening, as
- 12 well.
- With that, let's have statements by party
- 14 representatives, and I did understand, Mr. Cromwell,
- 15 for the Public Counsel, did wish to make a statement.
- 16 I don't think the microphones are working, so you'll
- 17 just need to elevate your voice. You in the back can
- 18 hear me all right, can't you? So use my voice as a
- 19 guide. Project.
- 20 MR. CROMWELL: I shall do so. Good evening,
- 21 Judge Moss and Commissioner Oshie. Thank you. As
- Judge Moss mentioned, I'm with the Public Counsel
- 23 section of the Washington State Attorney General's
- 24 Office. We represent residential and small business
- 25 consumers in matters relating to the regulated

- 1 electric, natural gas, and telecommunications
- 2 providers operating here in Washington.
- 3 In December of 2003, PacifiCorp requested
- 4 that the Commission allow it to increase rates by 13
- 5 and a half percent, or \$26.7 million. This request
- 6 was pursuant to a Commission order from that year,
- 7 which broke the five-year rate plan adopted by the
- 8 Commission in August of 2000. This was on the eve of
- 9 two years where PacifiCorp's customers in the room
- 10 here today would receive no rate increases.
- 11 Public Counsel has appealed that decision,
- 12 and the matter is now in the courts. In this
- 13 proceeding, Public Counsel has presented testimony
- 14 recommending that the Commission either enforce the
- 15 2000 rate plan or order a rate decrease for
- 16 PacifiCorp's customers.
- 17 As Judge Moss mentioned, on August 27th of
- 18 this year, PacifiCorp, Commission Staff, and the
- 19 Natural Resource Defense Council filed a proposed
- 20 settlement which would increase rates by \$15 and a
- 21 half million.
- It is Public Counsel's position that the
- $\,$ 23 $\,$ Commission should enforce the 2000 rate plan and
- 24 reject the settlement or, in the alternative, order a
- 25 rate decrease. Thank you, Judge Moss.

- JUDGE MOSS: All right. Thank you, Mr.
- 2 Cromwell. Do any other of the party representatives
- 3 wish to make an opening statement tonight, or shall
- 4 we move directly to the witnesses? Seeing no
- 5 indication --
- 6 MR. HALL: The Company has no --
- 7 JUDGE MOSS: -- then we'll go ahead and move
- 8 to the witnesses. I'm going to just swear you in all
- 9 at once, that will save time. So I'm going to ask
- 10 that anyone who has indicated or does wish to make a
- 11 public comment this evening, that you rise at this
- 12 time and raise your right hand.
- 13 Whereupon,
- 14 ALL POTENTIAL PUBLIC SPEAKERS,
- 15 having been first duly sworn by Judge Moss, testified
- 16 as follows:
- 17 JUDGE MOSS: Thank you. Please be seated.
- 18 All right. I will ask you a few preliminary
- 19 questions as I call you up, so that will get you
- 20 started. And if you feel any nervousness about
- 21 public speaking, perhaps it will give you an
- 22 opportunity to be relieved of your nervousness. And
- 23 my other recommendation in that regard is a slow,
- 24 deep breath, which I find helps me when I speak
- 25 publicly.

- 1 So the first witness to indicate a desire to
- 2 speak is Lucian Pace. Mr. Pace, if you could come up
- 3 to the front of the room. It's not really necessary
- 4 that you come to the podium, unless you want to, but
- 5 you want to speak loudly enough so the audience can
- 6 hear you and, of course, so that we here at the
- 7 podium can hear you.
- 8 Whereupon,
- 9 LUCIAN L. PACE,
- 10 having been first duly sworn, was called as a witness
- 11 herein and testified as follows:
- 12 JUDGE MOSS: Let me ask you for the record,
- 13 please, to state your full name and spell your last
- 14 name.
- MR. PACE: First name is Lucian, L-u-c-i-a-n
- 16 Initial L., Pace, the last name, P-a-c-e.
- JUDGE MOSS: And what is your address, Mr.
- 18 Pace?
- MR. PACE: 1940 Waneta Road, Grandview.
- 20 JUDGE MOSS: All right. And are you a
- 21 customer of PacifiCorp?
- MR. PACE: I'm a customer of Benton Rural
- 23 Electric.
- 24 JUDGE MOSS: All right. Very good. And did
- 25 you wish to make a statement tonight concerning this

- 1 proceeding?
- 2 MR. PACE: Yes, I think I do.
- JUDGE MOSS: All right. Then please
- 4 proceed.
- 5 MR. PACE: Okay. As everyone knows, the
- 6 Yakima Valley is a agriculture area, and a lot of
- 7 people have to pump water, and therefore, brings
- 8 their electricity through the roof. And it's also
- 9 very important for retired people, people on a fixed
- 10 income, and if they're still striving to farm
- 11 whatever they grow, the increase in electricity won't
- 12 only affect their homes, it will affect their
- 13 livelihood, trying to farm and produce whatever they
- 14 can produce.
- 15 And it seems like one thing that I was
- 16 mostly interested in is that people in the Valley
- 17 have been struggling for some years now to show a
- 18 profit. Some will get into a new growing segment,
- 19 whatever it might be, and sometimes they'll show a
- 20 little profit, but most of them, it's downhill.
- 21 And I think a increase in our rates at home
- 22 and also in our irrigation, who has to pump, which I
- 23 have to pump my water on my place, and it keeps,
- 24 seems like, going up every year, so I would like to
- 25 see it stabilize, and not a big increase like they're

