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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE

IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO INCREASE ITS BASE RATES AND CHARGES FOR ELECTRIC SERVICE IN THE STATE OF IDAHO.	))))))))	CASE NO. IPC-E-05-28

DIRECT TESTIMONY OF RANDY LOBB

IDAHO PUBLIC UTILITIES COMMISSION

MARCH 1, 2006

Q. Please state your name and business address for the record.

A. My name is Randy Lobb and my business address is 472 West Washington Street, Boise, Idaho.

Q. By whom are you employed?

A. I am employed by the Idaho Public Utilities Commission as Utilities Division Administrator.

Q. What is your educational and professional background?

A. I received a Bachelor of Science Degree in Agricultural Engineering from the University of Idaho in 1980 and worked for the Idaho Department of Water Resources from June of 1980 to November of 1987. I received my Idaho license as a registered professional Civil Engineer in 1985 and began work at the Idaho Public Utilities Commission in December of 1987. My duties at the Commission currently include case management and oversight of all technical Staff assigned to Commission filings. I have conducted analysis of utility rate applications, rate design, tariff analysis and customer petitions. I have testified in numerous proceedings before the Commission including cases dealing with rate structure, cost of service, power supply, line extensions, regulatory policy and facility acquisitions.

Q. What is the purpose of your testimony in this case?

A. The purpose of my testimony is to describe the process leading to the filed Stipulation (the Proposed Settlement) signed by all parties in this case and to explain the rationale for Staff's support.

Q. Please summarize your testimony.

A. Based on its review of Idaho Power's rate case filing, a comprehensive audit of Company test year results of operations and consideration of outstanding rate case issues, Staff believes that the comprehensive Proposed Settlement agreed to by all parties is in the public interest and should be approved by the Commission. The Company originally proposed a revenue increase of $43.9 million with a uniform rate increase of 7.8% to all customer classes. The Proposed Settlement specifies an annual revenue requirement increase of $18.1 million or 3.2% spread uniformly across all customer classes without accepting any specific class cost of service study.

The primary issues considered in arriving at the stipulated revenue requirement included use of actual test year costs in place of estimates, proper pension expense levels, methods and magnitude of employee compensation, cloud seeding costs and benefits and the derivation of net power supply expenses. Staff-proposed adjustments for these and numerous other smaller issues established the basis for the stipulated annual revenue requirement, which represents a $26.9 million (or more than 60%) reduction from that originally proposed by the Company.

Staff supports the rate design relationships originally proposed by the Company along with certain exceptions specified in the Proposed Settlement: to increase the Schedule 1 and 7 customer charge to $4.00, and to limit the increase in the energy rate component for Schedule 9. Staff deems these exceptions to be reasonable under existing circumstances.

The Stipulation

Q. What are the key components of the Proposed Settlement?

A. The key components include: 1) recommending an annual revenue requirement increase of $18.1 million or 3.2%; 2) agreement on an 8.1% overall rate of return without specifically identifying return on equity; 3) continued use of the previously approved normalized annual net power supply cost of $45.3 million including $1.9 million in cloud seeding benefits; and 4) set aside of the filed cost of service study in lieu of a uniform revenue increase across all customer classes.

The Stipulation also covers a variety of other issues including employee incentive pay concepts, the use of proposed rate relationships with exceptions, Service Reversion Charges for landlords or property managers, and

Irrigation Peak Rewards Program review. The Stipulation is attached as Staff Exhibit No. 101.

Revenue Requirement

Q. How did Staff identify revenue requirement issues and what were the primary considerations in reaching agreement on the stipulated revenue requirement?

A. Staff identified issues in this case by reviewing the Company's rate case filing, conducting a comprehensive audit of Company test year results of operations and reexamining issues, recommendations and Commission Orders associated with the Company's last general rate case, Case No. IPC-E-03-13. Staff identified over 30 potential issues with annual revenue requirement impacts ranging from $6,000 to $11 million for each issue. Many of the issues such as pension expense, forecast vs. actual costs, return on equity and incentive pay were similar to those addressed in the previous general rate case. Other issues such as cloud seeding benefits, normalized net power supply costs and lease expenses were new to this case.

