

John R. Hammond, Jr., ISB No. 5470  
FISHER LAW GROUP  
U S Bank Plaza, 5<sup>th</sup> Floor  
101 South Capitol Boulevard  
P.O. Box 1308  
Boise, Idaho 83701  
(208) 331-1000  
(208) 331-2400 facsimile  
[jrh@battfisher.com](mailto:jrh@battfisher.com)

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IDAHO PUBLIC  
UTILITIES COMMISSION

Attorneys for Avimor, LLC

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF THE APPLICATION OF ) **Case No. IPC-E-06-23**  
IDAHO POWER COMPANY FOR APPROVAL OF )  
AN AGREEMENT BETWEEN AVIMOR, LLC ) **MOTION FOR**  
AND IDAHO POWER TO PROVIDE ELECTRIC ) **ADDITIONS TO THE**  
TRANSMISSION AND SUBSTATION ) **RECORD ON APPEAL**  
FACILITIES TO THE AVIMOR MULTI-USE ) **INCLUDED IN AVIMOR,**  
DEVELOPMENT ) **LLC'S NOTICE OF**  
\_\_\_\_\_ ) **APPEAL**

COMES NOW Avimor, LLC ("Avimor" or the "Company"), an Idaho limited liability company, by and through its attorneys of record, Fisher Law Group, LLP, and submits the following documents to be included in the Company's Notice of Appeal:

- 1) *Board of Ada County Commissioners, Findings of Fact, Conclusions of Law and Order*, 05-001-PC, pp. 1, 10 & 23-25.
- 2) *Idaho Power Company's Responses to Discovery Request of Avimor, LLC*, dated March 16, 2007.
- 3) Electronic mail between Alden J. Holm, consultant for Avimor, and Tim Tatum and Greg Said of Idaho Power Company, dated March 8, 16, 19 and 20, 2007.

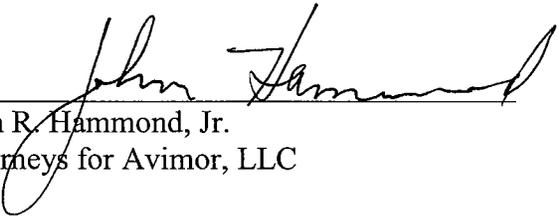
Each of the above documents is cited and quoted in Avimor's Reply Comments and Memorandum in Support of Petition for Reconsideration and as such are legitimately part of the record in this case.

**REQUEST FOR RELIEF**

Based on the foregoing, Avimor respectfully requests that the above listed documents attached hereto be added to the Commission's Record on Appeal for Case No. IPC-E-06-23.

DATED This 14<sup>th</sup> day of September, 2007.

FISHER LAW GROUP, LLP



\_\_\_\_\_  
John R. Hammond, Jr.  
Attorneys for Avimor, LLC

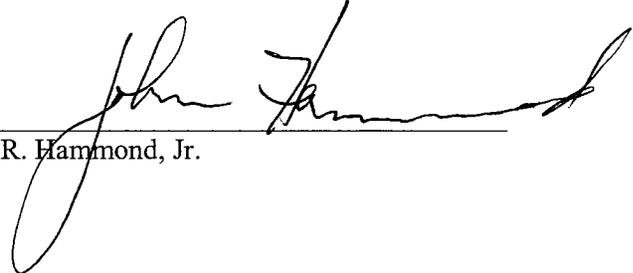
## CERTIFICATE OF SERVICE

I HEREBY CERTIFY That on this 14<sup>th</sup> day of September, 2007, I served the foregoing upon all parties of record in this proceeding as indicated below:

Jean Jewell	<input type="checkbox"/>	Certified Mail
IDAHO PUBLIC UTILITIES COMMISSION	<input type="checkbox"/>	First Class Mail
472 W. Washington Street	<input checked="" type="checkbox"/>	Hand Delivery
P. O. Box 83720	<input type="checkbox"/>	Facsimile
Boise, Idaho 83720-5983		
<a href="mailto:jjewel@puc.state.id.us">jjewel@puc.state.id.us</a>		

Monica B. Moen	<input type="checkbox"/>	Certified Mail
IDAHO POWER COMPANY	<input checked="" type="checkbox"/>	First Class Mail
P. O. Box 70	<input type="checkbox"/>	Hand Delivery
Boise, Idaho 83707-0070	<input type="checkbox"/>	Facsimile
<a href="mailto:mmoen@idahopower.com">mmoen@idahopower.com</a>		

Weldon Stutzman	<input type="checkbox"/>	Certified Mail
IDAHO PUBLIC UTILITIES COMMISSION	<input type="checkbox"/>	First Class Mail
472 W. Washington Street	<input checked="" type="checkbox"/>	Hand Delivery
P. O. Box 83720	<input type="checkbox"/>	Facsimile
Boise, Idaho 83702-5983		
<a href="mailto:Weldon.stutzman@puc.idaho.gov">Weldon.stutzman@puc.idaho.gov</a>		

  
\_\_\_\_\_  
John R. Hammond, Jr.