- 1 asking for. And thank you very much.
- JUDGE MOSS: All right, Mr. Pace. Thank you
- 3 very much.
- 4 Let's see. I've got the name here Melissa
- 5 Dekker, Daily Sun News. No indication concerning a
- 6 desire to comment. Ms. Dekker does not wish to
- 7 comment. The ones who have said no, by the way, I'm
- 8 going to skip over your name, so the next one I have,
- 9 Bill Douglas, did not indicate whether he wished to
- 10 speak or not. Mr. Douglas?
- 11 MR. DOUGLAS: I was going to -- I may like
- 12 to speak later or may not. Is that permissible?
- 13 JUDGE MOSS: We can come back to you if
- 14 you'd like. Let us know at the end if you decide
- 15 that you want to speak.
- MR. DOUGLAS: Very good.
- 17 JUDGE MOSS: I'm just going to call people
- 18 in order, in the order that they're on my list.
- MR. DOUGLAS: Okay. Thank you.
- 20 JUDGE MOSS: Rich Rowland has indicated a
- 21 desire to speak. Mr. Rowland, please come forward.
- 22 Whereupon,
- 23 RICH ROWLAND,
- 24 having been first duly sworn, was called as a witness
- 25 herein and testified as follows:

- 1 JUDGE MOSS: Thank you for joining us this
- 2 evening. If you could state your name for the
- 3 record, please, and spell your last name?
- 4 MR. ROWLAND: Rich Rowland, spelled
- 5 R-o-w-l-a-n-d.
- 6 JUDGE MOSS: And what is your address, Mr.
- 7 Rowland?
- 8 MR. ROWLAND: 7401 Bittner Road, Yakima.
- 9 JUDGE MOSS: And are you a customer of
- 10 PacifiCorp?
- MR. ROWLAND: Yes.
- 12 JUDGE MOSS: Thank you. Do you wish to make
- 13 a statement tonight?
- MR. ROWLAND: Just a short one.
- 15 JUDGE MOSS: All right. Please proceed.
- 16 MR. ROWLAND: Just basically, as a private
- 17 homeowner, we've seen a number of rate increases over
- 18 the years, and even though my wife and I are still
- 19 working, when we get our nice little monthly bill
- 20 from PacifiCorp, it sometimes is a bit hard to
- 21 swallow, especially in the winter months. We've got
- 22 the colder months coming on us. And fortunately, we
- 23 both work, but here, again, we're creeping up on
- 24 retirement, and like many folks that I know of that
- 25 are retired, they're finding it harder and harder to

- 1 meet these increased demands, not only with power,
- 2 but food increase, gas, and so forth.
- 3 And to my way of thinking, when a company
- 4 files a rate increase and they're supposed to abide
- 5 by it for a few years, then I think they need to
- 6 stick to it, especially in light of the fact that,
- 7 from my viewpoint, the company maintains a double
- 8 standard as far as billing, because myself, like a
- 9 number of other folks I've discovered, where you've
- 10 got two meters on your property and it's just a
- 11 private residence, I do not have a commercial
- 12 business or operation or anything like that, we're
- 13 charged one rate for the house and then a commercial
- 14 rate for the small shop that I have on my property.
- 15 And they either -- I think that if they had
- 16 a proper rate structure that, when you have a
- 17 residence and it's not used for commercial purposes,
- 18 that, regardless of whether you got two or even three
- 19 meters on your property, if you're not running a
- 20 commercial operation, then you ought to stick to just
- 21 the residential rate, because I, for one, think that
- 22 if they had a single standard and that basis there,
- 23 that, in the long run, the company would probably
- 24 make more money, but I, for one, am very conservative
- 25 about the power I use out of my shop because of that.

- 1 Between that and their multi-million dollar
- 2 rate increase, I think it should be denied. Thank
- 3 you.
- 4 JUDGE MOSS: Mr. Rowland, thank you very
- 5 much. Appreciate your testimony.
- 6 John Klingele has indicated a desire to
- 7 testify.
- 8 Whereupon,
- 9 JOHN KLINGELE,
- 10 having been first duly sworn, was called as a witness
- 11 herein and testified as follows:
- 12 JUDGE MOSS: Good evening. Thank you for
- 13 being here.
- MR. KLINGELE: Good evening.
- JUDGE MOSS: Let me ask you to state your
- 16 full name for the record and spell your last name.
- 17 MR. KLINGELE: John Klingele,
- 18 K-l-i-n-g-e-l-e.
- JUDGE MOSS: And what is your address, Mr.
- 20 Klingele?
- 21 MR. KLINGELE: 1312 West Walnut Street.
- JUDGE MOSS: And are you a customer of
- 23 PacifiCorp?
- MR. KLINGELE: Oh, yes.
- JUDGE MOSS: All right. Very good.

- 1 MR. KLINGELE: I get the bill every month.
- JUDGE MOSS: Did you have a statement you
- 3 wished to make this evening?
- 4 MR. KLINGELE: Oh, yes. I have been a
- 5 Yakima City Councilman, so I am familiar with how
- 6 rates have to be studied and reviewed, so I've been
- 7 on the other side of that kind of table.
- 8 In the letter of introduction that was
- 9 generated by Christy in December 16 of 2003, the
- 10 notice said that the Yakima Service Center at 1101
- 11 North 16th Avenue would have things available for us,
- 12 and they have not been at that location since 2003,
- 13 since January of 2003, and I notice that's also on
- 14 the UTC Web site as a place to contact Pacific, where
- 15 actually their place should be 500 North Keys Road.
- 16 I did get a copy of the filings, many pounds
- 17 of paper. I noticed that the PP&L's President and
- 18 CEO, Judith Johansen, in her list of witnesses, did
- 19 not -- the witness list did not actually correspond
- 20 with the witnesses presented in their filing.
- 21 Dr. Samuel Hadaway and other economists have
- 22 made comments, and one of the things that was not
- 23 mentioned in any of their comments and was neglected
- 24 was whether foreign corporations and their investors
- 25 have the same expectations as U.S. investors, and