Staff evaluated each of these issues and the justification for the proposed revenue requirement adjustment to determine at what level they could be successfully supported at hearing. Staff established an overall revenue requirement target that it believed could be achieved with reasonable certainty and then negotiated additional less certain adjustments to arrive at an overall revenue requirement compromise. Staff believes that the stipulated increase in revenue requirement of 3.2%, or some $27 million less than that originally proposed by the Company represents a reasonable Settlement in this case. Staff believes that the $18.1 proposed revenue increase balances the needs of the Company for more revenue with insuring that ratepayers pay rates based upon reasonable costs.

Q. What was Staff's rationale for supporting the incentive pay concept described in the Stipulation?

A. Staff agreed to accept the employee pay-at-risk or "incentive pay" concept because it represents a reasonable shift from a shareholder based incentive plan to a customer satisfaction- and cost efficiency-based plan. The employee incentive goals proposed by the Company in this case are directed at cost efficiencies and customer service considerations that align the incentives with customer interests consistent with Commission Order No. 29505. Senior management or executive pay incentives were excluded from the revenue requirement. Staff will continue to evaluate the customer satisfaction objectives, expense reduction goals and target incentive levels to assure that they are reasonable.

Return On Equity

Q. What is the return on equity specified in the Proposed Settlement?

A. The Proposed Settlement does not provide a specific return on equity; rather it specifies an overall rate of return of 8.1%. The overall rate of return approved by the Commission in the last general rate case was 7.85%.

Q. Why have the parties agreed to establish an overall rate of return but not specifically state a return on equity?

A. Of all the revenue requirement issues addressed by the parties in the Proposed Settlement, return on equity (ROE) was the most contentious. The Company had proposed a ROE of 11.25% and Staff believed the current ROE of 10.25% was all that was warranted. Specifying an overall rate of return is a compromise that serves all parties interests by eliminating the precedent of specifically stating the return on equity.

Net Power Supply Cost

Q. Please explain how net power supply costs were established at stipulated levels.

A. As a result of its review of the Company's filing, Staff determined that the net annual power supply costs of $52 million proposed by the Company could not be supported by its power supply cost methodology. In fact the methodology seemed to support net power supply costs significantly lower than the $47.5 million currently included in rates. Staff also recognized the considerable discrepancy in calculated net power supply costs with modest changes in input variables and the lack of verified methodology results using above-normal water conditions.

Consequently, Staff could neither support the Company's power supply cost proposal nor reliably propose power supply costs below those previously approved by the Commission. A reasonable compromise was to continue using the $47.5 million net power supply cost level and attempt to reevaluate and verify the power supply cost methodology under above-normal water conditions.

Q. When might evaluation and verification be sufficiently completed to establish a more accurate and reliable net power supply cost level?

A. Both the Staff and the Company believe that water conditions at "normal" or "above-normal" levels such as those expected for 2005/2006 may provide an opportunity to either verify the current power supply cost methodology or provide insight as to how it might be modified. It is anticipated that revised or verified methodology will be available for the next general rate case. In the meantime, the Power Cost Adjustment (PCA) mechanism will continue to true-up annual power supply costs to the extent actual costs vary from those collected in base rates.

Q. Are there any other issues associated with power supply cost that are addressed in the Stipulation?

A. Yes, there are several other issues addressed by the Stipulation. The first is an additional reduction in annual net power supply costs of $1.9 million to reflect the power supply cost benefits of the Company's cloud seeding activities. Including this amount consistently applies the expected cloud seeding benefit to cost ratio to cloud seeding expenses already proposed for inclusion in normalized base power supply costs.

The second issue agreed to as part of the Stipulation simply updates the normalized annual load used in the PCA to reflect a 2005 load level of 14,819,152 Mwh. Finally, modification of the PCA load growth adjustment, raised by the Staff in this case due to its connection with normalized net power supply costs, was agreed to be addressed in the 2005/2006 PCA case. Idaho Power has agreed to file testimony on this issue. The parties recognize that a determination whether to modify the current growth adjustment of $16.84/Mwh will not be completed before June 1, 2006.

Cost Of Service And Rate Design

Q. What have the parties agreed to as part of the Stipulation with respect to cost of service?

A. The parties have agreed to spread the revenue requirement increase on a uniform basis to all customer classes rather than try to apply the results from the various cost of service studies provided by the Company. The parties have further agreed that none of the cost of service studies provided in this case will constitute precedent in any future rate case.

