

Answer
Idaho Power's
Answer to Complaint



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IDAHO PUBLIC
UTILITIES COMMISSION

LISA D. NORDSTROM
Lead Counsel
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February 9, 2012

VIA HAND DELIVERY

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702

Re: Case No. IPC-E-12-04
**BONNIE MENTH AND VICKY DAVIS, COMPLAINANTS, VS. IDAHO
POWER COMPANY, RESPONDENT**

Dear Ms. Jewell:

Enclosed for filing are an original and seven (7) copies of Idaho Power Company's Answer in the above matter.

Very truly yours,

Lisa D. Nordstrom

LDN:csb
Enclosures

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Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

BONNIE MENTH AND VICKY DAVIS,)	
)	Case No. IPC-E-12-04
Complainants,)	
)	ANSWER
vs.)	
)	
IDAHO POWER COMPANY,)	
)	
Respondent.)	
)	

Respondent, Idaho Power Company ("Idaho Power" or "Company"), hereby answers the Complaints of Bonnie Menth and Vicky Davis in the above-entitled case as follows:

I. FACTUAL BACKGROUND

During the last decade, the Idaho Public Utilities Commission ("Commission") has supported installation of Advanced Metering Infrastructure ("AMI") and "strongly urge[d] Idaho Power to move forward with all deliberate speed with its phased AMI implementation plan." Order No. 30726 at 8; see also Order Nos. 29026, 29196, 29362,

30102, and 30768. In addition to reduced operational costs associated with meter reading, the Commission supported installation because:

AMR¹ would improve meter reading accuracy, eliminate the need for Idaho Power to gain access to customer property for monthly meter reads, and allow Idaho Power to develop new services in the future. An AMR system would improve outage monitoring, theft detection, and employee safety. AMR's capacity for remote connects and disconnects would also save customer time and employee labor. From a billing perspective, AMR would result in fewer estimated bills, less rebilling, flexible billing schedules, account aggregating, and flexible rate designs.

Order No. 29196 at 10. The Commission also found that "the deployment of AMI technology will provide an essential platform for time-of-use pricing and other 'smart grid' operations." Order No. 31097 at 8.

After years of extensive technology testing and piloting, Idaho Power determined that power line carrier ("PLC") technology was the best functional and economic fit given the Company's customer density and service area. The Company has found the two-way PLC technology to be relatively easy to deploy, robust, reliable, and meets functional needs at a reasonable cost for a large part of Idaho Power's service area.

On August 4, 2008, Idaho Power filed an application in Case No. IPC-E-08-16 seeking the issuance of a Certificate of Public Convenience and Necessity, authorizing it to move forward with a three-year, system wide AMI implementation plan. On February 12, 2009, the Commission issued its Order granting the Company's request. Order No. 30726.

¹ AMR refers to "Advanced Meter Reading" or "Automated Meter Reading." AMI is a more inclusive term than AMR and refers to systems that measure, collect, and analyze energy usage information from advanced metering devices through various communication media on request or on a pre-defined schedule. This infrastructure includes hardware, software, communications equipment, customer associated systems, and data management software. The term AMR was upgraded to AMI as the technology and terminology developed. AMI better reflects the capabilities of the technology discussed herein.

In the three years that followed, Idaho Power installed more than 478,000 AMI meters across its system, bringing the total number of AMI meters to more than 501,000, or 99 percent of its customers. Most customers welcomed the customer service enhancements facilitated by the new meters and fewer visits by meter readers. With very few exceptions, customers concerned about the technology were satisfied once Idaho Power personnel explained how its AMI technology differed from most being installed across the nation (e.g., the new meters do not transmit data wirelessly and the meters do not communicate with or control other devices). Following several months of attempting to address their concerns, Idaho Power installed two of the last AMI meters in its rollout at the residences of Ms. Menth and Ms. Davis.

A. Bonnie Menth.

Idaho Power sent a postcard notifying Ms. Menth of its intention to install the AMI meter on her service on or around August 8, 2011. Ms. Menth sent an inquiry on August 10, 2011, via the Idaho Power website expressing her concerns about electromagnetic frequency emissions, wireless hacking, and privacy related to the AMI meters. On August 10, 2011, AMI Project Manager Mark Heintzelman responded to her questions regarding the AMI meter and infrastructure via e-mail. Mr. Heintzelman explained to Ms. Menth that Idaho Power's AMI infrastructure uses existing power lines to communicate and does not rely on wireless communication relating to radio signaling. Links to Idaho Power's website and the AMI meter manufacturer's website were provided for additional information. On August 11, 2011, Ms. Menth replied with further questions regarding the AMI meter wireless communications technology. Mr.

Heintzelman responded by e-mailing detailed information explaining how Idaho Power uses power line communication technology and not wireless communication technology.

In an August 25, 2011, e-mail reply to Mr. Heintzelman, Ms. Menth stated she understood the benefits of the new technology but still did not want the AMI meter installed due to concerns about radio frequencies ("RF") and electro-magnetic fields ("EMF"). She indicated that her family always believed her brother's death from leukemia in the 1950s was caused by the radiation he received from sleeping behind the wall where the power outlets were located. Mr. Heintzelman explained that the AMI system does not communicate wirelessly so RF is not an issue. Moreover, the AMI meter would create no more EMF than the old meter, neither of which pull current inside the home; persons sensitive to EMF should remove appliances in the home that pull high current on the wires.

Based on the Company's previous contacts with Ms. Menth, Idaho Power did not send its contractor, Tru-Check, to install the meter. Customer Relations Manager Rick Astley and Customer Representative Chris Bell both attempted to contact Ms. Menth via phone on August 26, 2011, with no success. Idaho Power made a site visit to the Menth residence on August 30, 2011, for further discussion but no one was home. Mr. Astley and Mr. Bell returned to her home on August 31, 2011, spending approximately 45 minutes answering her questions and further explaining Idaho Power's AMI technology.