- 1 whether those things are greater or less. And since
- 2 they compared with lots of U.S. corporations, they
- 3 failed to mention that, whether that had any
- 4 difference in this rate filing or not.
- 5 The economists get paid a hundred percent
- 6 even if their predictions are only right 10 percent
- 7 of the time.
- 8 The economist that was hired by the Staff
- 9 assumed facts that weren't in evidence, such as that
- 10 Pacific Power's generation that's located in
- 11 Washington actually serves the Washington customers,
- 12 assumed that the generation on the Lewis River
- 13 provided electricity for the customers in Washington,
- 14 and it does not. I have studied the power flows for
- 15 more than a decade and recognize that that is not the
- 16 case, and that's something that economists generally
- don't recognize, because they're not familiar with
- 18 the nature of generation and transmission and
- 19 distribution in the Northwest.
- 20 Part of this case is the MSP or protocol or
- 21 some other term that the filings have talked about,
- 22 and I'd hope that the Commission Staff and
- 23 Commissioners themselves would keep on working on
- 24 this issue. If PP&L has to look at doing different
- 25 kinds of economic forecasts, as well as figuring out

- 1 what their expenses are and each state has different
- 2 policies, it really adds confusion, and I don't want
- 3 to see Pacific and its various territories divided
- 4 into various separate companies, because that will
- 5 multiply the costs and paperwork.
- I generally agree with the testimony from
- 7 Alan Buckley, with regarding the control areas, but
- 8 one of the things he fails to do is define what the
- 9 control areas are and what the division is and how to
- 10 identify that division.
- 11 He also, in his Exhibit APB-1T, page 110,
- 12 line 21, states that the Lewis River provides power
- 13 to Pacific's customers, and it does not.
- 14 Pacific Power generation, I was really
- 15 pleased with the information regarding the Hermiston
- 16 generation. I was thrilled to see that that plant
- 17 has a long-term fixed gas price with a fixed
- 18 escalator. In today's gas market, that means we're
- 19 making good money on that, because the going rates
- 20 for gas have skyrocketed.
- 21 In Pacific Power's transmission system, they
- 22 have done some improvements in the last 10 years, and
- 23 $\,$ I'd like to see some others. They have done, for
- 24 instance, from between Walla Walla substation and
- 25 Pacific and BPA, they replaced the insulators along

- 1 that line, and that made that corridor from a static
- 2 zone to non-static zone. There's a big difference in
- 3 folks driving down that piece of highway.
- 4 Pacific Power has improved its substations
- 5 and distribution in the Waitsburg and Dayton area in
- 6 the last 10 years. They went from a delta system to
- 7 a Y system. When the floods of '96 came along and
- 8 damaged their substation, they built a new substation
- 9 a few blocks away, out of danger of the river rising,
- 10 and that improved the economics in that area. And so
- 11 to have considerable line loss has decreased doing
- 12 that change. And then, the following year,
- 13 interconnection with Dayton and Dayton's system was
- 14 improved likewise.
- Walla Walla's system has had some new
- 16 transformers put in and substations, and I'd like to
- 17 see some more done. The substation transformers out
- 18 at Prospect Point, they have to lock the cooling fans
- 19 on all summer long, because, otherwise, the
- 20 transformers will overheat and we'll have problems
- 21 out there, and I'd like to see some more transformers
- 22 put in that area.
- The Walla Walla area, even a decade ago,
- 24 there was identified a need for reconductoring of the
- 25 line from Walla Walla to Walla Walla Central, and I'd

- 1 like to see that happen in the near future as, under
- 2 certain conditions, that line can be severely
- 3 overloaded.
- In the rate changes, if you note in Exhibit
- 5 DLT-9, it shows that the commercial customers
- 6 presently are paying their fair share and more, and I
- 7 would not be averse to seeing the Commission hold
- 8 those rates stable, as it is right now, as the
- 9 testimony from Pacific shows that they're already
- 10 paying plenty of rates, even with the settlement
- 11 talked about.
- 12 JUDGE MOSS: Mr. Klingele, I have to caution
- 13 you. I believe you've got 30 seconds to sum up.
- 14 Your presentation is taking a little more than five
- 15 minutes.
- 16 MR. KLINGELE: I'd like to see the Aquilla
- 17 credit that's being presented to be eliminated, as it
- 18 is only a few pennies on the dollar. There's other
- 19 credits that are going away, and that will impact
- 20 rates as it is. Thank you for your testimony.
- JUDGE MOSS: Thank you very much. We
- 22 appreciate your testimony. Mr. Curtis Strausz
- 23 indicated maybe.
- 24 Whereupon,
- 25 CURTIS STRAUSZ,

- 1 having been first duly sworn, was called as a witness
- 2 herein and testified as follows:
- JUDGE MOSS: Mr. Strausz, good evening and
- 4 thank you for being here. Let me ask you to state
- 5 your full name and spell your last name for the court
- 6 reporter.
- 7 MR. STRAUSZ: I'm Curtis A. Strausz, I live
- 8 in Cowiche, Washington, 510 Old Cowiche Road.
- 9 JUDGE MOSS: Could you spell your last name
- 10 for the reporter?
- 11 MR. STRAUSZ: S-t-r-a-u-s-z.
- 12 JUDGE MOSS: Thank you. Are you a customer
- 13 of PacifiCorp?
- MR. STRAUSZ: I certainly am. I'm also
- 15 speaking as a stockholder.
- 16 JUDGE MOSS: All right. And did you wish to
- make a statement this evening?
- 18 MR. STRAUSZ: Well, yes. I would like to
- 19 make a statement, and I'd like to paraphrase it this
- 20 way. I have not received enough information that I
- 21 feel I can talk intelligently about whether the rate
- 22 increase is justified or not, but, like everybody
- 23 else here who's speaking against the rate increase,
- 24 I'm not really enamored with the possibility of
- 25 paying more for my electricity.

