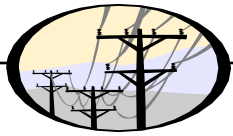


Idaho Consumer-owned Utilities Association

PO Box 1898 Boise, id 83701

ph: 208.344.3873 www.icua.coop

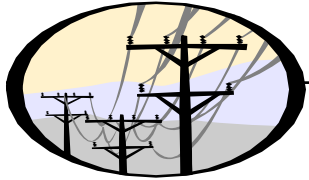
Presentation to the
Northwest Power and Conservation Council
October 7, 2009



Idaho Consumer-Owned Utilities Association

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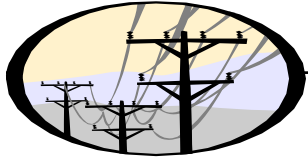
- Will Hart, *Executive Director of ICUA*
- Jo Elg, *Assistant General Manager Idaho Falls Power*
President of ICUA
- Eric Anderson, *Director Northern Lights*
Idaho State Representative
- Ralph Williams, *Manager United Electric Co-op*
- Jim Webb, *CEO Lower Valley Energy*
- Fred Brog, *Director Lower Valley Energy*



Idaho Consumer-Owned Utilities Association

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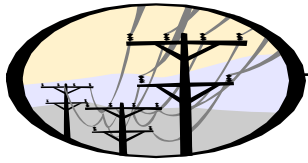
Who is “I See You Eh”?



ICUA

- ICUA is an Idaho Non-profit Corporation that was originally chartered with the Secretary of State in 1948.
- Today ICUA is composed of 14 rural electric cooperatives and 8 municipalities – providing electric power to their members and citizens.
- All members of ICUA contract with the Bonneville Power Administration for power and transmission services.