A certified letter was sent to Ms. Menth on September 21, 2011, and came back unclaimed on October 11, 2011. The letter was again sent first class U.S. mail November 18, 2011. In this letter, Mr. Bell again explained that Idaho Power's AMI

technology does not use radio frequency communications, the meter data collected is secure and not for sale by Idaho Power, and the meter is without remote service disconnect capability.² The letter outlined the next steps for the AMI meter installation, anticipating five minutes for the exchange and a short service interruption. On November 29, 2011, Ms. Menth sent a reply letter stating she had communicated with Mr. Heintzelman, that he had answered her questions about the AMI meter, and that she still did not welcome the installation of the AMI Meter.

On December 1, 2011, Mr. Astley sent a letter explaining the necessity of installing the AMI meter, outlining ramifications for preventing access, and identifying the next steps for installing the AMI meter. In the final letter sent to Idaho Power from Ms. Menth dated December 7, 2011, she continued to recite false information related to Idaho Power's AMI meter and withheld her permission to install it.

Idaho Power made numerous attempts over a four-month period to answer Ms. Menth's questions and convey the facts about its AMI technology. After repeated letters, e-mails, and site visits during which Ms. Menth refused to believe Idaho Power's description of the metering system's capabilities, Idaho Power concluded further discussion or correspondence with Ms. Menth on this matter would be unproductive. Idaho Power made one last attempt to visit with Ms. Menth on December 13, 2011, but she was not home; the meter was replaced at that time.

² None of the AMI meters installed on Idaho Power's system currently have actual service connect or disconnect functionality. Actual service connection and disconnection, when required, is currently performed manually. Idaho Power's AMI technology supports remote service disconnect functionality, but installation of the necessary switches is not cost-effective for most service points.

B. Vicky Davis.

Idaho Power sent a postcard notifying Ms. Davis of its intention to install the AMI meter on or around August 8, 2011. Tru-Check attempted to do the AMI meter install on August 31, 2011, but Ms. Davis refused the installation. A Meter Specialist was dispatched to the Davis premises to discuss the install. Ms. Davis refused discussion stating she did not want the meter and did not want to enable Idaho Power to have control of her appliances. Field Services Leader Brian Smith spoke with Ms. Davis on September 9, 2011. Ms. Davis explained that she would not permit the AMI meter to be installed until forced to do so and that she did not want Idaho Power to spy on her.

On September 19, 2011, Mr. Bell phoned Ms. Davis to answer any questions she may have about AMI meters and to advise that a letter would be sent describing the AMI meter technology. On October 4, 2011, Ms. Davis continued her conversation with Mr. Bell and reiterated her belief that Idaho Power at a later date would install a module in the AMI meters to control appliances. Mr. Bell explained the necessity of Idaho Power installing the AMI meters and attempted to dispel her misconceptions about the technology and Idaho Power's intentions.

Ms. Davis sent a letter to Idaho Power dated October 7, 2011, explaining she had not changed her mind about the AMI meter and that she would accommodate Idaho Power by reading her own meter and participating in the budget pay program. On December 1, 2011, Mr. Astley sent a letter explaining the necessity of installing the AMI meter, outlining ramifications for preventing access, and identifying the next steps for installing the AMI meter. Ms. Davis wrote in response in a letter dated December 6, 2011, that she continued to oppose the AMI meter installation.

During communications with Idaho Power personnel, Ms. Davis voiced a number of opinions that have no basis in fact. For instance, she was adamant that Idaho Power would use AMI technology to sell power to other states and leave Idahoans without power. Despite Company attempts to explain the value of removing older, inefficient refrigerators from the marketplace, Ms. Davis insisted the covert purpose of the Company's See Ya Later, Refrigerator[®] program was to force Idaho Power customers to purchase new refrigerators equipped with smart appliance technology that will allow Idaho Power to control them. In "Documenting America's Race to Global Technotalitarianism" on her website, www.channelingreality.com, Ms. Davis sets forth other unconventional (and potentially libelous) opinions about the provision and regulation of electricity in Idaho.

On December 13, 2011, Idaho Power installed the AMI meter at Ms. Davis' residence with the Twin Falls County Sheriff present to witness the installation.

II. CUSTOMER CONCERNS

The Complaints of Ms. Menth and Ms. Davis raise several areas of general concern regarding Idaho Power's use of the AMI technology and meter. Idaho Power responds to them as follows:

A. Surveillance and Control of Appliances Beyond the Meter.

As set forth in her letter to the Commission dated January 2, 2012, Ms. Menth described the smart meter as having "the capacity to track minute by minute household activity, control household devices, . . . including knowing the household occupancy at given times. This is a surveillance device." In a December 6, 2011, letter to Idaho Power, Ms. Davis likewise asserts that "Smart Meter technology – regardless of the

method of communications, is a surveillance, detection, monitoring, data collection, and communications and control device.”

Idaho Power's meters cannot identify the energy consumed by any specific appliance and do not have the capability to control any appliance. They communicate only to respond to specific inquiries from the substation control equipment. Because they are controlled by the secure substation locations, Idaho Power's meters are part of an intelligent “poll and response only” system. When each meter is individually requested to do so by the substation control equipment, the customer's AMI meter relays service point consumption data back through the electrical system. This data transfer occurs four times a day when initiated from the substation and each meter's response lasts approximately 20 seconds. Idaho Power's AMI meters are simply not capable of initiating communication or communicating with any device other than the substation.

Each meter installed on Idaho Power's system must be specifically associated to a substation. That substation then controls the communication by addressing each meter individually through the 60 hertz (“Hz”) voltage. Although the smart meters of other utilities communicate via wireless networks utilizing internet protocols, Idaho Power's AMI meters instead respond through the 60 Hz current when prompted by the substation. Endpoint devices like meters are incapable of sending data on the 60 Hz voltage or receiving data on the 60 Hz current; therefore, peer-to-peer endpoint device communication is impossible.