## EXHIBIT B

### BEFORE THE BOARD OF ADA COUNTY COMMISSIONERS

In re:  
Application of SunCor Idaho, LLC.

File No. 05-001-PC

#### FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDERFINDINGS OF FACT

If any of these Findings of Fact are deemed Conclusions of Law, they are incorporated into the Conclusions of Law section.

- A. The Board of Ada County Commissioners finds that this application is comprised of:**
1. Application forms prepared and submitted by the applicant.
  2. All other information contained in File # 05-001-PC.
- B. As to procedural items, the Board of Ada County Commissioners finds the following:**
1. In accordance with Section 8-7A-3 of the Ada County Code, the applicant held a neighborhood meeting on March 24, 2005.
  2. On July 5, 2005, Development Services received File # 05-001-PC and scheduled it for public hearing before the Ada County Planning and Zoning Commission Commissioners on September 1, 2005.
  3. On July 25, 2005, staff notified other agencies of this application and solicited their comments.
  4. On August 22, 2005, property owners within a minimum of 1,000 feet of the site were notified of the hearing by mail. Legal notice of the Commission's hearing was published in The Idaho Statesman on August 17 and 23, 2005. Notices of the public hearing were posted on the site on August 16, 2005.
  5. On August 24, 2005, a Public Service Announcement was issued.
  6. On September 1, 2005, the Commission tabled this application to October 6, 2005.
  7. On September 8, 2005, staff transmitted additional information to agencies and solicited their comments.
  8. On September 21, 2005, property owners within a minimum of 1,000 feet of the site were notified of the hearing by mail. Legal notice of the Commission's hearing was published in The Idaho Statesman on September 20, 2005 and September 27, 2005. Notices of the public hearing were posted on site by the applicant.
  9. On September 27, 2005, a Public Service Announcement was issued.
  10. On October 6, 2005, a public hearing was held by the Planning and Zoning Commission. Public testimony was taken and left open. The hearing was continued by the commission to October 13, 2005.

13. *Policy 5.8-12: Planned Communities shall have a mixture of land uses that provide a tax base sufficient to cover the costs of essential public services and government functions that will be needed to support the project.*

**Finding:** The Board of Ada County Commissioners finds a mixture of land uses are proposed.

**Finding:** The Board of Ada County Commissioners finds that the tax base anticipated at build-out is expected to cover the costs of essential public services and government functions needed to support the project.

**Finding:** The Board of Ada County Commissioners finds that predicted tax revenue shortfalls in the early months of project development have been adequately mitigated by the applicant and that the applicant is required to provide necessary resources to service providers as identified by those service providers.

14. *Policy 5.8-13: Planned Communities shall provide a variety of housing types and designs.*

**Finding:** The Board of Ada County Commissioners finds that Avimor's diversity objective and policy 3 (Section B- Specific Plan, following page 12) conform to this comprehensive plan policy.

**Finding:** The Board of Ada County Commissioners finds that the proposed implementation of housing type variety and housing design variety are included in the zoning ordinance text amendment and shall be included in the specific design guidelines.

15. *Policy 5.8-14: Employment opportunities for residents of Planned Communities shall be provided within each Planned Community as may be appropriate.*

**Finding:** The Board of Ada County Commissioners finds the application in Figure 1, Section B- Specific Plan, following page 14, shows the location of the planned community is approximately four miles from the closest city (Eagle). Due to the distance from existing employment, it would be appropriate for on-site residential employment opportunities.

**Finding:** The Board of Ada County Commissioners finds the application proposes 75,000 square feet of retail and office uses; a 12,000 square feet recreation center; a school; a two-bay fire station; and, an opportunity for work-live units. Actual market demand will determine the actual square footages and uses within the Village Center.

- D. The applicant shall submit a zoning ordinance amendment, as specified in section 8-7-3 of this title, to add a new article to this chapter containing the following regulations for the development and administration of the planned community:

**Finding:** The Board of Ada County Commissioners finds the applicant has submitted a zoning ordinance text amendment to establish regulations for the development and administration of the planned community as required.

**Finding:** The Board of Ada County Commissioners finds that the zoning ordinance submitted contains all the required elements as specified in 8-2E-4(D), 1 through 17.

- E. The applicant shall submit a detailed economic impact analysis evaluating the impacts of the planned community upon existing infrastructure and any cost of new infrastructure that may be required to serve the planned community including, but not limited to, streets, schools, fire protection, water systems, wastewater collection and treatment systems, air quality programs, water quality programs, solid waste disposal, law enforcement, parks and open space, irrigation delivery systems, libraries and emergency medical services. Written statements shall be solicited by the applicant from affected municipalities, agencies and/or districts, and other service providers commenting on the impact of the planned community upon existing infrastructure and the costs of providing new infrastructure needed to serve the project. All responses received by the applicant shall be submitted to the director along with the required economic impact analysis.

**Finding:** The Board of Ada County Commissioners finds the applicant has submitted an economic analysis as required and that the economic impact analysis evaluates the impact of the new infrastructure as detailed in comprehensive plan findings Plan policy 5.8-18.