- 1 But my concern is this. I have been
- 2 privileged to read of a study that's been done and
- 3 been going on for about the last -- at least 10
- 4 years, that states in its conclusions that, by 2050,
- 5 70 percent of all the electricity generated will be
- 6 used by the electronics industry. That being the
- 7 case, I don't see where we're going to generate the
- 8 extra electricity to fill that bill.
- 9 Now, then, we have five dams, five
- 10 reservoirs in this Yakima irrigation project that
- 11 presently aren't generating any electricity, and I
- 12 can't help but feel they could be. May not be large
- 13 quantities, but in my opinion, every little bit can
- 14 help.
- Now, I really don't know whether my
- 16 testimony is pertinent to the subject or not, but
- 17 these are my concerns. Thank you very much.
- 18 JUDGE MOSS: Thank you. We appreciate you
- 19 testifying this evening. Chris Linschouten, or
- 20 schooten, perhaps. I may have pronounced that
- 21 incorrectly.
- 22 Whereupon,
- 23 CORNELIUS LINSCHOOTEN,
- 24 having been first duly sworn, was called as a witness
- 25 herein and testified as follows:

- JUDGE MOSS: Good evening, and I'll give you
- 2 an opportunity to correct my pronunciation, if you'll
- 3 please state your name for the record.
- 4 MR. LINSCHOOTEN: My name is Cornelius G.
- 5 Linschooten, and last name is L-i-n-s-c-h-o-o-t-e-n.
- 6 JUDGE MOSS: All right. And your address,
- 7 please?
- 8 MR. LINSCHOOTEN: 3010 West Yakima Avenue,
- 9 Yakima, Washington.
- 10 JUDGE MOSS: And are you a customer of
- 11 PacifiCorp?
- MR. LINSCHOOTEN: Well, PP&L, I used to
- 13 know. Probably the same company as it is.
- 14 JUDGE MOSS: Same company. They do business
- 15 as Pacific Power and Light in this state. Do you
- 16 have a statement you wish to make this evening?
- 17 MR. LINSCHOOTEN: Yes, I just received last
- 18 week, about Thursday or Friday, a letter from the
- 19 Department of Energy, the Bonneville Power
- 20 Administration, dated September 16th, 2004, and so
- 21 it's within two weeks that it was released, and it
- 22 states here, I just have some sentence, Will result
- 23 in BPA power rate for financial year 2005 that is
- 24 seven and a half percent lower than the financial
- 25 2004 rate. And some of the customers have different

- 1 contracts, so that might change. However, all
- 2 customers should benefit from the fact that BPA is
- 3 reducing its cost. And it also states here that all
- 4 the customers and industry and individual ratepayers
- 5 have all made it clear they need a rate decrease.
- And they also state here somewhere that they
- 7 don't expect any rate increase, which they did
- 8 before, but not now, anymore, any rate increase
- 9 through the year 2006, so they only expect rate
- 10 decreases. And there is a little graph where you can
- 11 see where the costs are going down.
- 12 Apparently, the BPA is able to do a lot of
- 13 cost reductions, and I have no details on that, but
- 14 that's what they're saying, and they also sell a lot
- of equipments, which they have and don't use, and are
- 16 able to decrease their rates.
- 17 So I just wonder what -- if this company
- 18 here is doing any of that, and I also wonder who is
- 19 checking their cost. Are their costs real or are
- 20 they just hyped up to a level that -- you know.
- 21 The way I see it, 13 and a half percent is
- 22 about more than 10 times the inflation rate. I
- 23 myself, I'm retired, but I am a mechanical engineer,
- 24 and I lived the first 26 years of my life in Europe
- 25 and got my engineering degree there, Boeing brought

- 1 me over to build the 747, and I have in-state
- 2 mechanical engineering professional license. And I
- 3 worked in aircraft industry, shipbuilding industry,
- 4 the forest product industry, hydraulic industry here
- 5 in Yakima, and the nuclear reservation here in
- 6 Hanford, and I cannot remember ever getting a 13 and
- 7 a half percent pay raise ever. The only way to do
- 8 that was to change the jobs. That's why I went to
- 9 several industries.
- Then, the other thing, what concerns me,
- 11 that a British company -- coming from both sides --
- 12 can own utilities here. Those people are geared to a
- 13 totally different attitude. The rates are there for
- 14 electricity that is incredibly high for us, and our
- 15 industry is geared to those rates. Right now, I
- 16 think we almost eliminate already the aluminum
- 17 industry, and if we're going to raise this, it's only
- 18 going to get worse.
- 19 And so all I see is that we got a British
- 20 company for profit, who likes to raise our rates as
- 21 fast as they can to their level in Europe. And you
- 22 know, I just called my brother in Sweden two weeks
- 23 ago for his birthday, and it was \$1.39 for a half
- 24 hour talking. He can't even pick up the phone and
- 25 call me for that price. So those European people

