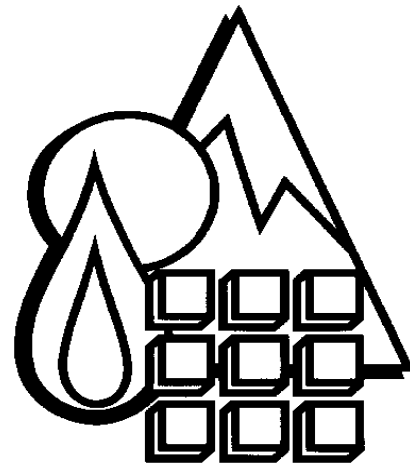


IDAHO PUBLIC UTILITIES COMMISSION



STRATEGIC PLAN

Revised July 1, 2009

Our mission:

- Determine fair, just and reasonable rates and utility practices for electric, gas, telephone and water consumers.
- Ensure that delivery of utility services is safe, reliable and efficient.
- Ensure safe operation of pipelines and rail carriers within the state.

INTRODUCTION

The Idaho Public Utilities Commission was established by the 12th session of the Idaho Legislature and was organized on May 8, 1913. The Commission's statutory authorities are set out in Idaho Code, Titles 61 and 62.

The Commission oversees the intrastate operation of investor-owned electric, gas, water, and telecommunications utilities. The Commission does not regulate publicly owned, municipal or cooperative utilities. The Commission also does not regulate cable TV companies, cellular telecommunication carriers or paging companies.

For much of the last 90 years, public utility regulation has been based on the theory of a "regulatory compact" between utilities and regulators: In return for an exclusive franchise granted by regulators, utilities agree to serve all those requesting service; and in return for agreeing to invest capital in plant and facilities, utilities are given a reasonable opportunity to earn a fair return on that capital. Changes in law and technology are dramatically affecting the industries we regulate, opening the door to more competitors and enabling the establishment of more competitive markets.

The Commission also oversees rail and pipeline safety programs.

MISSION STATEMENT

The Idaho Public Utilities Commission serves the citizens and utilities of Idaho by ensuring that the rates and policies established for utility services are fair, just and reasonable, utility services are delivered safely, reliably, and efficiently, and pipelines and rail carriers operate safely within the state.

STRATEGIC PLAN

VISION: The Commission will implement regulatory actions that stimulate excellence in aligning private business behavior in the Idaho utility sector with the public interest. These regulatory actions will reflect public input, changes in law, technology and market environments. The Commission envisions itself as a proactive, positive leader in establishing performance standards for regulated Idaho utilities and in exercising oversight of the implementation of these standards.

ADMINISTRATION DIVISION

Program Goal:

The Administration Division is responsible for managing and coordinating the administrative activities of the Idaho Public Utilities Commission (IPUC) efficiently and effectively. The Administration Division manages all information received, handled or published by the IPUC; it informs the public of its actions and decisions; it maintains a Website with an electronic database of commission cases and other information; it provides fiscal, personnel, information

technology, and administrative support services to the Commission as a whole; and it supports the Legislative and Executive branches with analysis and information on utility, pipeline and railroad matters.

Program Objective 1 - Manage and coordinate the administrative activities of the Idaho Public Utilities Commission efficiently and effectively as well as facilitate the efficient management of cases being considered by the Commission.

Annual Performance Measures:

Number of cases older than a year that are closed during the fiscal year.

Annual Performance Targets:

Close 20% of all cases older than one year.

External Factors:

The Commission has no control over the number of cases filed. While it makes every effort to close all cases in a timely manner, the judicial process requires adequate time for public comment, discovery, investigation, presenting evidence, and deliberation.

UTILITIES DIVISION

Program Goal: Ensure that the citizens of Idaho are charged just and reasonable rates for utility commodities and that utility services are delivered safely, reliably and efficiently.

Program Objective 1 – Perform audits and investigations of utilities for compliance with commission orders and regulations.

Annual Performance Measures:

Number of comprehensive audits completed.

Number of utility annual reports reviewed.

Annual Performance Target:

Conduct seven comprehensive audits of utilities.

Conduct 20 annual report reviews of utilities.

External Factors:

The Commission has no control over the number of rate cases filed in a fiscal year. Funding and manpower limits the number of audits. The availability of qualified auditors, engineers and economists to fill personnel vacancies impacts operations. Reviews may produce results requiring increased time and resources to resolve.

Program Objective 2 – Investigate and resolve complaints and respond to inquiries regarding regulated utilities.

Annual Performance Measures:

Number of formal complaints received by Commission.

Number of informal complaints received by Commission.
Number of inquiries received by Commission.
Average number of days needed to respond to inquiries and resolve informal complaints.

Annual Performance Target:

Respond to inquiries and resolve informal complaints within an average of 10 business days.

External Factors:

The Commission has no control over the number of inquiries or complaints received in a fiscal year. Funding for resources limits the number of investigators to handle inquiries and complaints.

PIPELINE SAFETY SECTION

Program Goal - Serve the citizens of Idaho by ensuring that all jurisdictional gas system operators operate safely through compliance with federal and state safety regulations.

Program Objective 1 – Conduct on-site visits of gas system operators’ facilities and conduct audits and inspections to ensure compliance with state and federal pipeline safety regulations.

Annual Performance Measures:

Number of inspection units audited.
Number of inspection days completed.

Annual Performance Targets:

12 inspection units audited.
119 inspection days conducted.

External Factors:

Availability of funds, weather, operator schedules, etc.

RAIL SECTION

Program Goal - Serve the citizens of Idaho by ensuring that carriers comply with state and federal safety regulations regarding crossings, clearances and the carriage of hazardous materials. The Commission will also determine whether or not it is in the public interest to represent the state in various rail line abandonment cases before the Surface Transportation Board.

Program Objective 1 - Inspect rail crossings and clearances for compliance with rules and regulations based on complaints, accident investigations and scheduled inspections.

Annual Performance Measures:

Number of rail crossings and clearances inspected based on complaints, applications, accidents and scheduled inspections.

Annual Performance Targets:

Inspect 100 rail crossings and clearances.

Investigate all rail crossing maintenance complaints within 30 days.

External Factors:

Number of complaints, number of accidents, availability of funds, weather, operator schedules, etc.

Program Objective 2 - Ensure the safe transportation of hazardous materials shipped by rail by monitoring compliance with state and federal regulations by carriers and shippers; make educational contacts to assist railroads and shippers in understanding hazardous materials regulations; inspect railroad equipment and hazardous materials packaging to ensure compliance with state and federal requirements; process any deficiencies or violations found.

Annual Performance Measures:

Number of rail HAZMAT inspections.

Annual Performance Targets:

Conduct 125 HAZMAT inspections.

Conduct 12 educational visits.

External Factors:

Availability of funds, weather, operator schedules, etc.

Program Objective 3 - If investigation and the evidence provide justification, represent the State of Idaho in rail line abandonments before the Surface Transportation Board and, if necessary, the appeals court.

Annual Performance Measures:

Number of abandonments investigated.

Annual Performance Targets:

Investigate 100 percent of proposed abandonments.

Participate in all cases before the Surface Transportation Board when it is found to be in the public interest.

External Factors:

Availability of funds, number of abandonment filings from railroads, and number of complaints received by commission.