

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL STAFF**

FROM: SCOTT WOODBURY

DATE: MAY 13, 2004

**RE: CASE NO. IPC-E-04-11 (Idaho Power)
2004 ELECTRIC INTEGRATED RESOURCE PLAN (IRP)
MOTION FOR EXTENSION OF TIME**

On April 30, 2004, Idaho Power Company (Idaho Power; Company) filed a Motion for Extension of Time to file its 2004 Electric Integrated Resource Plan (IRP). Pursuant to Commission Order No. 22299 issued in Case No. U-1500-165, Idaho Power is required to file its biennial Integrated Resource Plan by June 30, 2004. The Company in its Motion requests Commission authorization, either by Order or by Minute Entry, to file its 2004 IRP on or before August 31, 2004.

Idaho Power in its Motion notes that in response to Commission direction in the Company's 2002 IRP filing, Order No. 29819, the Company has made a significant number of changes in the scope, allocation of resources and process it is using to develop the 2004 IRP. In that Order the Commission directed the Company to modify the IRP development process so that the public could be involved in a more meaningful way; directed the Company to modify its process to address not only supply options, but to undertake serious consideration and reasoned discussion of available demand-reduction options; and described its expectation that the Company consider the IRP to be an actual planning document representing the Company's best estimate of future changes in loads, resources and contract obligations.

In response to the Commission's Order 29819, the Company states that it created an Integrated Resource Plan Advisory Council (IRPAC). The IRPAC consists of 16 individuals representing various customer groups, environmental organizations, representatives of the Idaho and Oregon Public Utility Commissions, members of the Idaho Legislature, the Governor's

Office and others. The Company states that IRPAC has held regular monthly meetings since September 2003. In addition to the expanded public involvement process, the Company states that it has invested substantial additional resources and human resources and computer modeling capability and effort. This effort includes development of techniques to evaluate both supply-side and demand-side resources on an equivalent basis. Adjustments have also been proposed to model the role of renewable resources and the potential risks associated with CO² controls and other external costs associated with various types of generating resources.

While the Company has invested substantial additional time and effort in preparing its 2004 IRP, it states that the increased scope and complexity has delayed development of the plan document. At its April 15, 2004 IRPAC meeting, the Company advised IRPAC of its current schedule, including completion and distribution of the draft IRP, receipt of comments from IRPAC on the draft IRP document, a series of four public meetings around the state and in Oregon to take public comment and then completion of the final 2004 IRP document to include both the comments received from IRPAC and at the public meetings. The Company indicated to IRPAC that while it is feasible to accomplish all of those goals prior to the scheduled June 30 filing deadline, a delay in the filing date would allow IRPAC additional time to review the draft IRP document and provide the Company additional time to integrate comments from the IRPAC and the public meetings into the final IRP document. The participants in the April 15, 2004 IRPAC meeting (including a representative of the Idaho Commission Staff) believed that it would be better for the Company to request an extension of time and to spend the additional time consulting with the IRPAC members and the public before completing the 2004 IRP document. To facilitate this review process, the Company requests a 60-day IRP filing extension.

COMMISSION DECISION

Staff recommends that the Motion of Idaho Power for a 60-day extension of time (to August 31, 2004) to file its 2004 Integrated Resource Plan be granted. Does the Commission agree that it is reasonable to grant Idaho Power a 60-day extension to file its 2004 IRP?

Scott Woodbury

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