Q. Why have the parties chosen to disregard the results of the filed cost of service studies?

A. The parties could not agree that the methodology used in the studies properly allocated costs to the individual classes. Although modifications in the study proposed by the Company generally reduced the allocation to the irrigation class, the irrigation class was still shown to be charged rates well below cost of service even though the class received a larger than average increase in the last general rate case.

Moreover, the cost shift away from the irrigation class resulted in higher cost allocation to the large industrial and special contract customers. Parties representing these classes did not believe an increase in cost allocation to high load factor customers was reasonable. The compromise was to agree to a small uniform increase for all customer classes in this case. The Summary of Revenue Impact by customer class is attached as Staff

Exhibit No. 102.

Q. Given recent attempts to resolve cost of service differences among the parties, is it reasonable to delay consideration of cost of service in this case.

A. Yes, I believe that it is. Cost of service was a contentious issue in the last general rate case, Case No. IPC-E-03-13 and yet the Commission applied a non-uniform rate spread based on cost of service results. None of the parties believed that cost of service studies filed in this case sufficiently improved on the class allocations previously approved by the Commission. Despite recent attempts to reach consensus on cost of service methodology, disagreement continues in this case and will likely continue in the next general rate case. All parties including Staff agree that a uniform spread is reasonable under the circumstances. However, in preparation for future electric rate cases including those of Idaho Power, Staff intends to intensify its evaluation of various cost of service methodologies for presentation and recommendation to the Commission.

Q. Do the parties to the Stipulation agree with the rate relationships proposed by the Company in its direct case?

A. Yes, with a few exceptions. The parties have agreed to increase the Schedule 1 and 7 customer charge from

$3.30 per month to $4.00 per month. Although the percentage is relatively large the monthly rate impact is relatively small. In addition, the charge mirrors that assessed Avista's electric residential customers in Idaho and is consistent with Staff's position that customer charges should attempt to recover costs associated with meter reading and billing. The $4.00 amount is still well below the $5 to $6 level that could be justified on that basis.

The second exception to the uniform rate component increase is the change proposed in the stipulation for Schedule 9. As a compromise in this case, the parties have agreed to limit the increase in the energy rate by increasing the other rate components within the class to levels originally proposed by the Company in its Application. The energy rate component would only be increased to achieve the overall 3.2% increase in the Schedule 9 revenue requirement. Staff does not oppose this exception originally proposed by a Schedule 9 party to the case.

Miscellaneous Provisions

Q. Are there any other provisions in the Stipulation that you wish to address?

A. Yes, there are two. The first is a Staff-requested provision for a 60-day delay in the Company-proposed implementation of a $10 Continuous Service

Reversion Charge. This proposal represents a new charge for landlords and property managers who request continuous service when tenants leave and the property becomes temporarily unoccupied. While Staff agrees with the purpose and supports the amount of the charge, we believe that these customers should be made aware of the changes prior to implementation.

The second provision provides for review of the Company's Irrigation Peak Rewards Program. The review to address current operation, program results and program parameters such as incentive payments and irrigation system size eligibility was proposed by the Idaho Irrigation Pumpers Association (IIPA) and supported by Staff. Staff believes that the review is both timely and appropriate given that the program has been in place for a full irrigation season.

Q. Does this conclude your testimony in this proceeding?

A. Yes, it does.

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO INCREASE ITS BASE RATES AND CHARGES FOR ELECTRIC SERVICE IN THE STATE OF IDAHO	CASE NO. IPC-E-05-28 MOTION FOR APPROVAL OF STIPULATION

COMES NOW, Idaho Power Company ("Idaho Power" or "Company"), the Commission Staff and the other Parties to the settlement Stipulation, and hereby move the Commission for an Order accepting the settlement Stipulation filed herewith. This Motion is based on the following:

1. On October 28, 2005, Idaho Power filed an Application in this case seeking authority to increase the Company's rates an average of 7.8%. If approved, the Company's revenues would increase $43,948,189 annually. Idaho Power proposed that the rate increase be spread equally among all major customer groups and special

Exhibit No. 101
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R. Lobb, Staff
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contract customers. The Company requested that new rates become effective on June 1, 2006.