**Finding:** The Board of Ada County Commissioners finds that the proposal sets forth sufficient and adequate mitigation for the identified economic impacts beyond the normally expected incremental impacts on municipalities and other agencies and districts.

- F. The applicant shall submit any other information necessary to support the purposes of this chapter, as determined by the director, the commission, or board, as applicable.

**Finding:** The Board of Ada County Commissioners finds the applicant has submitted additional information regarding environmental issues as required by the director.

- G. The director, commission or board may make a determination that material changes in conditions have occurred that may require updating, new analysis, or studies of specific issues.

**Finding:** The Board of Ada County Commissioners finds that no material changes have occurred to require updating, new analysis, or studies at this time.

- H. The applicant shall submit a determination by the community planning association of southwest Idaho on whether the proposed planned community, or annexation to an existing planned community, shall necessitate an update to the adopted regional transportation plan. The board may require the applicant to fund the cost of any necessary update to the regional transportation plan as a regulation of a development agreement as required in subsection 8-7C(2) of this title.

**Finding:** The Board of Ada County Commissioners finds COMPASS has made a determination that the proposed planned community shall not necessitate an update to the regional transportation plan, so no update is required (see Exhibit 51).

5. The zoning ordinance amendment shall not be materially detrimental to the public health, safety, and welfare (From Ada County Code section 8-7-3C(3)).

**Finding:** The Board of Ada County Commissioners finds that the proposed zoning ordinance text amendment in Appendix F is not materially detrimental to the public health, safety and welfare because all potential impacts have been identified and mitigated or require mitigation as a recommended requirement.

**Finding:** The Board of Ada County Commissioners finds the applicant has submitted an economic analysis as required and that the economic impact analysis evaluates the impact of the new infrastructure as detailed in comprehensive plan findings Plan policy 5.8-18.

**Finding:** The Board of Ada County Commissioners finds that the proposal sets forth sufficient and adequate mitigation for the identified economic impacts beyond the normally expected incremental impacts on municipalities and other agencies and districts.

6. The zoning ordinance amendment shall not result in an adverse impact upon the delivery of services by any political subdivision providing public services within the planning jurisdiction including, but not limited to, school districts. (From Ada County Code section 8-7-3C(4).

**Finding:** The Board of Ada County Commissioners finds that the proposed zoning ordinance text amendment will not result in an adverse impact on the delivery of services because all potential economic impacts have been identified and mitigated or are recommended requirements. 

**ZONING ORDINANCE MAP AMENDMENT FINDINGS:**

7. Section 8-7-3C 2 through 4. **REQUIRED FINDINGS, MAP AMENDMENT:** Upon recommendation from the Commission, the Board shall make a full investigation and shall, at the public hearing, review the application. In order to grant a map amendment to the zoning ordinance, the Board shall make the following findings:

- a) The zoning ordinance (map) amendment complies with the regulations outlined for the proposed base district, specifically the purpose statement; 8-7-3C(2)

**Finding:** The Board of Ada County Commissioners finds as discussed in the individual findings above that the applicant has submitted a planned community application that meets all of the regulations outlined for the proposed base district, including the purpose statement and that the map amendment is compliant with the base district.

**Finding:** The Board of Ada County Commissioners finds that the proposed zoning ordinance text amendment in (Appendix F) complies with the regulations outlined for the proposed base district, including the purpose statement.

- b) The zoning ordinance (map) amendment shall not be materially detrimental to the public health, safety, and welfare; 8-7-3C (3)

CASE NO. IPC-E-06-23

AVIMOR, LLC AND IDAHO POWER COMPANY  
ELECTRIC TRANSMISSION AND SUBSTATION AGREEMENT

March 16, 2007

**Alden – the following information is provided in response to questions you raised in an e-mail to Greg Said and me dated March 8, 2007:**

1. An idea of where the Avimor substation and transmission line fit in with Idaho Power's long range plans. Specifically, would the Company have had to build the line and substation at some point whether or not Avimor was coming in? If so, how would the project have been financed and how would it have impacted customer rates?

**Response:** Prior to Avimor's request, Idaho Power had no current or long range plans to build a transmission line and/or distribution substation at or near the Avimor site. Without the request of Avimor, Idaho Power would not have initiated this project.

2. A cost comparison for new hookups like Avimor (and a clarification of the \$350 and \$1000 amounts used by Staff.)

**Response:** The Hidden Springs project from 1998 is the only completed project that is generally similar to the Avimor project. The costs for the Hidden Springs project are detailed in the Response to Question Number 4 below. The \$350 and \$1000 numbers used by Staff may have been derived from the following information that Idaho Power provided to Staff as Responses to Requests for Production Nos. 6 and 7 in Case No. IPC-E-06-23:

***REQUEST NO. 6:*** *The facilities included in the Avimor Agreement include a transmission line and a distribution substation. What rate base cost per customer for these types of facilities is currently included in residential rates? Please show the calculation of the two parts, transmission line and distribution substation, separately.*

***RESPONSE TO REQUEST NO. 6:*** *The following table provides the rate base amount for transmission lines and distribution substation facilities allocated to the residential class according to the Company's class cost of service study prepared in the 2005 general rate case*

(Case No. IPC-E-05-28) adjusted in conformance with the Commission's Order No. 30035.