- 1 come from a totally different level of expenses.
- 2 They like to go there as fast as they can. I don't
- 3 think they give a darn about who their customer is
- 4 here, so it's -- I don't know.
- 5 We had a British company at Hanford trying
- 6 to build the plant for \$4 billion, and they raised it
- 7 to 25, and they kicked them off. That's the first
- 8 time I've ever seen DOE kick somebody off the site
- 9 right there and then. They mostly let the contract
- 10 go and don't, you know, don't give them a new
- 11 contract, but same thing.
- 12 JUDGE MOSS: Thank you very much.
- 13 Appreciate your comments.
- 14 MR. LINSCHOOTEN: Oh, anybody wants the
- 15 letter?
- 16 JUDGE MOSS: If you want to submit the
- 17 letter for the record, we can take that.
- 18 MR. LINSCHOOTEN: Sure. Who do I give it
- 19 to?
- JUDGE MOSS: You give it to me.
- MR. LINSCHOOTEN: All right. Thank you.
- JUDGE MOSS: Thank you. And I'll ask if
- 23 there's any objection to making part of the record
- 24 the letter of September 16th, 2004, from Department
- of Energy, Bonneville Power Administration,

- 1 concerning the BPA's rates.
- 2 MR. HALL: No objection, Your Honor.
- JUDGE MOSS: I'm not sure what exhibit
- 4 number it will be, but I will assign it a number in
- 5 due course. Morey Manyoky, maybe.
- 6 MR. MANYOKY: Manyoky.
- JUDGE MOSS: Manyoky, thank you.
- 8 Whereupon,
- 9 MOREY MANYOKY,
- 10 having been first duly sworn, was called as a witness
- 11 herein and testified as follows:
- 12 JUDGE MOSS: Please state your name for the
- 13 record.
- MR. MANYOKY: Morey Manyoky.
- JUDGE MOSS: Spell your last name.
- MR. MANYOKY: M-a-n-y-o-k-y.
- JUDGE MOSS: And your address, please?
- MR. MANYOKY: Okay. 501 North Naches
- 19 Avenue, Apartment Two, in Yakima.
- 20 JUDGE MOSS: All right. Are you a
- 21 PacifiCorp customer?
- MR. MANYOKY: Yes.
- JUDGE MOSS: Okay, great. Did you have a
- 24 statement you wanted to make this evening?
- MR. MANYOKY: Yes, but not as a customer. I

- 1 work for Client Services with the Yakima County
- 2 Coalition for the Homeless, and when I read about the
- 3 increase, I thought that increases would be sort of
- 4 respectful of the area's population, and I'm not
- 5 aware if the company's taking into account some of
- 6 the situations specific to Yakima County.
- 7 First of all, it's one of the poorest
- 8 counties, and also a lot of the housing is very
- 9 inferior in quality to homeless, very low income, and
- 10 also to the farm workers who, as of October, are
- 11 basically out of work. And we deal at our agency
- 12 with about 3,000 individuals and family, homeless,
- 13 mostly. And most of the low income population, which
- 14 is about 3,000, 4,000 families and individuals, their
- incomes per month go from 349 to about \$600 a month.
- We also work in coordination with other
- 17 agencies to try and get emergency funding for some of
- 18 the utility bills, and it's been extremely hard
- 19 recently. Money has been very, very tight,
- 20 especially for the last few months.
- Now, if you increase by a substantial
- 22 amount, basically what happens is we get about 20 to
- 23 30 people already per week who are having difficulty
- 24 paying the bills. This, in winter, goes up to about
- 25 250, 300 people a month who come in with bills. We

- 1 no longer have a lot of the access to the subsidies
- 2 to help them, so what I was trying to place before
- 3 you is, first of all, consideration that the increase
- 4 that you're asking for is extremely high.
- 5 If the utility bill and the inability,
- 6 because of the winter coming on with electric heat
- 7 and a lot of these poor and badly insulated units, if
- 8 it's already causing problems with a large amount of
- 9 annual evictions, then why would the company want to
- 10 force the issue to make it a detrimental to the farm
- 11 workers and the poorer people in the community?
- This is one of the poorest communities in
- 13 the state. We're dealing with a tremendous amount of
- 14 people who already have problems, agencies that don't
- 15 have the access to the help and the emergency funding
- 16 that we used to, so I was asking, at least on behalf
- 17 of clients and homeless families and very low income
- 18 families, that I know that you would consider at
- 19 least the percentage by which you want to increase
- 20 bills.
- 21 The Yakima County Coalition already covers
- 22 about 40 of these bills for families, and we have
- 23 difficulty meeting the expenses. Operating expenses
- 24 for non-profits are not very easy to come by, and a
- 25 lot of what is operating expenses goes to the utility

- 1 bills. So that's another reason, that you wouldn't
- 2 only be affecting the families; you're also affecting
- 3 the social service provider agencies, and very, very
- 4 severely, by such a high increase. That's what I
- 5 wanted to bring before you.
- 6 JUDGE MOSS: Thank you very much. We
- 7 appreciate your testimony.
- 8 COMMISSIONER OSHIE: Thank you.
- 9 MR. MANYOKY: Okay.
- 10 JUDGE MOSS: Alfred Carlson indicated maybe
- 11 status. Mr. Carlson, did you wish to comment?
- 12 MR. CARLSON: I'd like to make a comment.
- JUDGE MOSS: All right. Come on up.
- 14 Whereupon,
- 15 ALFRED CARLSON,
- 16 having been first duly sworn, was called as a witness
- 17 herein and testified as follows:
- 18 MR. CARLSON: Thank you. Good evening.
- 19 JUDGE MOSS: Good evening. I'll ask you to
- 20 state your name for the record, please.
- MR. CARLSON: Alfred Carlson, C-a-r-l-s-o-n.
- JUDGE MOSS: And your address?
- MR. CARLSON: 7007 Avalanche Avenue.
- 24 JUDGE MOSS: And did you -- are you a
- 25 customer of PacifiCorp?

