

## DECISION MEMORANDUM

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

**FROM: WELDON STUTZMAN**

**DATE: OCTOBER 27, 2004**

**RE: CASE NO. IPC-E-04-24  
IDAHO POWER COMPANY'S APPLICATION TO RECOVER CLOUD  
SEEDING PROGRAM EXPENSES FOR THE 2004-2005 WINTER PERIOD**

On October 21, 2004, Idaho Power Company filed an Application for an accounting order to allow recovery for costs of its cloud seeding program for the winter of 2004-2005. The Application states that the Company has operated a cloud seeding program for a number of years and that the Commission did not allow recovery of its expenses in the Company's recent rate case. The Company filed with its Application additional information that it asserts demonstrates scientifically measured benefits of the Company's cloud seeding program during the winter of 2003-2004. Noting that the Company has funded two years of cloud seeding without any cost recovery, the Application states Idaho Power would like to be able to recover its costs associated with continuing its program during the winter of 2004-2005. Idaho Power clarifies in its Application that it is not asking the Commission to defer expenditures associated with the cloud seeding program on a long-term basis, but is requesting only that the Commission authorize the Company to defer the expenses associated with the program during the upcoming winter. The Company estimates those costs to be approximately \$950,000, which the Company proposes to capture "on the same ninety percent-ten percent (90%/10%) ratio by which other power supply expenses are shared between customers and shareholders in the PCA."

Idaho Power included with its Application prefiled direct testimony to provide additional information on the results of its cloud seeding program. The Company asks the Commission to process its Application by Modified Procedure, but states the Company "stands

ready for immediate consideration of this Application if it is the Commission's determination that hearings should be held."

Staff recommends the Commission issue a Notice of Application and process the Application by Modified Procedure.

**COMMISSION DECISION**

Should the Application of Idaho Power Company for an accounting order for its cloud seeding program for the winter of 2004-2005 be processed by Modified Procedure?



Weldon Stutzman

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