*The response to this request was prepared by Tim E. Tatum, Senior Analyst, Pricing and Regulatory Services, Idaho Power Company, in consultation with Monica Moen, Attorney II, Idaho Power Company.*

**REQUEST NO. 7:** *Please provide the calculations in Request No. 6 above but base those calculations on data from the Company's IPC-E-03-13 case.*

**RESPONSE TO REQUEST NO. 7:** *The following table provides the rate base amount for transmission lines and distribution substation facilities allocated to the residential class according to the Company's class cost of service study prepared in the 2003 general rate case (Case No. IPC-E-03-13) adjusted in conformance with the Commission's Order No. 29505.*

*The response to this request was prepared by Tim E. Tatum, Senior Analyst, Pricing and Regulatory Services, Idaho Power Company, in consultation with Monica Moen, Attorney II, Idaho Power Company.*

3. A breakdown of what exactly the \$4.3 million will buy.

**Response:** The \$4.3 million will cover the cost of a new transmission line at an estimated cost of \$2,100,000 and the substation construction cost of approximately \$2,200,000.

4. The costs from the Hidden Springs development on a per customer basis. We would also like to know if those costs included transmission costs.

**Response:** The approximate cost of the Hidden Springs substation construction project was \$700,000. At an estimated average electrical load per home of ten average kilowatts, the three megawatt substation would serve about 300 homes (provided there is no non-residential load served). Under these assumptions, the cost per home of that project was \$2,333.

The Hidden Springs substation project included only a small amount of transmission related costs as the substation was located directly below an existing transmission wire. The project simply required a "line tap" to connect the substation to the Company's transmission system.

5. Overall rate impact from the development if approved as requested. If you can give us an idea of the impact on different classes, that would be helpful, too.

**Response:** The response to this request is attached to this e-mail. The attached response includes the Company's authorized revenue requirement resulting from Order No. 30035 spread across each of the customer classes. Also attached is an adjusted revenue requirement summary that includes an increase to rate base of \$4.3 million. This adjustment simply reflects an increase to rate base of \$4.3 million without any other related adjustments to provide a general sense of the potential impact to the revenue requirement for each customer class.

6. Provide some examples of cases that the Commission allowed interest to be collected on short and long term deferrals.

**Response:** The following are cases that resulted in Commission orders that allowed Idaho Power to apply interest to deferrals:

- Case No. IPC-E-01-41, Order No. 28975 – Deferral of extraordinary security costs following 09-11-01.
- Case No. IPC-E-03-13, Order No. 29601 – Deferral of income tax expense.
- Case No. IPC-E-04-09, Order No. 29600 – Deferral of a customer credit stemming from the settlement of multiple issues.

7. Please provide some basic Energy Star information such as benefits to constructing an Energy Star home.

**Response:** The ENERGY STAR<sup>®</sup> Homes Northwest program encourages the construction of homes that are 30% more energy-efficient than homes built to the standard Idaho residential code. On average, an ENERGY STAR Home built in Idaho Power's service area will save 2,078 kWh annually with a summer peak demand reduction of 2 kW.