2. Petitions to intervene in this proceeding were filed by the Idaho Irrigation Pumpers Association, Inc. ("IIPA"), the Industrial Customers of Idaho Power ("ICIP"), Micron Technology, Inc. ("Micron"), the United States Department of Energy ("DOE"), the Northwest Energy Coalition ("NWEC") and the Kroger Company ("Kroger"). These entities are collectively referred to as the "Parties." By various orders, the Commission granted these interventions. IPUC Order Nos. 29919, 29926, 29931, 29935.

3. On January 5, 2006, the Parties attended an informal scheduling conference to devise a proposed schedule for holding hearings and completing discovery in this proceeding. During the informal conference, the Parties agreed to engage in settlement discussions in accordance with RP 272 with a view toward resolving the issues in this case. The Parties conducted settlement discussions on February 7, 2006 and February 14, 2006.

4. Based on the settlement discussions, the Parties whose signatures appear on the Stipulation have agreed to resolve and settle all of the issues in the case. A copy of the signed Stipulation evidencing that settlement is enclosed as Attachment 1.

5. The Parties recommend that the Commission grant this Motion and approve the Stipulation in its entirety, without material change or condition, pursuant to RP 274.

6. Staff and intervenor testimony is due March 3, 2006. Rebuttal testimony is due March 27, 2006. Idaho Power and the Commission Staff each intend to

file testimony supporting this Motion and recommending approval of the Stipulation. Other Parties may choose to file supporting testimony as well. As noted in Paragraph 14 of the Stipulation, all of the Parties agree that the Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable. The Parties stand ready to support the Stipulation at the Commission's technical hearings scheduled for April 10-13, 2006.

NOW, THEREFORE, the Parties respectfully request that the Commission issue its Order:

1. Granting this Motion and accepting Attachment 1, the Stipulation, in its entirety, without material change or condition; and

2. Authorizing the Company to implement revised tariff schedules designed to recover $18.1 million in additional annual revenue from Idaho jurisdictional base rates consistent with the terms of the Stipulation; and

3. Authorizing that the revised tariff schedules be made effective June 1, 2006.

Respectfully submitted this 27th day of February, 2006.

BARTON L. KLINE
Attorney for Idaho Power Company

ATTACHMENT 1

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO INCREASE ITS BASE RATES AND CHARGES FOR ELECTRIC SERVICE IN THE STATE OF IDAHO	)	CASE NO. IPC-E-05-28 STIPULATION

This stipulation ("Stipulation") is entered into by and among Idaho Power Company ("Idaho Power" or the "Company"), the Staff of the Idaho Public Utilities Commission ("Staff"), the Idaho Irrigation Pumpers Association, Inc. ("IIPA"), the Industrial Customers of Idaho Power ("ICIP"), Micron Technology, Inc. ("Micron"), the United States Department of Energy ("DOE"), the Northwest Energy Coalition ("NWEC") and the Kroger Company ("Kroger"). These entities are collectively referred to as the "Parties."

I. INTRODUCTION

1. The terms and conditions of this Stipulation are set forth herein. The Parties agree that this Stipulation represents a fair, just and reasonable compromise of the issues raised in this proceeding and that this Stipulation is in the public interest. The Parties maintain that the Stipulation and its acceptance by the Idaho Public Utilities Commission ("IPUC" or the "Commission") represents a reasonable resolution of multiple issues identified in this matter. The Parties, therefore, recommend that the Commission, in accordance with RP 274, approve the Stipulation and all of its terms and conditions without material change or condition.

II. BACKGROUND

2. On October 28, 2005, Idaho Power filed an Application in this case seeking authority to increase the Company's rates an average of 7.8%. If approved, the Company's revenues would increase $43,948,189 annually. Idaho Power proposed that the rate increase be spread equally among all major customer groups and special contract customers. The Company requested that new rates become effective on June 1, 2006.

3. Petitions to intervene in this proceeding were filed by IIPA, ICIP, Micron, DOE, NWEC and Kroger. By various orders, the Commission granted these interventions. IPUC Order Nos. 29919, 29926, 29931, 29935.

4. On January 5, 2006, the Parties attended an informal scheduling conference to devise a proposed schedule for holding hearings and completing discovery in this proceeding. During the informal conference, the Parties agreed to engage in settlement discussions in accordance with RP 272 with a view toward

resolving the issues in this case. The Parties conducted settlement discussions on February 7, 2006 and February 14, 2006.