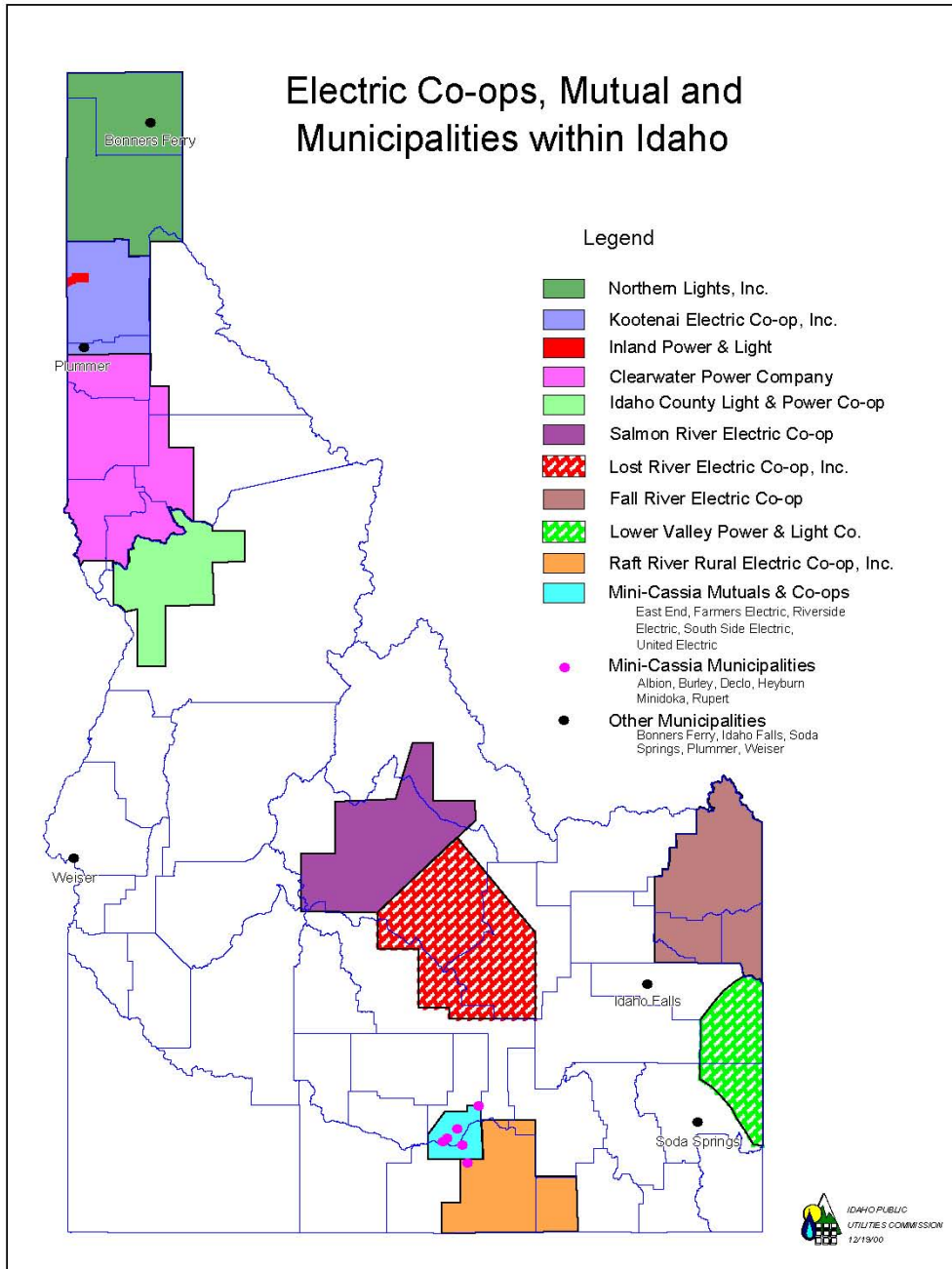
ICUA Members



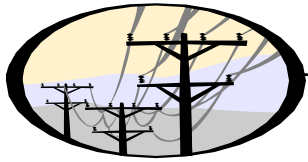
1. Albion
2. Bonners Ferry
3. Burley
4. Clearwater Power
5. Fall River
6. Heyburn
7. Idaho County
8. Idaho Falls Power
9. Inland Power
10. Kootenai
11. Lost River
12. Lower Valley Energy
13. Northern Lights
14. Plummer
15. Raft River
16. Rupert
17. Salmon River
18. Soda Springs
19. South Side
20. United
21. Weiser
22. Wells

Public Power Service Territory

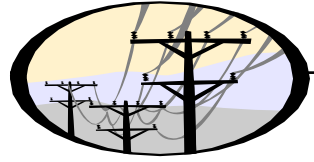
Electric Co-ops, Mutual and Municipalities within Idaho



ICUA Statistics

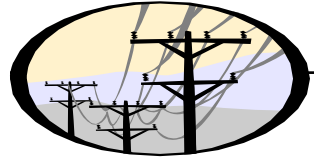


- 2007 Data:
 - 2,974,000 MWh Annual Retail Sales in Idaho
 - Serving 120,000 consumers in Idaho
 - Gross Revenues of \$215,000,000



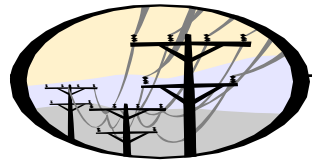
ICUA History

- Originally ICUA was the *Idaho Cooperative Utilities Association*, an association that represented only rural electric cooperatives.
- ICUA's original purpose was to serve as a Generation and Transmission Cooperative to assist in bringing low cost federal power to Idaho.



ICUA History

- In 1996 the association became *Idaho Consumer-owned Utilities Association* in order to include municipalities that own and operate electric systems in its membership.
- The association is still known as ICUA.
- The association is unique in that the membership consists of both cooperatives and municipalities.



ICUA Organization

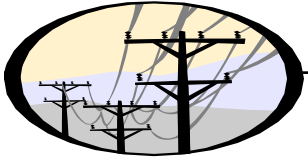
- ICUA has a board of Directors – each member system is represented by one director.
- The Board sets policy for the association and identifies issues to work on.
- In an effort to be more effective and better organized, the Board made the decision to hire a full time Executive Director in 2008.