IDAHO POWER COMPANY  
CLASS COST OF SERVICE STUDY  
TWELVE MONTHS ENDING DECEMBER 31, 2005

\*\*\* REVENUE REQUIREMENT SUMMARY \*\*\*

SOURCES & NOTES	(A) TOTAL	(B) RESIDENTIAL (1)	(C) GEN SRV (7)	(D) GEN SRV PRIMARY (9-P)	(E) GEN SRV SECONDARY (9-S)	(F) AREA LIGHTING (15)	(G) LG POWER PRIMARY (19-P)	(H) IRRIGATION SECONDARY (24-S)
10 TOTAL RATE BASE	1,657,125,502	703,235,929	52,750,287	33,570,937	327,628,279	939,706	189,203,438	267,890,269
12 REVENUES FROM RATES								
13 RETAIL	562,123,417	259,380,596	20,731,009	11,536,794	109,545,928	939,956	61,563,466	69,540,884
14								
15 TOTAL SALES REVENUES	562,123,417	259,380,596	20,731,009	11,536,794	109,545,928	939,956	61,563,466	69,540,884
16								
17 TOTAL OTHER OPERATING REVENUES	97,148,716	36,903,280	2,342,545	2,703,629	18,892,810	109,552	17,276,248	11,865,170
18								
19 TOTAL REVENUES	659,272,133	296,283,876	23,073,554	14,240,423	128,438,738	1,048,508	78,839,714	81,396,054
20								
21 OPERATING EXPENSES	497,555,808	212,866,507	16,755,850	10,749,010	96,447,710	497,681	61,044,952	68,712,004
22 WITHOUT INC TAX								
23								
24 OPERATING INCOME	161,716,324	82,297,369	6,317,704	3,491,413	31,991,028	550,828	17,794,762	12,684,051
25 BEFORE INCOME TAXES								
26								
27 TOTAL FEDERAL INCOME TAX	40,599,571	20,661,104	1,586,086	876,584	8,031,483	138,288	4,467,451	3,184,385
28 TOTAL STATE INCOME TAX	5,083,175	2,586,826	198,582	109,744	1,005,563	17,314	559,337	398,694
29								
30 TOTAL OPERATING EXPENSES	543,238,555	236,234,437	18,540,518	11,735,268	105,484,757	653,282	66,071,739	72,295,082
31								
32 TOTAL OPERATING INCOME	116,033,578	59,049,439	4,533,035	2,505,135	22,953,981	395,226	12,767,974	9,100,972
33								
34 ADD: IERCO OPERATING INCOME	7,109,432	2,539,958	167,072	179,198	1,589,669	2,844	1,121,868	929,203
35 CONSOLIDATED OPER INCOME	123,143,011	61,589,397	4,700,107	2,684,292	24,543,650	398,070	13,889,843	10,030,175
36								
37 RATES OF RETURN	7.431	8.757	8.910	7.986	7.491	42.361	7.341	3.744
38 RATES OF RETURN - INDEX	1.000	1.178	1.199	1.076	1.008	5.701	0.988	0.504
39 AVERAGE MILLS/KWH	48.54	57.37	69.88	35.01	38.65	158.24	29.93	44.18
40								
41 REVENUE REQUIREMENT CALCULATION								
42 RATE OF RETURN REQUIRED	8.099	8.099	8.099	8.099	8.099	8.099	8.099	8.099
43								
44 REQUIRED REVENUE	580,293,235	250,784,484	20,028,361	11,589,573	112,814,202	410,291	63,917,313	88,696,369
45 REVENUE DEFICIENCY	18,169,818	(7,596,112)	(702,648)	56,779	3,286,274	(528,665)	2,353,847	19,155,485
46 PERCENT CHANGE REQUIRED	3.23%	-2.94%	-3.99%	0.49%	2.96%	-56.30%	3.82%	27.55%
47 RETURN AT CLAIMED ROR	134,208,673	56,954,263	4,272,185	2,718,871	26,534,073	76,106	15,323,367	21,686,122
48 EARNINGS DEFICIENCY	11,065,663	(4,626,134)	(427,922)	34,579	1,990,423	(321,964)	1,439,524	11,665,947
49								
50 REVENUE REQUIREMENT FOR RATE DESIGN								
51 TOTAL IDAHO SALES REVENUES	562,123,417	258,380,596	20,731,009	11,536,794	109,545,928	938,956	61,563,466	69,540,884
52								
53 REQUESTED CHANGE IN REVENUE (%)	3.23%	-2.94%	-3.99%	0.49%	2.96%	-56.30%	3.82%	27.55%
54								
55 SALES REVENUE REQUIRED	580,293,235	250,784,484	20,028,361	11,589,573	112,814,202	410,291	63,917,313	88,696,369
56 RATE OF RETURN AT REQUIRED REVENUE	8.099	8.099	8.099	8.099	8.099	8.099	8.099	8.099
57 REQUESTED AVERAGE MILLS/KWH	50.11	55.68	67.52	35.18	40.01	69.14	31.08	56.35
58								
59 ACTUAL RATE OF RETURN (SALES REVENUE ONLY)	1.14	3.15	4.15	-0.59	1.24	30.40	-2.38	-1.03
60 REQUESTED RATE OF RETURN (SALES REVENUE ONLY)	2.24	2.07	2.82	-0.42	2.24	-25.86	-1.14	6.12