- 1 MR. CARLSON: A satisfied customer, yes, I
- 2 am.
- JUDGE MOSS: Do you wish to make a
- 4 statement?
- 5 MR. CARLSON: Yes, I do. When I read in the
- 6 paper this morning in regards to this request for a
- 7 7.8 percent increase in utility bills and -- or for
- 8 -- yeah, for utility increase, and my concern is is
- 9 that I'm not really sure whether or not the utility
- 10 company has the customer in mind here or whether or
- 11 not they're trying to raise the percent of profit to
- 12 the shareholders.
- 13 First I must bring to light that Yakima is
- 14 in -- we're teetering on economic disaster here. We
- 15 have one of the highest unemployment rates in the
- 16 state, there's an awful lot of people here on very
- 17 low, fixed incomes, and there's a lot of families
- 18 here that are bordering on financial despair.
- I don't feel that this rate increase is
- 20 geared to benefit the users of power. It appears to
- 21 me that it's geared to benefit the shareholders, who
- 22 are looking for a better than eight percent return on
- 23 their investment versus a five -- almost a five and a
- 24 half percent return on their investment, which I
- 25 don't know about the people in this room, but I feel

- 1 that five and a half percent return on investment in
- 2 today's economy is not bad. It's not bad.
- 3 So in lieu of the fact that we all have to
- 4 give a little bit when the economic downturn is upon
- 5 us, I feel that maybe the power company or Pacific
- 6 Power could maybe do the same thing and tighten their
- 7 belts up a little bit like we've tightened ours.
- 8 That's my testimony. Thank you.
- 9 JUDGE MOSS: Thank you very much.
- 10 Appreciate you being here. And in similar vein,
- 11 Randall Peterson indicated maybe.
- MR. PETERSON: Yes, I would.
- JUDGE MOSS: Okay, very good. Come up,
- 14 please.
- 15 Whereupon,
- 16 RANDALL PETERSON,
- 17 having been first duly sworn, was called as a witness
- 18 herein and testified as follows:
- 19 JUDGE MOSS: And Mr. Peterson, please state
- 20 your name for the record.
- MR. PETERSON: Randall M. Peterson.
- JUDGE MOSS: I think your last name, the
- 23 court reporter can probably spell.
- MR. PETERSON: P-e-t-e-r-s-o-n.
- JUDGE MOSS: Your address, please?

- 1 MR. PETERSON: 2013 Home Acres Road, Yakima,
- 2 Washington.
- JUDGE MOSS: All right. Are you a customer
- 4 of PacifiCorp?
- 5 MR. PETERSON: Yes, I have been, and still
- 6 am.
- 7 JUDGE MOSS: All right. Did you have any
- 8 comments you wish to make?
- 9 MR. PETERSON: Yes, I do. The gentleman
- 10 before the last one came up and talked about the
- 11 economy and the poor people in Yakima that are living
- 12 on fixed incomes. I know quite a few of them on
- 13 fixed incomes, 550 a month for disability. You spend
- 14 \$360 through \$400 a month on rent, and this leaves
- 15 you very little for food and your power and
- 16 everything else, and I think the increase is way out
- 17 of line.
- You've got to think of the poor people.
- 19 There's a lot of people, like myself, it's not going
- 20 to hurt me, because I still work and I'm a single
- 21 person, but there's a lot of people who have kids who
- 22 can't even afford school clothes or school lunches or
- 23 anything else. I think PP&L should take a real good
- 24 look at it and fix their income down there for their
- 25 increase a lot lower than what they're looking at.

- 1 Like I say, I've been a customer of theirs
- 2 for many years. Because a lot of people right now,
- 3 they have to go to OIC and other places to try to get
- 4 help. And I think they should look at it and really
- 5 drop down their -- ask for their increase to a lower
- 6 rate so people can afford it. A lot of people are
- 7 going to have the lights shut off and everything else
- 8 because they're not going to be able to afford it.
- 9 That's really about all I've got to say
- 10 about it. Thank you very much.
- JUDGE MOSS: Thank you very much.
- 12 Appreciate your testimony. Carole Folsom Hall, or
- 13 Hill. I'm not sure which.
- 14 Whereupon,
- 15 CAROLE FOLSOM HILL,
- 16 having been first duly sworn, was called as a witness
- 17 herein and testified as follows:
- MS. FOLSOM HILL: Hello.
- 19 JUDGE MOSS: Hi there. Please state your
- 20 name for the record.
- MS. FOLSOM HILL: Carole Folsom Hill.
- JUDGE MOSS: And your address?
- MS. FOLSOM HILL: 15 South Sixth Street,
- 24 Yakima.
- JUDGE MOSS: Okay. And are you a customer?