The new meters record energy consumption at the service point; the meter has no capability to identify any specific device or load beyond the meter. The meters used

on Idaho Power's system are standard kilowatt-hour meters capable of recording total energy use only. These are the same meters installed prior to AMI – the only difference is they have a Two-Way Automatic Communications System (“TWACS[®]”) communication module installed to send the data back to the substation on request. Idaho Power has employed cyber security standards of encryption and isolation to ensure the integrity of the communication system. As explained above, the meters installed do not communicate with other meters or any other devices on the electrical system.

Based upon her description of the AMI meter in her letter to the Commission dated January 2, 2012, Idaho Power believes that Ms. Menth misunderstands the purpose of the communication indicator on the meter's display. Although not intuitive, that indicator is “on” when the meter updates the integrated AMI communication module with usage data (which occurs periodically as energy is consumed). The indicator has no correlation with any external meter communication with the substation.

As part of a voluntary demand response program, direct load control is used to reduce peak load and help reduce the need for more costly generation resources. Load control devices are installed only on the equipment of customers who request a device to participate in the voluntary AC Cool Credit or Irrigation Peak Rewards programs. The AMI system in the substation supports direct load control by providing commands to those voluntary devices (which are physically separate from and operate independently of the AMI meters) and confirmation of the action performed by devices installed on customer-owned equipment, such as air conditioners or irrigation pumps. Because the meters deployed by Idaho Power do not contain the technology necessary to

communicate with other devices in the home, the meters cannot monitor or control appliances beyond the meter.

B. Health Risks.

Ms. Menth also objects to installation of Idaho Power's AMI meters due to possible negative health effects. Ms. Menth's January 2, 2012, letter to the Commission recites information from an engineer claiming:

. . . when intentional pulses (communication) are put onto electrical wires which were never designed for communication as are the shielded and twisted wires used by cable TV, computers, and telephones, it will generate electromagnetic fields of dirty power, from 120 hertz to 660 hertz plus a lot of higher frequency harmonics, which follow the house wires wherever they travel throughout the whole house. PLC is to be used cautiously because the dirty power generated by neighboring houses will travel on electrical wires from one home into the next home's wiring in every direction not just back to the receiver.

A small number of people across the country have ascribed various health issues to constant exposure to wireless transmission of RF and EMF produced when heavy current flows through electrical circuits in their homes. Although some meters installed by other electric utilities communicate constantly via wireless RF, the new meters employed by Idaho Power are fundamentally different. Idaho Power's AMI meters do not transmit wirelessly or produce any high frequency signals; they use only the 60 Hz power line to communicate.

Idaho Power's meters communicate with the distribution substation upon request for no more than 20 seconds four times each day. The communication from the meter is sent on the distribution power line and does not enter the customer's home. Idaho Power's AMI meters do not produce any EMF on the home's wiring because the signal

is between the meter and the substation (external to the home) on the Company's electrical system. Because Idaho Power's AMI meters do not communicate wirelessly and do not operate via frequency, they pose no health risks greater than non-AMI meters and less risk than normal use of electricity in the home.

C. Sale of Personal Consumption Data.

As stated in her letter to the Commission dated January 2, 2012, Ms. Davis claims that once the data is in its possession, the utility "may sell or give it to external interested parties for marketing, law enforcement and a plethora of other purposes unrelated to the provision of electrical service."

Idaho Power does not sell its customer data – ever. The Company zealously protects this proprietary information and has very specific procedures in place to ensure the security of its customer data. Idaho Power does not release customer information to third parties without the customer's consent, a subpoena or court order, or power of attorney granting a third party permission to access the information.

III. COST OF ALTERNATIVES

AMI metering is the Idaho Power standard for metering equipment and non-standard metering is not currently available at customer request. Idaho Power is opposed to the establishment of non-standard metering at customer request. In the letter accompanying the Summons issued January 19, 2012, the Commission requested information on the cost of: (1) uninstalling a meter and reinstalling a different meter; (2) not being able to remotely gather usage data for billing purposes; (3) offering customers an "opt-out" alternative; and (4) if an "opt-out" alternative were available, the

cost of using estimated and actual meter readings to calculate bills. Idaho Power addresses each of these costs below:

A. Cost to Uninstall a Meter and Reinstall a Different Meter.

Idaho Power estimates that it will cost approximately \$110.80 to remove the standard AMI meter, replace it with a non-standard meter, and cover associated administrative expenses. This amount includes the cost of the non-standard meter itself. If non-AMI metered service is later cancelled or if the customer moves to a different location, Idaho Power estimates it will cost approximately \$75.75 to reestablish automated metering service at the initial residence. This includes the cost to perform a service visit to remove the non-standard meter, replace it with a standard AMI meter, and to cover associated administrative expenses.

B. Billing Costs Associated With Not Being Able to Remotely Gather Usage Data.

Idaho Power estimates that it will incur approximately \$54.58 a month in additional billing expenses if it cannot remotely gather usage data. This is the monthly cost of a site visit based on the three-year average site visit cost and the cost to manually process the readings retrieved as a billing read.

C. Cost to Offer an Opt-Out Alternative.

Again, Idaho Power is opposed to an opt-out alternative. If the Commission required such an alternative, Idaho Power would incur a one-time expense of approximately \$110.80 to swap meters and set up each customer, monthly expenses of \$54.58 per customer in additional billing expenses, and a one-time \$75.75 expense if the non-AMI opt-out service were cancelled. Idaho Power's costs to provide an opt-out option are in line with those of Portland General Electric, which collects a \$254.00 one-

time charge to install a non-network meter and \$51.00 per month for a non-network meter read.³

Although more difficult to quantify financially, Idaho Power will experience additional costs to maintain the infrastructure and processes to bill and administrate the one-off processes and charges required to accommodate an opt-out option. It will also be more difficult and time consuming to address customer high bill complaints without detailed usage data.

D. **Cost to Use Estimated and Actual Meter Readings to Calculate Bills If Opt-Out Is Used.**

Idaho Power believes the \$54.58 monthly cost to bill customers using non-AMI meters will include expenses associated with using estimated and actual meter readings.

