



**IDAHO
POWER®**

An IDACORP Company

CELESTE SCHWENDIMAN

Senior Analyst

Pricing & Regulatory Services

APR 20 10 22 AM '06

IDAHO POWER COMPANY

(208) 388-6447

FAX (208) 388-6449

E-MAIL cschwendiman@idahopower.com

May 23, 2006

Ms. Jean D. Jewell
Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

RE: Annual Compliance Filing for Case No. IPC-E-03-11
Asset Retirement Obligation (SFAS 143)

Dear Ms. Jewell:

In Order No. 29414, the Commission directed the Company to record regulatory assets or liabilities associated with implementation of Statement of Financial Accounting Standards (SFAS) 143. As a result of the Order, the Company is required to file annually, and as part of any rate case filing, all journal entries made under the requirements of SFAS 143.

Enclosed, please find three copies of the 2005 SFAS 143 compliance filing.

Best regards,

Celeste Schwendiman

CS:ma
Attachments

cc: Ric Gale
Greg Said

Idaho Power Company

FAS 143 Accounting

Year Ended December 31, 2005

APR 15 2006 10:57
 UTILITY DIV. ASSISTANT

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2004 balances</i>			
ARO Assets	101	2,775,120	
Accumulated depreciation - ARO assets	108		1,859,824
Accumulated depreciation - removal costs	108	147,699,823	
Regulatory assets	182.3	8,372,493	
ARO Liabilities	230		9,287,789
Regulatory liabilities	254		147,699,823
 <i>Calendar year 2005 Accretion, Depreciation and Removal Cost Entries</i>			
1	Regulatory asset (accretion expense) ARO liabilities	182.3 230	531,516 531,516
	To record accretion expense on the asset retirement obligations		
2	Regulatory asset (depreciation expense) Accumulated depreciation - ARO assets	182.3 108	80,553 80,553
	To record depreciation on the ARO assets		
3	Accumulated depreciation Regulatory liabilities	108 254	4,983,275 4,983,275
	To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the FAS 143 accruals.		
 <i>Calendar year 2005 changes in estimates</i>			
4	ARO Assets Accumulated depreciation - ARO assets Regulatory asset ARO Liabilities	101 108 182.3 230	857,659 23,745 - 621,374 260,030
	To record revision of estimated ARO at Bridger plant.		
 <i>December 31, 2005 balances</i>			
ARO Assets	101	3,632,779	
Accumulated depreciation - ARO assets	108		1,916,632
Accumulated depreciation - removal costs	108	152,683,098	
Regulatory assets	182.3	8,363,188	
ARO Liabilities	230		10,079,335
Regulatory liabilities	254		152,683,098