- 1 MS. FOLSOM HILL: I am a customer, but I
- 2 come before you as a director of a non-profit
- 3 organization --
- 4 JUDGE MOSS: Okay.
- 5 MS. FOLSOM HILL: -- serving low income
- 6 people.
- JUDGE MOSS: And that would be?
- 8 MS. FOLSOM HILL: Yakima Interfaith
- 9 Coalition, La Casa Hogar.
- 10 JUDGE MOSS: Thank you very much. Do you
- 11 have a statement you wish to make this evening?
- MS. FOLSOM HILL: Yes.
- 13 JUDGE MOSS: Please proceed.
- 14 MS. FOLSOM HILL: I'm interested in speaking
- 15 to three issues, the non-profit situation, which
- 16 Morey actually just addressed; on behalf of the
- 17 clients we serve; and also I'd like to commend
- 18 PacifiCorp for their assistance programs and in
- 19 working with us as we try to help clients resolve
- 20 their situation. We have a very positive experience
- 21 in working with the Staff at PacifiCorp. So all
- 22 three of those are important to me and to the people
- that we serve.
- We, so far this year, have assisted with
- 25 \$5,800 in serving people to prevent a utility

- 1 shut-off, an electrical shut-off through Pacific
- 2 Power. That doesn't count the people that have
- 3 already been served by the local assistance programs
- 4 with OIC, Northwest Community Action and Salvation
- 5 Army and St. Vincent de Paul. This is on top of
- 6 that.
- 7 And our average amount of money that we help
- 8 is \$29. That prevents the shutoff. It does not
- 9 count those who call us who have \$350 power bills,
- 10 \$250 power bills, \$100 power bills. Oftentimes
- 11 people are able to contribute to prevent the shutoff
- 12 to the \$30 that we're helping them with, but there
- 13 are many, many people that are going without
- 14 assistance, and there are elderly folks who call us
- and they are choosing to pay their power bill over
- 16 buying prescriptions, so all of them all have to
- 17 juggle.
- 18 And it's a very difficult situation on the
- 19 ground, as it may be with PacifiCorp, but when we're
- 20 facing the people daily, who cannot -- their incomes
- 21 are \$330, their incomes are \$535, or something maybe
- 22 a little more, and as Morey said, it's our
- 23 experience, as well, that rents are very high, so
- there's not enough disposable income.
- 25 So this particular situation will only cause

- 1 increased numbers of people asking us for assistance.
- 2 We are also a very small, emerging non-profit. Our
- 3 budget is 103 -- our income last year was \$103,000,
- 4 of which 16,000 we used in this direct service way.
- 5 So for us to have an increase in our power bill is
- 6 also very, very important, and affects us fairly
- 7 dramatically.
- 8 And again, I'd like to reinforce the idea
- 9 that it has -- that it is very helpful to have the
- 10 assistance programs and it's very helpful to be able
- 11 to work in a cooperative manner with the Staff at
- 12 PacifiCorp when we call to negotiate on behalf of the
- 13 clients or to get payment plans or to really find out
- 14 if they're going to really be shut off, and the staff
- 15 are very, very capable and usually very kind and
- 16 responsive in helping us. That makes our job a lot
- 17 easier, as well.
- 18 So thank you for the opportunity to speak,
- 19 and obviously I'm speaking against a rate hike.
- JUDGE MOSS: Thank you, Ms. Hill. We
- 21 appreciate your testimony. I have gotten through my
- 22 list, and that brings me back to Mr. Douglas, who
- 23 indicated he might like to reconsider whether to
- 24 speak or not.
- MR. DOUGLAS: I would just make a quick

- 1 comment.
- JUDGE MOSS: All right. Come ahead, please.
- 3 Whereupon,
- 4 BILL DOUGLAS,
- 5 having been first duly sworn, was called as a witness
- 6 herein and testified as follows:
- 7 JUDGE MOSS: I'd ask you to please state
- 8 your name for the record.
- 9 MR. DOUGLAS: I'm Bill Douglas,
- 10 D-o-u-g-l-a-s, and I'm a customer of Pacific.
- JUDGE MOSS: And your address, please?
- MR. DOUGLAS: 1480 Selah Heights Road,
- 13 Selah, Washington.
- 14 JUDGE MOSS: Thank you very much. Please go
- 15 ahead with your statement.
- MR. DOUGLAS: You know, none of us like
- 17 price increases, but I just want to say I've been in
- 18 this Valley as a businessman for 40 years, and we've
- 19 really enjoyed great service and a good product from
- 20 Pacific Power. And when we've had to expand or do
- 21 things, they've been there to get the job done and
- 22 they've been able to -- we've had very low outages,
- 23 and when there are outages, those problems get taken
- 24 care of very well in the state of Washington.
- 25 And I'd just say that we need good

- 1 companies, and if your staff decides that an increase
- 2 is justified, I don't think an eight percent return
- 3 is out of line in any way for the company.
- 4 Otherwise, they won't attract capital to go and
- 5 provide generation down the road.
- 6 And you know, I just -- I think -- I looked
- 7 at some statistics the other day about what's
- 8 happened in Seattle with Seattle City Light, Tacoma
- 9 City Light, Snohomish P.U.D. From 1/1/2000 to
- 10 10/1/2003, those three utilities increased 35, 38 and
- 11 47 percent. You know, then we have the Enrons, where
- 12 they've been in communities and it's been an absolute
- 13 disaster, what happened in California. California is
- 14 paying, what, 10 or 12 cents versus our four or five
- 15 cents in this state.
- So when we've got good companies, we should
- 17 be thankful to have them. In this area, it was
- 18 talked about that this increase was more than
- 19 inflation, but, as a matter of fact, as this brochure
- 20 points out, there hasn't been an increase since 1988.
- 21 The rates right now are lower than 1988 in
- 22 PacifiCorp. If these rates go in, they'll go to two
- 23 cents higher than they were in 1988. So that
- 24 certainly has not kept up with inflation. Inflation
- over that period would be about 50 percent.