IV. IDAHO POWER'S POSITION

Based on the foregoing demonstration of the expense and administrative burden to accommodate concerns that lack a basis in fact, Idaho Power is opposed to opt-out provisions for metering. The Commission should deny the requests of Ms. Menth and Ms. Davis to replace their new meters with analog or electromechanical meters at any cost. Analog and electromechanical meters have not been manufactured since 2007 and cannot be cost-effectively maintained by Idaho Power.

The AMI meter is the standard equipment utilized by more than 99 percent of Idaho Power's customers.⁴ This meter technology does not transmit data wirelessly or via higher frequency than the basic 60 Hz used to provide electrical service and the

³ Portland General Electric Tariff Advice No. 11-15 approved July 26, 2011.

⁴ Idaho Power continues to use solid-state (digital) meters in a few remote areas where AMI substation equipment cannot be cost-effectively deployed.

meters do not communicate with or control other devices; therefore, there is no basis for the concerns raised by Ms. Menth and Ms. Davis.

Ms. Menth and Ms. Davis have both offered to read their own meters and call in their usage data to Idaho Power. Such arrangements have proved unworkable in the past because customers sometimes misread the meter or were unable to perform the meter read on schedule due to vacations, illness, or simply forgetting to do so. Delays in sending in the meter reads resulted in considerable administrative expense and/or customer frustration when rebills occurred, particularly with implementation of tiered rates. Idaho Power opposes any such arrangement now.

The complainants both cite the required state review of a federal smart meter ratemaking standard for electric utilities in the Energy Policy Act of 2005, 16 U.S.C. §2621(d)(14), as legal authority for the ability to opt-out of receiving an AMI meter. Idaho Power does not believe the complainants have accurately interpreted the statute, the intent of which was to promote adoption of the smart meter technology and time-based rates they wish to opt-out of. In January 2007, this Commission agreed with the intent of the federal smart meter standard but declined to adopt it because "its ubiquitous scope and implementation timeline are unrealistic." Order No. 30229 at 9.

Although the Complaints filed by Ms. Menth and Ms. Davis focus on concerns unrelated to Idaho Power's AMI technology, it is undisputed that AMI meters provide many benefits to customers who have them installed.

Operating Benefits. As a result of deploying AMI, Idaho Power has virtually eliminated billing estimations and meter read errors, thus also reducing billing errors and bill corrections. Removal of the new meter and replacement with a non-

communicating meter will increase the potential for billing errors and reading estimations.

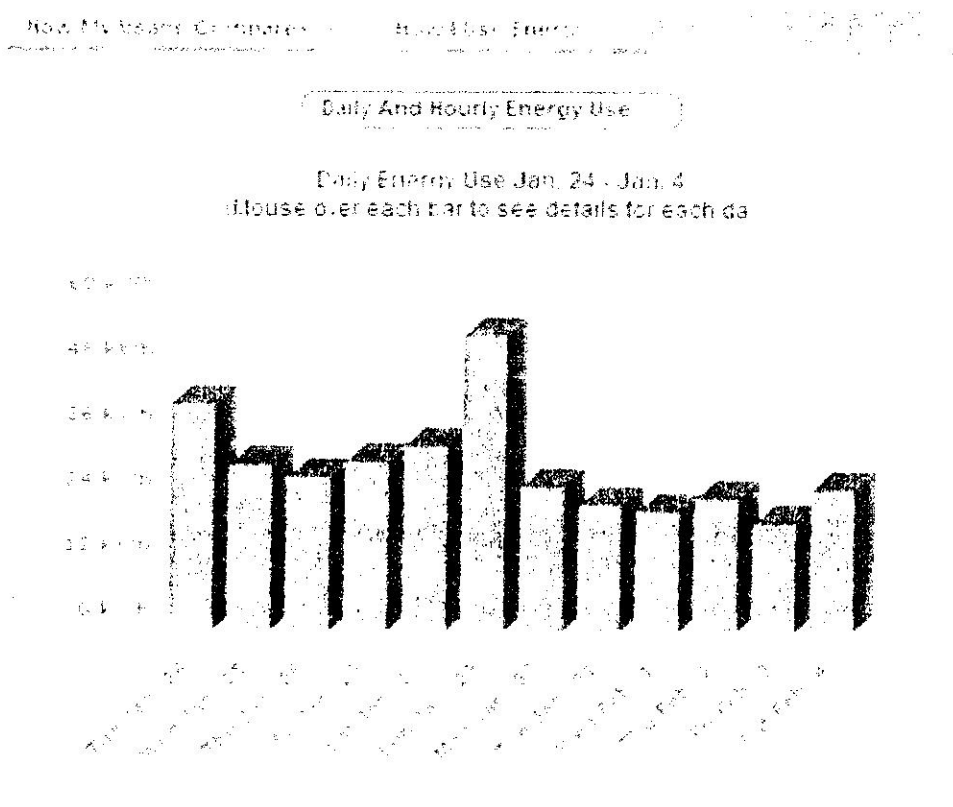
The environmental benefits from AMI are significant. The Company has removed 75 vehicles from service and eliminated the need to drive more than a million miles a year. This has reduced Idaho Power's carbon footprint, fuel consumption, and roadway congestion. Customers who opt-out from AMI will detract from these gains.

The AMI system will also provide valuable outage scoping and restoration data, enabling Idaho Power to improve outage response and ensure complete restoration of service faster. Even though Idaho Power has not yet fully integrated the AMI system with the outage management system ("OMS"), the Company has used the system in specific instances to assist in service restoration and confirmation. Once fully integrated with OMS, the system will provide valuable data about outage scope and restoration confirmation that will result in more efficient and timely restoration of power to Idaho Power's customers. Opting out of an AMI meter would also eliminate other benefits such as voltage monitoring and meter and service failure detection.