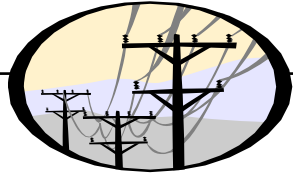
ICUA Mission

The Mission of the ICUA is to represent the collective needs of its Members and their ratepayers – to protect the ability for Idaho’s consumer-owned utilities to offer low cost, high quality electric service to its consumers.

ICUA Mission



- ICUA's primary focus is acting on State issues.
- ICUA may also address Regional and National issues in the interest of their ratepayers.
- In recent history, ICUA has focused its efforts on Regional issues that are specific to Idaho public utilities.

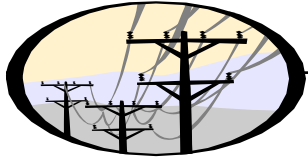


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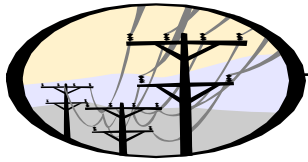
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ICUA

Over the last several years, Bonneville Power Administration (BPA) and its customers have worked together in a collaborative way to sign new 20 year contracts. BPA has had an open dialogue with customers. ICUA wants the Council to know that we appreciate the process and wish to compliment BPA.

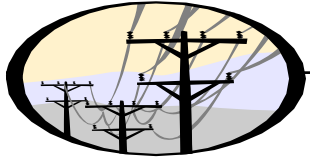
Thank you to BPA for listening and working with us



