



STATE OF IDAHO
OFFICE OF THE ATTORNEY GENERAL
LAWRENCE G. WASDEN

June 24, 2003

To: Parties of Record

**RE: Case No. IPC-E-01-16
Notice of Settlement Conference**

Dear Parties of Record:

The Commission Staff and Idaho Power plan to meet on **Tuesday, July 1, 2003 at 9 a.m. at Idaho Power Company** to engage in further settlement discussions in Case No. IPC-E-01-16. Pursuant to Commission Procedural Rule 272, this letter is to advise all parties of the July 1 settlement conference and to invite the parties to attend the meeting.

On June 23, 2003, representatives of Idaho Power, Commission Staff, Industrial Customers of Idaho Power, AARP and Advanced Energy Strategies met to review, identify and discuss issues needing further clarification or resolution in Case No. IPC-E-01-16. These issues are listed on the enclosed page. At the July 1 settlement conference, the parties will discuss their positions on the unresolved issues and identify a proposed dollar amount for settlement negotiations. Parties who are interested in the outcome but did not attend the June 23 workshop are encouraged to review the list of identified issues and attend the July 1 settlement conference.

As you are probably aware, the settlement conference and negotiations are confidential. All discussions during the settlement conference or settlement documents prepared by the parties are confidential. Written and oral statements made by or submitted by an attorney or any party at the settlement conference are not be admissible for any purpose before the Commission and shall not be subject to discovery. *See* Rule 272, IDAPA 31.01.01.272; I.A.R. 49(f).

Assuming that party concerns are timely raised and properly addressed, the July 1 meeting may culminate in a stipulated settlement of some or all of the unresolved issues in this case. In the event that an agreement cannot be reached by a significant number of participants, the matter will be noticed up for hearing before the Commission.

If you have questions concerning the Settlement Conference, please call me at 334-0314.

Sincerely,

A handwritten signature in cursive script that reads "Lisa Nordstrom".

Lisa Nordstrom
Deputy Attorney General

Enclosure

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ISSUES TO BE RESOLVED IN
CASE NO. IPC-E-01-16

- Tri State Transmission Expense
- Sharing of FERC Settlement Transactions
- RT Pricing in the 2003 PCA filing (one month)
- Continuation of Revenue Credit
- Additional Transmission & Capacity Compensation (including ancillary services)
- Truckee Donner Contract
- Other IE Contract Buyouts
- IE status and remaining book
- Any IPC residual responsibility for contracts before and after IE
- Any impact of spinning reserves following issues after 8-31-02
- BPA (Loss Return & South Idaho Contract)
- UAMPS
- PA-02-2 Natural Gas Wash trade
- IE/IP transmission payments
- Transmission rights associated with Red Butte
- Powerex Deal
- City of Colton
- Displacement (page 2 of Stipulation – explain why retail customers were not disadvantaged)
- Low Risk Arbitrage
- Penalties