Usage Information. The recording and management of hourly energy consumption data is the basis for the Company's ability to provide customers with access to detailed data about their individual energy consumption, thus enabling them to make wiser choices about their future energy usage. Attachment No. 1 depicts the types of usage information and analysis now available to customers with AMI meters on Idaho Power's website at www.idahopower.com. Daily and hourly usage data is typically validated and posted within 72 hours so that customers can use the available

pre-bill information to reduce their bill by proactively managing their energy consumption.

The Company has found that the data from AMI meters is helpful in resolving customer billing issues and is a great tool to educate customers on their individual energy consumption patterns and history. As depicted below, one of the many features includes a chart outlining daily energy use. By selecting an individual day, a customer can drill down to the hour and review consumption. This level of data empowers customers to identify energy usage patterns and behaviors directly impacting their consumption.



Customers without AMI meters will not have time-based usage history available to resolve usage questions or concerns, or to evaluate rate options like time-of-use or

critical peak pricing in the future. Customers who opt-out will likewise be unable to fully utilize the energy usage tools on Idaho Power's website. Idaho Power's Account Manager could provide only monthly consumption data as depicted in Attachment No. 2 to those customers who opt-out.

In addition to the on-line tools described in Attachment No. 1, Idaho Power customer service employees utilize these same tools when assisting customers who elect to call into the Customer Service Center for assistance. If a customer account does not have AMI level data, employees will not have access to detailed usage information to provide optimal information to assist customers with their usage and billing inquiries.

It should also be noted that many customers find the AMI system less intrusive because meter specialists no longer need to access customers' property on a monthly basis to read the meter. Issues with animals, fences, gates, and property access occur much less frequently than with a monthly manual meter reading process.

Time-of-Use Pricing. Idaho Power is also concerned that customers who opt-out will not be able to participate in time-of-use pricing that more accurately assigns the cost of electrical service and provides customers an opportunity to reduce their bills by shifting usage to less costly time periods. As the Commission noted in Order No. 29126 issued in Case No. IPC-E-02-12's Investigation of Time-of-Use Pricing for Idaho Power Residential Customers:

Time-of-use pricing, particularly the 'critical peak' variety, has the potential to create significant load reductions during high cost hours and reduce the need for expensive peaking facilities. We preliminarily find those two reasons promote the public interest. *Idaho Code* § 61-302.

The 2012 Idaho Energy Plan currently under review by the Idaho Legislature also recommends all Idaho utilities move to a smarter grid and offer pricing structures that encourage customers to minimize their usage during times of peak demand.⁵ Customers who receive this more accurate pricing information can use it to alter their discretionary patterns of usage and over time it is anticipated that the efficiency of the system will be increased by lowering the overall cost of energy to the Company and customers. While the Company is just at the beginning stages of offering these time variant rates, there is concern that the potential for system efficiencies will be reduced if, over time, large numbers of customers are allowed to opt-out of receiving this pricing signal. Obviously, customers who opt-out will not have the opportunity to lower their bills by changing their usage patterns. Maintaining a discreet subset of opt-out customers will likely increase the administrative burden of studies and costing, as well as offerings and mailings.

V. COMMUNICATIONS AND SERVICE OF PLEADINGS

Service of pleadings and communications with reference to this case should be sent to the following:

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⁵ 2012 Idaho Energy Plan, Action E-9 (January 10, 2012 draft).

VI. REQUESTED RELIEF

Idaho Power requests that the Commission deny the relief requested in the Complaints of Bonnie Menth and Vicky Davis. The Commission has long resisted micromanaging Idaho Power's operation of its system and its business decisions. See Order Nos. 25198, 27690, and 30624. Idaho Power has always had the discretion to choose the equipment used to serve customers, including its meters. As a condition of service as set forth in Idaho Power Tariff Rule C and Utility Customer Relations Rule 302.05, Idaho Power has the legal right to replace or repair its meters and to access private property for reasons related to power delivery. Requiring a utility to use a specific type of equipment, particularly one that is less functional than the standard, is not a good business practice. Moreover, it undercuts the very regulatory goals (such as improved outage management, billing accuracy, and time-of-use pricing) the Commission sought to achieve by requiring Idaho Power to adopt this technology generally. See Order No. 30726.

Although other states have offered a smart meter opt-out option, they did so in large part to address customer concerns about privacy and potential negative health effects from exposure to radio frequency communications. Idaho Power's service area is distinguishable from those jurisdictions because the AMI technology deployed by Idaho Power is fundamentally different – it does not send a wireless signal and cannot measure or control the operation of individual appliances. The concerns identified by Ms. Menth and Ms. Davis do not have a basis in fact relative to Idaho Power's use of AMI. Therefore, an opt-out option is unnecessary to address problems that do not exist with the Company's AMI technology.

If the Commission finds that requiring Idaho Power to offer non-standard equipment to facilitate an opt-out alternative is nonetheless warranted, Idaho Power believes that the incremental costs (described in greater detail above) should be directly assigned to the individual customers requesting this non-standard service.

Dated at Boise, Idaho, this 9th day of February 2012.



LISA D. NORDSTROM
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 9th day of February 2012 I served a true and correct copy of the within and foregoing ANSWER upon the following named parties by the method indicated below, and addressed to the following:

Commission Staff

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Idaho Public Utilities Commission
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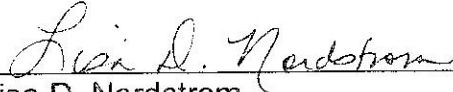
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Lisa D. Nordstrom

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-12-04**

IDAHO POWER COMPANY

ATTACHMENT NO. 1

Residential Customer Account Manager with Smart Meter -

The Idaho Power website, www.idahopower.com, provides many different features for residential customers to be empowered by becoming an Account Manager. Access to account information is available 24/7 so customers can do business when it is most convenient for them. Energy Tools assist residential customers in understanding their usage and provides information, tools, and tips to save energy and money. The circled areas are tabs that contain detailed hourly data features only accessible to customer accounts with AMI data.