5. Based upon the settlement discussions among the Parties, as a compromise of the positions in this case, and for other consideration as set forth below, the Parties agree to the following terms:

III. TERMS OF THE STIPULATION

6. Revenue Requirement. The Parties agree that Idaho Power shall be allowed to implement revised tariff schedules designed to recover $18.1 million in additional annual revenue from Idaho jurisdictional base rates. In determining the $18.1 million additional revenue requirement, the Parties agreed on certain revenue requirement inputs to be explicitly identified in this Stipulation. These are as follows:

(a) Net Power Supply Costs. The system net power supply cost used to determine the $18.1 million of additional revenue requirement increase is $45,279,800. This $45,279,800 total amount is determined by including power supply benefits associated with the Company's cloud seeding program in the amount of $1.9 million from the total net power supply costs of $47,179,800, reflecting the inclusion of the Bennett Mountain Power Plant (Case No. IPC-E-05-10).

(b) In determining the agreed-upon revenue requirement, the Parties agreed to use system 2005 loads in the amount of 14,819,152 MWh as proposed by the Company in this case.

(c) In determining the agreed-upon revenue requirement, the Parties agreed to utilize an overall rate of return of 8.1%.

(d) The Parties discussed the need for further analysis and possible future adjustments to a number of power supply related matters. These include, but are not limited to, power supply cost modeling methodology and the power cost adjustment ("PCA") load growth rate. The Parties agree that the PCA load growth rate issue will be addressed contemporaneously with the Company's upcoming PCA proceeding, which will be filed on or about April 15, 2006. Given the expedited nature of the PCA proceeding, the Parties recognize that conclusion of the PCA load growth rate issue may not occur before June 1, 2006. The Parties further agree that the power supply methodology issue will be addressed in the Company's next general rate case.

(e) The Parties agree conceptually that it is reasonable to include an employee pay-at-risk or employee incentive component in test-year revenue requirements so long as such incentive component is based on goals that benefit customers and the amounts payable for achieving the goals are limited to reasonable "target" or medium goals. Senior management pay-at-risk is appropriately excluded from the test year revenue requirement.

7. Rate Spread. The Parties agree that the above-described $18.1 million revenue requirement should be recovered by implementing tariffs which increase the rates for each customer class (except Dusk-to-Dawn Lighting and Unmetered Service) and special contracts by a uniform percentage amount of approximately 3.2%. In agreeing to the 3.2% uniform percentage increase, the Parties also agree that the underlying class cost-of-service models as filed by the Company in this proceeding will not constitute precedent in a subsequent general rate case. Moreover, a Party's failure to specifically object to any portion of the class cost-of-service analysis presented by the

Company in this case will not constitute a waiver of a Party's right to challenge future class cost-of-service models and proposals presented by the Company in future general rate case proceedings.

8. Rate Design. Except for those items specifically identified in sub-sections (a) and (b) below, the Parties agree that the rate design proposals and the rate design relationships presented by the Company in its direct case should be implemented as presented by the Company. The specific, agreed-upon exceptions are as follows:

(a) The service charge for Schedule 1 and Schedule 7 will be $4.00 per month. Idaho Power agrees not to file for an increase in the $4.00 service charge for at least two years from the date of the Commission's final Order in this matter if the true-up mechanism proposed by the Company in Case No. IPC-E-04-15 is accepted by the Commission.

(b) Idaho Power will increase Schedule 9 non-energy rate components as proposed in its original application and increase the energy related rate components as necessary to achieve an overall revenue requirement increase of 3.2% for the class.

9. Miscellaneous Provisions. The Parties agree that implementation of the $10 Continuous Service Reversion Charge as described in the testimony of Company Witness Tatum will be delayed for a period of sixty (60) days following the issuance of the Commission's final Order in this proceeding to allow landlords and property managers to be notified of the change prior to its actual implementation.

10. Idaho Power agrees that no later than November 1, 2006, it will convene a working group to review the current operation and results of the Irrigation

Peak Rewards Program ("Program"), including consideration of suggested modifications to improve the Program. Issues to be considered would include the amount of incentive payments and the size of irrigation facilities eligible for participation in the Program. The working group's participants would include representatives of the IIPA. It is Idaho Power's intention that any proposed modifications to the Program developed by the working group would be presented to the Energy Efficiency Advisory Group and the Commission in time for such modifications to be in effect for the 2007 irrigation season.