- 1 So I think, as a community, we're very
- 2 fortunate to have PacifiCorp. They're a very good
- 3 company. I sit on their advisory board from the
- 4 Yakima area, and I've watched, over the last 10
- 5 years, they've done everything they can to reduce
- 6 their costs and they've done a good job. They have a
- 7 lot less employees than they did 10 years ago, and
- 8 that's why the rates have not gone up since 1988.
- 9 And they are one of the lowest -- we have some of the
- 10 lowest rates here in this area in the state.
- 11 I'm also a customer of Benton REA, which
- 12 comes from Bonneville Power, and I believe their
- 13 rates are quite a bit higher than PacifiCorp at this
- 14 point. So I just say if staff determines that it's
- 15 needed to get at least an eight percent return, I
- 16 think that's very fair, and I would encourage staff
- 17 to do so.
- 18 JUDGE MOSS: All right. Mr. Douglas, thank
- 19 you very much. That completes the list of speakers
- 20 that I have, but let me ask if there's anyone else
- 21 present who wishes to make a statement this evening?
- 22 All right. Seeing -- yes, sir.
- MR. PACE: I'd like to say a few more words,
- 24 if I may.
- JUDGE MOSS: Well, sir, we really only give

- 1 one opportunity for speakers, because if we extend
- 2 that right to you, then we'd have to open that to
- 3 everyone, sir.
- 4 MR. PACE: Thank you,
- 5 JUDGE MOSS: So I appreciate that. If there
- 6 is anyone who hasn't given a comment who wishes to?
- 7 Yes, sir, please come forward. Were you sworn with
- 8 the group?
- 9 MR. NEWHOUSE: No, actually, I was not.
- 10 JUDGE MOSS: All right. Please raise your
- 11 right hand.
- 12 Whereupon,
- DAN NEWHOUSE,
- 14 having been first duly sworn, was called as a witness
- 15 herein and testified as follows:
- 16 JUDGE MOSS: Thank you. Please state your
- 17 name for the record.
- MR. NEWHOUSE: My name is Dan Newhouse,
- N-e-w-h-o-u-s-e.
- JUDGE MOSS: Mr. Newhouse, what is your
- 21 address?
- MR. NEWHOUSE: 2521 South Emerald Road,
- 23 Sunnyside.
- JUDGE MOSS: Are you a customer of
- 25 PacifiCorp?

- 1 MR. NEWHOUSE: Yes, I am.
- JUDGE MOSS: Would you like to make a
- 3 statement this evening?
- 4 MR. NEWHOUSE: Just briefly, a couple of
- 5 things. I'm wearing two hats here, one as a
- 6 ratepayer. I just paid my PPL bill last week, as a
- 7 matter of fact, and still trying to figure out what
- 8 the impact will be to me if these proposed rate
- 9 increases go through. We farm. We have an
- 10 agricultural operation in the Lower Valley. Of
- 11 course, paying for several thousand kilowatt hours
- 12 will probably be a bigger impact than the \$4.15 a
- 13 month that the residents would incur.
- 14 But having said that, my main reason for
- 15 being here is that I'm also a state representative
- 16 for the Lower Valley, 15th District, and what I
- 17 mainly intended to do was come and listen to the
- 18 concerns of the people that were presented to the
- 19 Commission so that I would better understand what the
- 20 concerns are, know better what you have to deal with
- 21 as far as the issues that these people bring forward.
- I understand it's the company's position
- 23 that bringing forward a rate increase is not an easy
- 24 task to decide to do. I'm sure not a lot of fan mail
- 25 is generated when something like that happens. But

- 1 having said that, there are realities in the business
- 2 world that certainly companies have to face, and as
- 3 customers to this company, we also must face those
- 4 realities. But as, again, I said the reason for me
- 5 being here is to listen and to be able to understand
- 6 the issues that are confronting you and so that we
- 7 also may then understand the decisions that you make.
- 8 So that's my point for being here.
- 9 JUDGE MOSS: All right. Representative
- 10 Newhouse, thank you for being here. Is there anyone
- 11 else that wishes to make a statement this evening for
- 12 the record? All right.
- 13 Seeing no indication, let me ask if there's
- 14 any other business the parties' representatives wish
- 15 to bring forward this evening? Mr. Cromwell, as far
- 16 as the public comment, written public comment, you're
- 17 compiling that, I believe, and intend to furnish that
- 18 to me sometime by the 30th?
- MR. CROMWELL: Yes, sir.
- JUDGE MOSS: All right. Very well,
- 21 appreciate it, look forward to that, and I believe we
- 22 have given that an exhibit number. Well, if there's
- 23 no other business, I'll just say, for my part, that I
- 24 appreciate you all being here tonight and being
- 25 courteous and quiet while others spoke. We

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appreciate that. I'll turn the floor over to
1
 2
     Commissioner Oshie, who may have a few final words,
     and then we'll go off the record.
 3
 4
              COMMISSIONER OSHIE: I'd like just to really
 5
     echo the comments of Judge Moss, that we, as the
     Commissioners, you know, very much appreciate the
 6
 7
    public input on these matters. It does give us more
     of an insight into how any rate increase would impact
 8
9
     the customers of the company, and I know that
     everyone's very busy and you've taken your time out
10
11
     tonight to be here. It's a busy time of year here in
12
     the Valley, the harvest is on, and I know people are
13
     working very late hours to get fruit off the trees.
              There's also many other things to do that
14
15
     you could be doing tonight, so you've chosen to be
16
    here, and we do very much appreciate it. And we will
17
     take your comments and the testimony here tonight
18
     under consideration when we make our decision. So
19
     thank you.
20
              JUDGE MOSS: We'll be off the record.
21
             (Proceedings adjourned at 6:56 p.m.)
22
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