Account Manager

[View My Bill](#) [Pay My Bill](#)

<p>Account Manager</p> <ul style="list-style-type: none"> My Account Bill and Payment History Usage History Daily And Hourly Energy Use Energy Use vs Degree Days Pay My Bill Add Payment Bank Account Ways To Pay My Bill Add An Account Residential Service Forms Business Service Forms Update My Profile Understanding Your Bill <p>Service and Billing</p> <p>Energy Efficiency</p> <p>News and Community</p> <p>Our Environment</p> <p>Careers</p> <p>About Us</p>	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;"> <p>Account Balance: 59.11</p> <p>Due Date: 01/27/12</p> <p>Last Payment Date: 01/17/2012</p> <p>Next Meter Read Date: 02/07/2012</p> </td> <td style="width: 50%;"> <p>Approved Budget Fee: \$0.00</p> </td> </tr> </table> <p style="text-align: center;">Bill To Date</p> <div style="display: flex; justify-content: space-around; margin-top: 20px;"> <div style="border: 1px solid black; border-radius: 50%; padding: 5px; text-align: center;"> View My Energy Use </div> <div style="border: 1px solid black; border-radius: 50%; padding: 5px; text-align: center;"> Compare My Energy Use </div> </div> <p style="text-align: center; margin-top: 10px;"> Bill Changes Bill Comparison Bill To Date </p> <p style="text-align: center; margin-top: 10px;">Last Month's Current Month's Next Month's Estimated</p> <table border="0" style="width: 100%; text-align: center;"> <tr> <td style="width: 33%; vertical-align: top;"> <p>Actual Usage</p> <p>October 514 kWh \$71.44</p> </td> <td style="width: 33%; vertical-align: top;"> <p>To Date Usage</p> <p>November 411 kWh \$71.44</p> </td> <td style="width: 33%; vertical-align: top;"> <p>Estimated Total Usage *</p> <p>Estimated 825 kWh \$142.88</p> </td> </tr> </table> <p style="font-size: small; text-align: center; margin-top: 10px;"> * This is a simplified estimate of the amount of your next bill. Past usage is not necessarily a predictor of future usage. See additional information on meters. About these results. </p>	<p>Account Balance: 59.11</p> <p>Due Date: 01/27/12</p> <p>Last Payment Date: 01/17/2012</p> <p>Next Meter Read Date: 02/07/2012</p>	<p>Approved Budget Fee: \$0.00</p>	<p>Actual Usage</p> <p>October 514 kWh \$71.44</p>	<p>To Date Usage</p> <p>November 411 kWh \$71.44</p>	<p>Estimated Total Usage *</p> <p>Estimated 825 kWh \$142.88</p>
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"How My Usage Compares" Tab

"Bill-To-Date" provides residential customers their current unbilled usage to date (three day lag) and provides an estimate of what their next month's total usage and cost will be. Additional details are provided when the "Bill-To-Date" button is selected. This feature assists customers throughout the billing cycle by providing information to understand consumption and associated costs for optimal bill management.

Bill-To-Date Detail

Estimated Total Usage At End Of Bill Period (Feb. 6, 2012) 915 kWh

- * Energy Used To Date (from Jan. 7 through Feb. 4) 869 kWh
- * Estimated Bill-To-Date \$51 to \$66

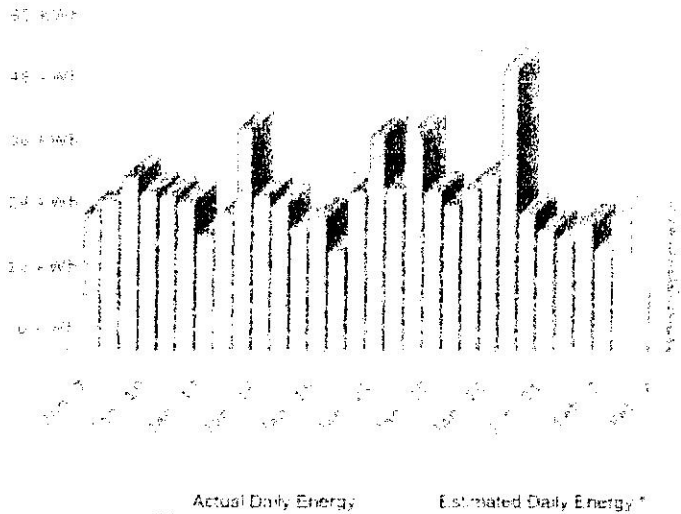
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Bill-To-Date Daily Energy For Account 95 Service Agreement 81

- * Estimated Bill-To-Date \$51 to \$66
- * Estimated Total Amount At End of Bill Period \$64 to \$71

Bill-To-Date Daily Energy Use Jan. 7 - Feb. 4
Estimated Daily Energy Use Feb. 5 - Feb. 6



Estimated Daily Energy based on the average daily use of your actual energy use to date.

This is a good estimate of the amount of your next bill. Your usage (and not necessarily a reliable predictor of future usage).

"When I Use Energy" Tab

Smart meter interval data -This bar chart shows residential customers their most recent 12 days of their daily usage. By mousing over the bar chart, the usage amount of each representative day will display. If a customer desires additional interval meter data, he or she can select Daily And Hourly Energy Usage.