11. The Parties agree that this Stipulation represents a compromise of the positions of the Parties in this case. As provided in RP 272, other than any testimony filed in support of the approval of this Stipulation, and except to the extent necessary for a Party to explain before the Commission its own statements and positions with respect to the Stipulation, all statements made and positions taken in negotiations relating to this Stipulation shall be confidential and will not be admissible in evidence in this or any other proceeding.

12. The Parties submit this Stipulation to the Commission and recommend approval in its entirety pursuant to RP 274. Parties shall support this Stipulation before the Commission, and no Party shall appeal a Commission Order approving the Stipulation or an issue resolved by the Stipulation. If this Stipulation is challenged by any person not a party to the Stipulation, the Parties to this Stipulation reserve the right to file testimony, cross-examine witnesses and put on such case as they deem appropriate to respond fully to the issues presented, including the right to raise issues that are incorporated in the settlements embodied in this Stipulation.

Notwithstanding this reservation of rights, the Parties to this Stipulation agree that they will continue to support the Commission's adoption of the terms of this Stipulation.

13. If the Commission rejects any part or all of this Stipulation, or imposes any additional material conditions on approval of this Stipulation, each Party reserves the right, upon written notice to the Commission and the other Parties to this proceeding, within 14 days of the date of such action by the Commission, to withdraw from this Stipulation. In such case, no Party shall be bound or prejudiced by the terms of this Stipulation, and each Party shall be entitled to seek reconsideration of the Commission's order, file testimony as it chooses, cross-examine witnesses, and do all other things necessary to put on such case as it deems appropriate. In such case, the Parties immediately will request the prompt reconvening of a prehearing conference for purposes of establishing a procedural schedule for the completion of the case. The Parties agree to cooperate in development of a schedule that concludes the proceeding on the earliest possible date, taking into account the needs of the Parties in participating in hearings and preparing briefs.

14. The Parties agree that this Stipulation is in the public interest and that all of its terms and conditions are fair, just and reasonable.

15. No Party shall be bound, benefited or prejudiced by any position asserted in the negotiation of this Stipulation, except to the extent expressly stated herein, nor shall this Stipulation be construed as a waiver of the rights of any Party unless such rights are expressly waived herein. Execution of this Stipulation shall not be deemed to constitute an acknowledgment by any Party of the validity or invalidity of any particular method, theory or principle of regulation or cost recovery. No Party shall

be deemed to have agreed that any method, theory or principle of regulation or cost recovery employed in arriving at this Stipulation is appropriate for resolving any issues in any other proceeding in the future. No findings of fact or conclusions of law other than those stated herein shall be deemed to be implicit in this Stipulation.

16. The obligations of the Parties under this Stipulation are subject to the Commission's approval of this Stipulation in accordance with its terms and conditions and upon such approval being upheld on appeal by a court of competent jurisdiction.

17. This Stipulation may be executed in counterparts and each signed counterpart shall constitute an original document.

DATED this 27th day of February 2006.

Idaho Power Company

By Barton L. Kline
Barton L. Kline
Attorney for Idaho Power Company

Idaho Public Utilities Commission Staff

By Donald L. Howell, II
Donald L. Howell, II
Attorney for IPUC Staff

Idaho Irrigation Pumpers Association, Inc.

By____________________________
Randall C. Budge
Attorney for Idaho Irrigation Pumpers Association, Inc.

Industrial Customers of Idaho Power

By Peter J. Richardson
Peter J. Richardson
Attorney for Industrial Customers of Idaho Power

Micron Technology, Inc.

By Conley Ward
Conley E. Ward
Attorney for Micron Technology, Inc.

U.S. Department of Energy

By____________________________
Lawrence A. Gollomp
Attorney for U.S. Department of Energy

Northwest Energy Coalition

By W E
William M. Eddie
Attorney for NW Energy Coalition

The Kroger Company

By____________________________
Michael L. Kurtz
Attorney for the Kroger Company

DATED this _____ day of February 2006.

Idaho Power Company

By________________________________
Barton L. Kline
Attorney for Idaho Power Company

Idaho Public Utilities Commission Staff

By________________________________
Donald L. Howell, II
Attorney for IPUC Staff

Idaho Irrigation Pumpers Association, Inc.

By Randall C. Budge 2-21-06
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Attorney for Idaho Irrigation Pumpers Association, Inc.