IDAHO POWER COMPANY  
CLASS COST OF SERVICE STUDY  
TWELVE MONTHS ENDING DECEMBER 31, 2005

REVENUE REQUIREMENT SUMMARY \*\*\*

LINE	DESCRIPTION	(I) UNMETERED GEN SERVICE (40)	(J) MUNICIPAL ST LIGHT (41)	(K) TRAFFIC CONTROL (42)	(L) SC DOE/INL	(M) SC JR SIMPLOT	(N) SC MICRON
9	TOTAL RATE BASE	2,140,071	2,562,915	766,505	14,211,678	15,446,187	46,781,301
11	REVENUES FROM RATES	0					
13	RETAIL	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
14	TOTAL SALES REVENUES	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
16	TOTAL OTHER OPERATING REVENUES	112,065	128,615	49,573	1,187,244	1,626,327	3,961,657
17	TOTAL REVENUES	985,452	2,021,584	311,206	6,188,021	6,126,257	21,318,745
19	OPERATING EXPENSES	671,694	1,726,805	237,658	5,092,800	4,921,555	17,711,574
21	WITHOUT INC TAX	0					
22	OPERATING INCOME BEFORE INCOME TAXES	313,758	294,779	73,538	1,095,221	1,204,702	3,607,171
24	TOTAL FEDERAL INCOME TAX	78,770	74,006	18,462	274,960	302,446	905,596
25	TOTAL STATE INCOME TAX	9,862	9,266	2,311	34,426	37,867	113,383
26	TOTAL OPERATING EXPENSES	760,326	1,810,076	258,442	5,402,185	5,261,867	18,730,563
27	TOTAL OPERATING INCOME	225,126	211,508	52,764	785,835	864,389	2,586,192
28	ADD: IERCO OPERATING INCOME	9,242	10,664	4,266	106,641	99,532	358,315
29	CONSOLIDATED OPER INCOME	234,368	222,172	57,030	892,477	963,921	2,946,508
31	RATES OF RETURN	10.951	8.669	7.440	6.280	6.241	6.298
32	RATES OF RETURN - INDEX	1.000	1.167	1.001	0.945	0.940	0.848
33	AVERAGE MILLS/KWH	48.541	101.20	33.36	24.43	23.98	25.76
41	REVENUE REQUIREMENT CALCULATION	8,099	8,099	8,099	8,099	8,099	8,099
42	RATE OF RETURN REQUIRED						
43	REQUIRED REVENUE	773,149	1,868,988	269,922	5,425,251	4,971,262	16,740,071
44	REVENUE DEFICIENCY	(100,238)	(23,961)	8,289	424,474	471,332	1,382,983
45	PERCENT CHANGE REQUIRED	-11.46%	-1.27%	3.17%	8.49%	10.47%	7.97%
46	RETURN AT CLAIMED ROR	173,322	207,567	62,078	1,150,987	1,250,969	3,788,763
47	EARNINGS DEFICIENCY	(61,046)	(14,605)	5,048	258,511	287,047	842,255
48	REVENUE REQUIREMENT FOR RATE DESIGN	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
49	TOTAL IDAHO SALES REVENUES	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
50	REQUESTED CHANGE IN REVENUE (%)	-11.48%	-1.27%	3.17%	8.49%	10.47%	7.97%
51	SALES REVENUE REQUIRED	773,149	1,868,988	269,922	5,425,251	4,971,262	16,740,071
52	RATE OF RETURN AT REQUIRED REVENUE	8.099	8.099	8.099	8.099	8.099	8.099
53	REQUESTED AVERAGE MILLS/KWH	47.72	99.92	34.42	26.50	26.49	27.81
54	ACTUAL RATE OF RETURN (SALES REVENUE ONLY)	1.14	3.23	0.42	-2.82	-4.93	-2.94
55	REQUESTED RATE OF RETURN (SALES REVENUE ONLY)	2.24	2.30	1.50	0.16	-1.88	0.02