Account Manager

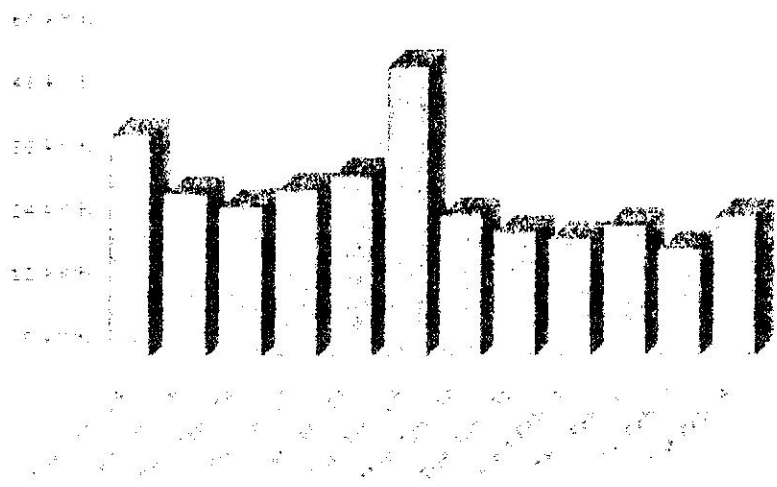
Account Balance	\$0.00	View My Bill	Pay My Bill
Due Date	01/27/12	View My Budget	
Current Balance	\$146.40		
Last Payment Date	01/17/2012		
Next Meter Read Date	02/07/2012		

[Payment History](#)
[Bill History](#)
[Usage History](#)

[View My Usage and Report](#) [Smart Use Energy](#)

Daily And Hourly Energy Use

Daily Energy Use Jan. 24 - Jan. 4
Mouse over each bar to see details for each da



"When I Use Energy" Tab

"Daily And Hourly Energy Use" - Viewing peak days and hours by month, this function automatically identifies the peak day and hour for recent months. This assists residential customers in understanding their usage behaviors and provides information opportunities to change those behaviors, supporting better-informed decisions about energy usage and its impacts. By selecting the peak days and hours, the customer is directed to the selected graph below.

Daily And Hourly Energy Use

What day and what hour are you using the most electricity? Find ways to save by going to the [Savings Center](#). Click on the links below to learn how you are using electricity.

- [View Peak Days](#)
- [View Peak Hours](#)

Electricity usage is highest during the summer months. This is due to the increased use of air conditioning and other cooling equipment.

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Peak Days	Peak Hours
3/1/2010 59,251 kWh	3/1/2010 12 PM 5,501 kWh
3/1/2010 60,541 kWh	3/1/2010 10 PM 5,501 kWh
3/1/2010 54,141 kWh	3/1/2010 10 PM 5,781 kWh
3/1/2010 29,941 kWh	3/1/2010 3 PM 3,001 kWh

• Multiple hours with same peak value

Are there usage spikes during your peak days? At what time? Can you identify and better control what causes those spikes? Visit the [Detailed Analysis](#) tab within the [Savings Center](#) to find ways to make improvements to your home and maximize your energy savings opportunities.

Customer with AMI account data can view daily usage information by billing month, calendar month or by selected date range. If a customer desires to view hourly information for a selected day, clicking the daily bar graph and selected day will present hourly information in the graph below.

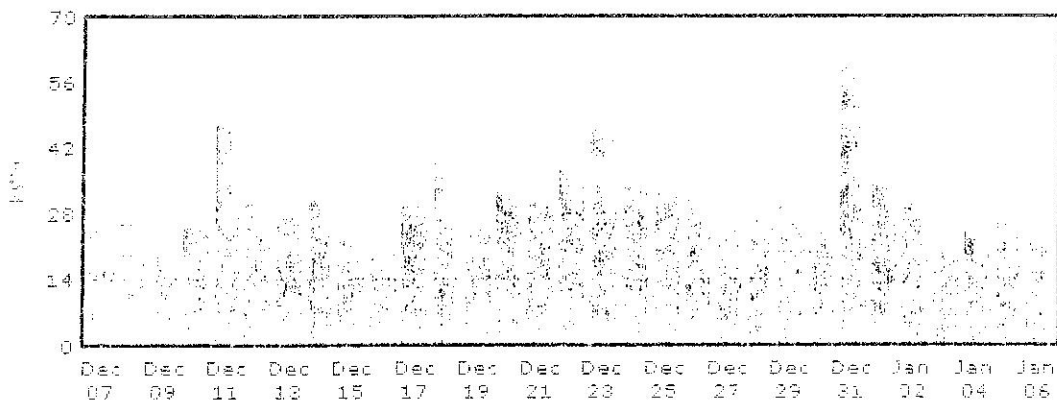
View B, Billing Month: January, 2012 [E&S](#) [RA](#) [A.11](#)

Calendar Date Selection:

From: To:

100%

Daily Energy Use For January Billing Month
December 7, 2011 To January 5, 2012



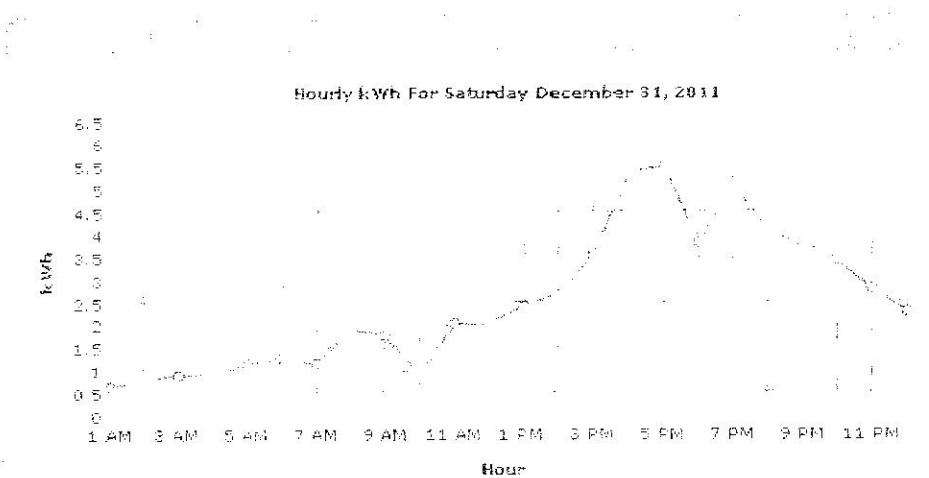
Use the Daily Energy Use charts to identify the days with the highest energy usage. Look for trends in the daily usage bars, relative to one another for the week ends. Then, click on a bar to drill down to the hourly data for that day and identify key hours of energy usage. Look for trends in the hour-by-hour usage.

Customer accounts with AMI data can view hourly usage information by billing month, calendar month or by selected date range.