ICUA

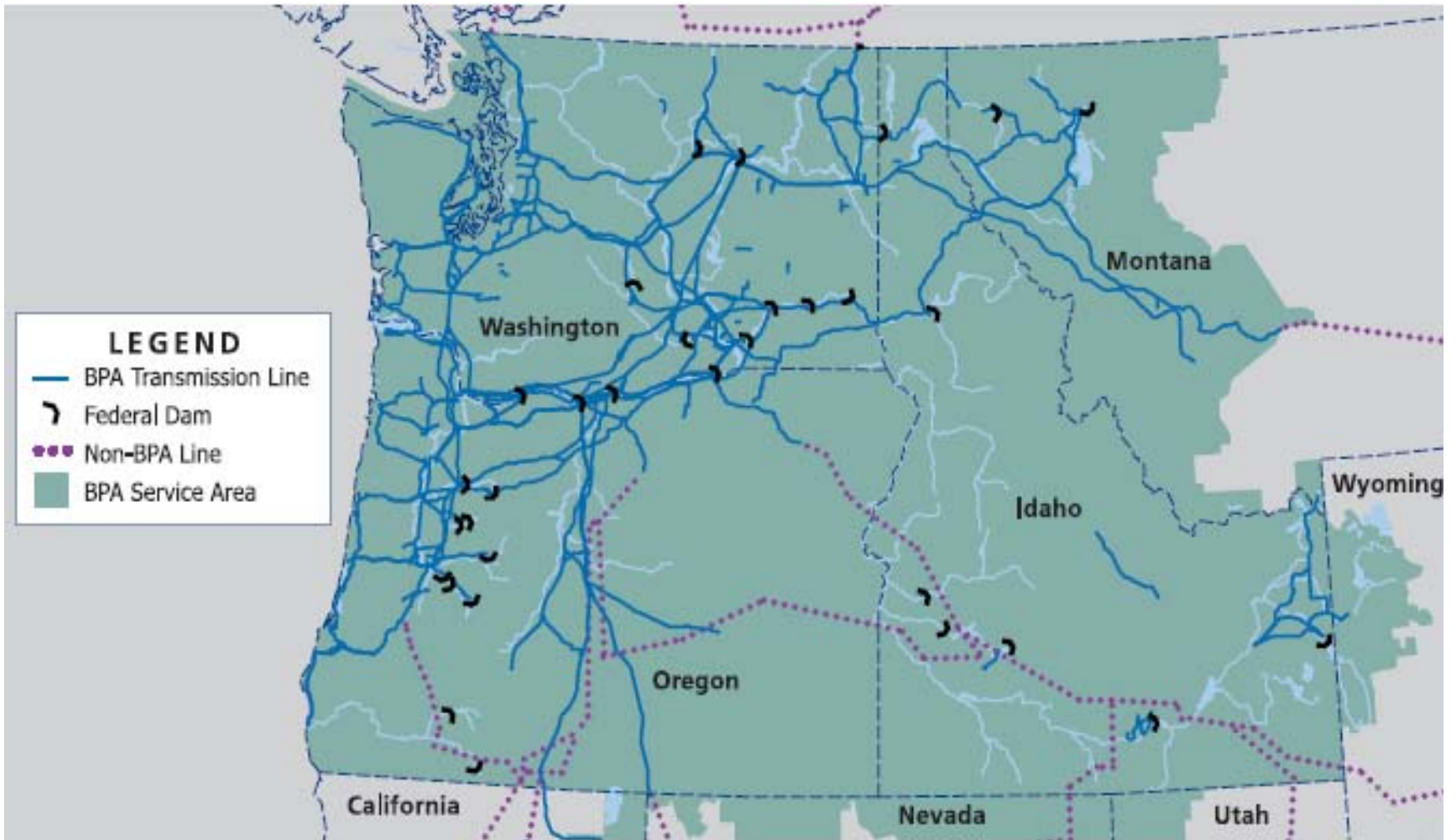
General Transfer Agreements

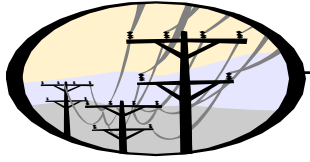
- 1962 – BPA begins talks with U.S. Bureau
- Prior to 1963, Idaho Consumer Owned Power served by Bureau Dams
- Growing load required new power resources
- BPA wanted to serve industrial loads associated with phosphate mining



ICUA

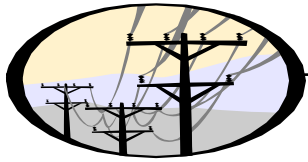
- BPA planned a transmission line from La Grande, Oregon to Soda Springs, Idaho
- Idaho Power President, T. E. Roach, termed it a bold, arrogant pressure play by the vindictive public power group
- Idaho Power & Utah Power & Light went to Idaho State Legislature & Washington D.C. to block & prohibit the planned transmission line





ICUA

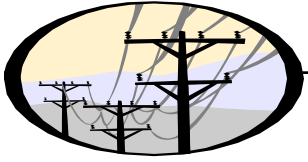
- BPA made second attempt to build line to Idaho via Montana. Blocked by J.R. Simplot
- Political tension between Investor Owned & Consumer Owned utilities in Idaho
- Finally, in 1968 after 5 tedious years of negotiations, between Idaho Power & BPA resulted in General Transfer Agreements (GTA) for BPA customers.



ICUA

- GTAs have saved huge dollars for Northwest rate payers
- Energy Policy Act of 1992 opened wholesale markets to independent power producers
- FERC followed in 1996 with Order No. 888 & 889
- These orders directed open & non-discriminatory access to transmission lines & “Open Access Same Time Information Systems” (OASIS)