**IDAHO POWER COMPANY  
CLASS COST OF SERVICE STUDY  
TWELVE MONTHS ENDING DECEMBER 31, 2005**

**\*\*\* REVENUE REQUIREMENT SUMMARY \*\*\***

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)
SOURCES & NOTES	TOTAL	RESIDENTIAL (1)	GEN SRV (7)	GEN SRV PRIMARY (9-P)	GEN SRV SECONDARY (9-S)	AREA LIGHTING (16)	LG POWER PRIMARY (19-F)	IRRIGATION SECONDARY (24-S)
10 TOTAL RATE BASE	1,661,425,502	704,903,123	52,856,714	33,659,874	328,503,562	940,851	189,716,749	268,798,847
11 REVENUES FROM RATES								
12 RETAIL	562,123,417	258,380,596	20,731,009	11,536,794	109,545,928	938,956	61,563,466	69,540,864
13 TOTAL SALES REVENUES	562,123,417	258,380,596	20,731,009	11,536,794	109,545,928	938,956	61,563,466	69,540,864
14								
15 TOTAL OTHER OPERATING REVENUES	97,148,716	36,903,280	2,342,545	2,703,629	18,892,810	109,552	17,276,248	11,855,170
16								
17 TOTAL REVENUES	659,272,133	295,283,876	23,073,554	14,240,423	128,438,738	1,048,508	78,839,714	81,396,054
18								
19 OPERATING EXPENSES	497,555,809	212,966,507	16,755,850	10,749,010	96,447,710	497,681	61,044,952	68,712,004
20 WITHOUT INC TAX								
21 OPERATING INCOME	161,716,324	82,297,369	6,317,704	3,491,413	31,991,028	550,828	17,794,762	12,684,051
22 BEFORE INCOME TAXES								
23 TOTAL FEDERAL INCOME TAX	40,599,571	20,881,104	1,586,086	876,534	8,031,463	138,288	4,467,451	3,184,385
24 TOTAL STATE INCOME TAX	5,083,175	2,566,826	198,582	109,744	1,005,563	17,314	559,337	398,694
25								
26 TOTAL OPERATING EXPENSES	543,238,555	236,234,437	18,540,518	11,735,288	105,484,757	653,282	66,071,739	72,296,082
27								
28 TOTAL OPERATING INCOME	116,033,578	59,049,439	4,533,035	2,505,135	22,953,981	395,226	12,767,974	9,100,972
29								
30 ADD: IERCO OPERATING INCOME	7,109,432	2,530,958	167,072	179,158	1,589,659	2,844	1,121,868	828,203
31 CONSOLIDATED OPER INCOME	123,143,011	61,580,397	4,700,107	2,684,292	24,543,650	398,070	13,889,843	10,930,175
32								
33 RATES OF RETURN	7.412	8.736	8.892	7.975	7.471	42.310	7.321	3.731
34 RATES OF RETURN - INDEX	1.000	1.179	1.200	1.076	1.008	5.708	0.988	0.503
35 AVERAGE MILLS/KWH	48.54	57.37	69.88	35.01	38.85	158.24	29.93	44.18
36								
37 REVENUE REQUIREMENT CALCULATION								
38 RATE OF RETURN REQUIRED	8.099	8.099	8.099	8.099	8.099	8.099	8.099	8.099
39								
40 REQUIRED REVENUE	580,865,065	251,006,193	20,042,514	11,605,413	112,930,866	410,443	63,985,575	68,817,195
41								
42 REVENUE DEFICIENCY	18,741,648	(7,374,403)	(688,495)	68,619	3,384,938	(528,519)	2,422,109	19,276,311
43								
44 PERCENT CHANGE REQUIRED	3.33%	-2.85%	-3.32%	0.59%	3.09%	-56.29%	3.93%	27.72%
45 RETURN AT CLAIMED ROR	134,556,925	57,086,287	4,280,804	2,726,062	26,605,123	76,166	15,364,940	21,768,707
46 EARNINGS DEFICIENCY	11,413,915	(4,491,110)	(419,303)	41,790	2,061,473	(921,872)	1,475,097	11,739,532
47								
48 REVENUE REQUIREMENT FOR RATE DESIGN								
49 TOTAL IDAHO SALES REVENUES	562,123,417	258,380,596	20,731,009	11,536,794	109,545,928	938,956	61,563,466	69,540,864
50								
51 REQUESTED CHANGE IN REVENUE (%)	3.33%	-2.85%	-3.32%	0.59%	3.09%	-56.29%	3.93%	27.72%
52								
53 SALES REVENUE REQUIRED	580,865,065	251,006,193	20,042,514	11,605,413	112,930,866	410,443	63,985,575	68,817,195
54								
55 RATE OF RETURN AT REQUIRED REVENUE	8.099	8.099	8.099	8.099	8.099	8.099	8.099	8.099
56								
57 REQUESTED AVERAGE MILLS/KWH	50.16	55.73	67.56	35.22	40.05	69.17	31.11	56.42
58								
59 ACTUAL RATE OF RETURN (SALES REVENUE ONLY)	1.14	3.14	4.14	-0.59	1.24	30.36	-2.38	-1.02
60								
REQUESTED RATE OF RETURN (SALES REVENUE ONLY)	2.26	2.10	2.84	-0.39	2.27	-25.81	-1.10	6.15

Test Run for Alden Holm Including \$4.3 Million into Rate Base.