Account

Calendar Date Selection:

From: To:



What are the top three hours of energy usage? Does this vary from day-to-day? What energy-consuming activities are happening at these times and what energy-saving practices could you put in place?

Account

The hourly kWh values indicate your "hour ending" energy use. For example, the energy value for the 2 p.m. hour, is the amount of energy used between 1 p.m. and 2 p.m.

As we implement our new system providing Daily and hourly energy use for your account, there may be gaps in your usage data due to minor system disruptions and maintenance. We apologize for any inconvenience this may cause you. Your monthly billing will continue to accurately reflect the total amount of electricity used.

If you have questions or require immediate assistance, call us at 298-388-2323 or 1-800-488-6151 from outside the Treasure Valley. Customer service representatives are available weekdays from 7:30 a.m. to 6:30 p.m. Mountain Time.

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-12-04**

IDAHO POWER COMPANY

ATTACHMENT NO. 2

Non-Smart Meter Residential Customer Account Manager-

The Idaho Power website, www.idahopower.com, provides many different features for residential customers to be empowered by becoming an Account Manager. Access to account information is available 24/7 so customers can do business when it is most convenient for them. Note the "Bill to Date" and "Bill Comparison" functions with hourly data are not available.

The screenshot shows the 'Account Manager' page on the Idaho Power website. On the left is a navigation menu with categories like 'Account Manager', 'Service and Billing', 'Energy Efficiency', 'News and Community', 'Our Environment', 'Careers', and 'About Us'. The main content area displays account details for 'Account ID: 12345' and 'Account Name: 12345'. A table shows 'Due Date: 01-15-12', 'Current Balance: \$123.45', and 'Next Meter Read Date: 01-21-12'. A 'Log Out' button is visible. On the right, there is a 'CONFIDENTIAL' stamp, a 'Log Out' button, and a 'New Bill' button. A small icon of a hand holding a phone is also present.

Detailed usage history includes up to 24 months of monthly bill history. Customers with non-AMI accounts only view monthly data rather than daily. No hourly or peak data is available.

Detailed Usage History

Account Information: [Faded text]

Usage History: [Faded text]

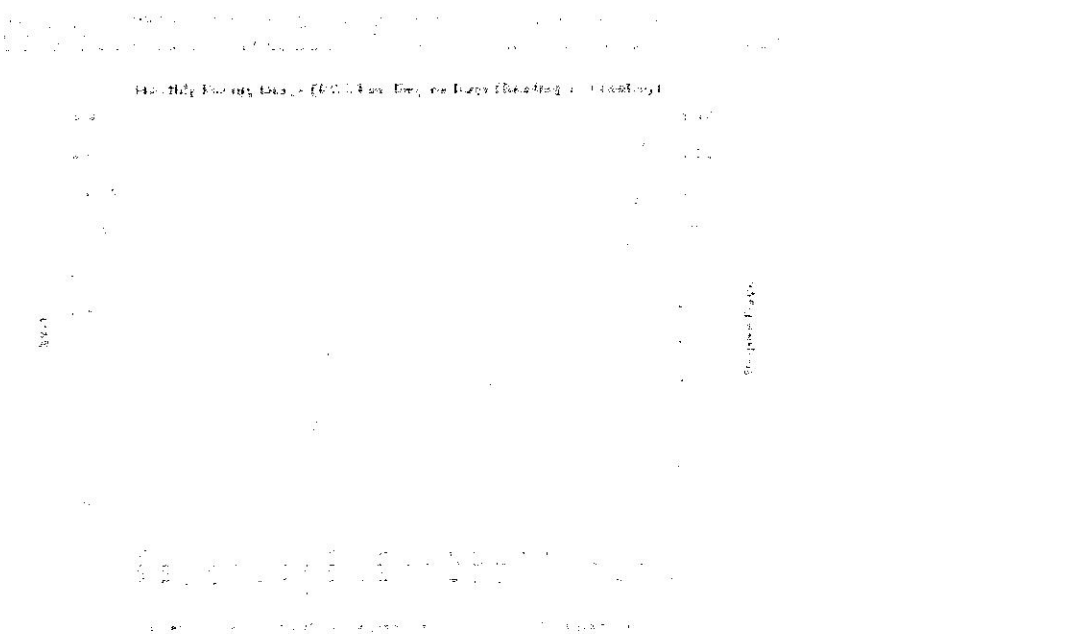
Summary: [Faded text]

Month	Usage (kWh)	Rate	Charges	Balance
Jan 2012	1200	\$0.12	\$144.00	\$144.00
Feb 2012	1100	\$0.12	\$132.00	\$132.00
Mar 2012	1300	\$0.12	\$156.00	\$156.00
Apr 2012	1400	\$0.12	\$168.00	\$168.00
May 2012	1500	\$0.12	\$180.00	\$180.00
Jun 2012	1600	\$0.12	\$192.00	\$192.00
Jul 2012	1700	\$0.12	\$204.00	\$204.00
Aug 2012	1800	\$0.12	\$216.00	\$216.00
Sep 2012	1900	\$0.12	\$228.00	\$228.00
Oct 2012	2000	\$0.12	\$240.00	\$240.00
Nov 2012	2100	\$0.12	\$252.00	\$252.00
Dec 2012	2200	\$0.12	\$264.00	\$264.00

Energy usage compared to degree days presents up to 24 months of monthly data. Customers with non-AMI accounts only view monthly data. No hourly or peak data available.

Energy Usage vs. Degree Days

Customer: [Faded] Account No: [Faded] Billing Period: [Faded] Report Date: [Faded]



Energy usage is measured in kilowatt-hours (kWh) and degree days are a measure of the total amount of heat energy required to maintain a building at a constant temperature over a period of time.

The chart below represents what a customer that does not have AMI account data will see. No hourly or peak data will display.

Daily And Hourly Energy Use

Account Number: [] Meter ID: []
Start Date: [] End Date: []
45 [v] 34 [v]

Incl. Daily Energy Use and Peak Data