ICUA

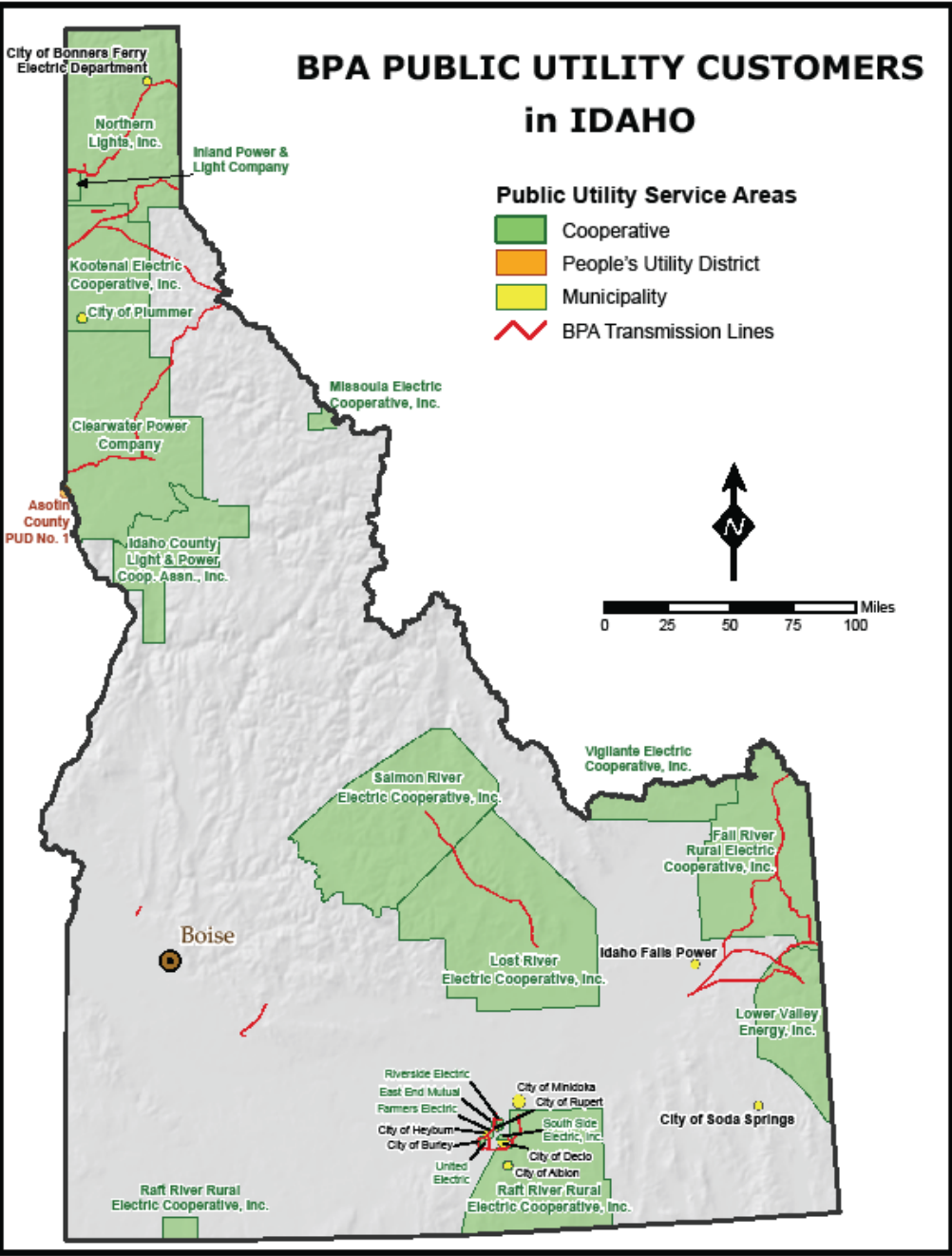


- BPA operates the same as an IOU relative to these orders
 - Transmission Business Line
 - Power Business Line
- BPA provides power & transmission at cost
- BPA provides delivery of power over BPA owned & third party owned transmission lines

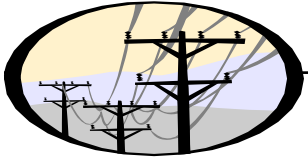
BPA PUBLIC UTILITY CUSTOMERS in IDAHO

Public Utility Service Areas

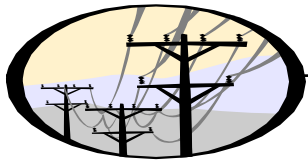
- Cooperative
- People's Utility District
- Municipality
- BPA Transmission Lines



ICUA



- All BPA customers pay same rate for power & transmission
- BPA's Idaho customers have the functional equivalent of being connected directly to a BPA transmission line
- GTA's and successors have saved millions for BPA customers



ICUA

- Conditions of the new 20 year contract provide for Idaho Consumer Owned Utilities to purchase non-federal power
- Idaho Consumer Owned Utilities are concerned that they may become lost with future FERC orders
- Idaho **NEEDS** more transmission to serve the state
- ICUA is working with BPA to promote BPA transmission ownership in Southern Idaho