Industrial Customers of Idaho Power

By________________________________
Peter J. Richardson
Attorney for Industrial Customers of Idaho Power

Micron Technology, Inc.

By________________________________
Conley E. Ward
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U.S. Department of Energy

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Lawrence A. Gollomp
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Northwest Energy Coalition

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William M. Eddie
Attorney for NW Energy Coalition

The Kroger Company

By________________________________
Michael L. Kurtz
Attorney for the Kroger Company

DATED this 23 day of February 2006.

Idaho Power Company

By____________________
Barton L. Kline
Attorney for Idaho Power Company

Idaho Public Utilities Commission Staff

By____________________
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By____________________
William M. Eddie
Attorney for NW Energy Coalition

The Kroger Company

By K Boehm
Michael L. Kurtz
Attorney for the Kroger Company
Kurt J. Boehm
Attorney for the Kroger Company

DATED this 21st day of February 2006.

Idaho Power Company

By______________________________
Barton L. Kline
Attorney for Idaho Power Company

Idaho Public Utilities Commission Staff

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Attorney for IPUC Staff

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The Kroger Company

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Michael L. Kurtz
Attorney for the Kroger Company

Exhibit No. 101
Case No. IPC-E-05-28
R. Lobb, Staff
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Idaho Power Company
Summary of Revenue Impact
State of Idaho
Normalized 12-Months Ending December 31, 2005
Settlement Proposal

Line No	Tariff Description	(1) Rate Sch. No.	(2) 2005 Avg. Number of Customers (1)	(3) 2005 Sales Normalized (kWh)	(4) 06/01/05 Base Revenue (2)	(5) Revenue Adjustments	(6) Proposed Base Revenue	(7) Average ¢/kWh	(8) Percent Change
	Uniform Tariff Rates:								
1	Residential Service	1	359,802	4,503,865,230	$258,380,596	$8,346,594	$266,727,190	5.92	3.23%
2	Small General Service	7	30,899	218,605,825	15,538,249	$501,940	$16,040,189	7.34	3.23%
3	Large General Service	9	20,998	3,227,118,622	126,275,478	$4,079,138	$130,354,616	4.04	3.23%
4	Dusk to Dawn Lighting	15	-	5,933,906	938,956	$0	$938,956	15.82	0.00%
5	Large Power Service	19	115	2,056,658,504	61,563,466	$1,988,714	$63,552,180	3.09	3.23%
6	Agricultural Irrigation Service	24-25	15,085	1,574,100,117	69,540,884	$2,246,413	$71,787,297	4.56	3.23%
7	Unmetered General Service	40	2,310	16,202,707	873,387	$0	$873,387	5.39	0.00%
8	Street Lighting	41	129	18,704,636	1,892,969	$61,149	$1,954,118	10.45	3.23%
9	Traffic Control Lighting	42	72	7,842,173	261,633	$8,452	$270,085	3.44	3.23%
10	*Total Uniform Tariffs*		429,410	11,629,031,720	$535,265,618	$17,232,400	$552,498,018	4.75	3.22%
	Special Contracts:								
11	Micron	26	1	673,760,250	$17,357,088	$560,694	$17,917,782	2.66	3.23%
12	J R Simplot	29	1	187,632,199	4,499,930	$145,363	$4,645,293	2.48	3.23%
13	DOE	30	1	204,738,943	5,000,777	$161,543	$5,162,320	2.52	3.23%
14	*Total Special Contracts*		3	1,066,131,392	$26,857,795	$867,600	$27,725,395	2.60	3.23%
15	***Total Idaho Retail Sales***		429,413	12,695,163,112	$562,123,413	$18,100,000	$580,223,413	4.57	3.220%

NOTES:
(1) Number of Customers, normalized kWh, and base revenue reflect the transfer of customers from Schedule 7 to Schedule 9.
(2) Base Revenue excludes amount associated with the one-year tax adjustment authorized by Order No. 29789. This one-year adjustment expires May 31, 2006.

Exhibit No. 102
Case No. IPC-E-05-28
R. Lobb, Staff
3/01/06

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 1ST DAY OF MARCH 2006, SERVED THE FOREGOING **DIRECT TESTIMONY OF RANDY LOBB,** IN CASE NO. IPC-E-05-28, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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SECRETARY