IDAHO POWER COMPANY  
CLASS COST OF SERVICE STUDY  
TWELVE MONTHS ENDING DECEMBER 31, 2005

REVENUE REQUIREMENT SUMMARY \*\*\*

	SOURCES & NOTES	TOTAL	(I) UNMETERED GEN SERVICE (40)	(J) MUNICIPAL ST LIGHT (41)	(K) TRAFFIC CONTROL (42)	(L) SC DOE/JNL	(M) SC JR SIMPLOT	(N) SC MICRON
10	TOTAL RATE BASE	1,661,425,502	2,144,896	2,586,766	768,433	14,237,298	15,467,607	46,860,661
11	REVENUES FROM RATES	0	0	0	0	0	0	0
12	RETAIL	562,123,417	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
14	TOTAL SALES REVENUES	562,123,417	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
16	TOTAL OTHER OPERATING REVENUES	97,148,716	112,065	128,615	49,573	1,167,244	1,626,327	3,961,657
18	TOTAL REVENUES	659,272,133	985,452	2,021,584	311,206	6,188,021	6,126,257	21,318,745
20	OPERATING EXPENSES	497,555,809	671,694	1,726,805	237,668	5,092,800	4,921,555	17,711,574
22	WITHOUT INC TAX	0	0	0	0	0	0	0
24	OPERATING INCOME	161,716,324	313,758	294,779	73,538	1,095,221	1,204,702	3,607,171
25	BEFORE INCOME TAXES	40,599,571	78,770	74,006	18,462	274,960	302,446	905,596
27	TOTAL FEDERAL INCOME TAX	5,083,175	9,862	9,266	2,311	34,426	37,867	113,383
28	TOTAL STATE INCOME TAX	543,238,555	780,326	1,810,076	258,442	5,402,185	5,261,967	18,730,553
30	TOTAL OPERATING EXPENSES	116,033,578	225,126	211,508	52,764	785,635	864,389	2,588,192
32	TOTAL OPERATING INCOME	7,109,432	9,242	10,664	4,266	106,541	59,532	358,315
34	ADD: IERCO OPERATING INCOME	123,143,011	234,368	222,172	57,030	892,477	963,921	2,946,508
35	CONSOLIDATED OPER INCOME	130,252,443	243,610	232,836	61,296	998,018	1,023,453	3,304,823
37	RATES OF RETURN	7.412	10.927	8.656	7.422	6.269	6.232	6.288
38	RATES OF RETURN - INDEX	1.000	1.474	1.168	1.001	0.946	0.841	0.848
39	AVERAGE MILLS/KWH	48.541	53.90	101.20	33.36	24.43	23.88	25.76
41	REVENUE REQUIREMENT CALCULATION	8,099	8,099	8,099	8,099	8,099	8,099	8,099
42	RATE OF RETURN REQUIRED	8,099	8,099	8,099	8,099	8,099	8,099	8,099
43	REQUIRED REVENUE	580,865,065	773,791	1,869,500	270,179	5,428,658	4,974,110	18,750,628
44	REVENUE DEFICIENCY	18,741,646	(69,586)	(23,469)	8,546	427,881	474,160	1,393,540
45	PERCENT CHANGE REQUIRED	3.33	-11.40%	-1.24%	3.27%	8.56%	10.54%	8.03%
46	RETURN AT CLAIMED ROR	134,556,925	173,713	207,879	62,234	1,153,062	1,252,704	3,795,192
47	EARNINGS DEFICIENCY	11,413,915	(60,655)	(14,293)	5,204	260,585	288,782	848,684
49	REVENUE REQUIREMENT FOR RATE DESIGN	562,123,417	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
50	TOTAL IDAHO SALES REVENUES	562,123,417	873,387	1,892,969	261,633	5,000,777	4,499,930	17,357,088
52	REQUESTED CHANGE IN REVENUE (%)	3.33%	-11.40%	-1.24%	3.27%	8.56%	10.54%	8.03%
54	SALES REVENUE REQUIRED	580,865,065	773,791	1,869,500	270,179	5,428,658	4,974,110	18,750,628
55	RATE OF RETURN AT REQUIRED REVENUE	8,099	8,099	8,099	8,099	8,099	8,099	8,099
56	REQUESTED AVERAGE MILLS/KWH	50.16	47.76	99.95	34.45	26.52	26.51	27.83
57	ACTUAL RATE OF RETURN (SALES REVENUE ONLY)	1.14	5.27	3.23	-2.82	0.42	-4.93	-2.63
58	REQUESTED RATE OF RETURN (SALES REVENUE ONLY)	2.26	0.63	2.32	1.53	0.19	-1.86	0.04

**John R. Hammond**

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**From:** Alden Holm [alden@treasurevalleycpa.com]  
**Sent:** Tuesday, March 20, 2007 2:50 PM  
**To:** John R. Hammond  
**Subject:** FW: Request for Information

Here we go. Alden

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**From:** Tatum, Tim [mailto:TTatum@idahopower.com]  
**Sent:** Tuesday, March 20, 2007 2:28 PM  
**To:** alden@treasurevalleycpa.com  
**Cc:** Moen, Monica; Said, Greg  
**Subject:** RE: Request for Information

Alden,

In response to your question -

Under the agreement between Hidden Springs and Idaho Power, Hidden Springs was required to pay the full construction cost of the substation over two payments, both issued in 1998. As the subdivision phases were completed, Hidden Springs ultimately received full reimbursement of its original financial contribution. The total cost of the Hidden Springs substation was subsequently included into rate base for the purpose of determining customer rates.

Tim Tatum  
Idaho Power Co.  
208-388-5515  
[ttatum@idahopower.com](mailto:ttatum@idahopower.com)

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**From:** Alden Holm [mailto:alden@treasurevalleycpa.com]  
**Sent:** Monday, March 19, 2007 6:06 AM  
**To:** Tatum, Tim; Said, Greg  
**Cc:** 'John R. Hammond'  
**Subject:** RE: Request for Information

Tim, thank you for the information. Can you tell me how Idaho Power recovered its costs for Hidden Springs? Was the developer required to make an up front contribution and then receive refunds as customers hooked up? Will you please verify for me that those costs are currently in customer rates? Thank you very much. Alden

---

**From:** Tatum, Tim [mailto:TTatum@idahopower.com]  
**Sent:** Friday, March 16, 2007 4:19 PM  
**To:** alden@treasurevalleycpa.com  
**Cc:** Barber, Tom; Moen, Monica; Said, Greg  
**Subject:** RE: Request for Information

Alden -

Attached to this email are the written responses to your list of data requests.

Please feel free to contact me if you have any questions.

9/5/2007

Tim Tatum  
Idaho Power Company  
208-388-5515  
ttatum@idahopower.com

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**From:** Alden Holm [mailto:alden@treasurevalleycpa.com]  
**Sent:** Thursday, March 08, 2007 8:54 AM  
**To:** Tatum, Tim; Said, Greg  
**Cc:** 'John R. Hammond'; 'Bob Taunton'  
**Subject:** Request for Information

Good Morning Greg,

Tim asked me to send you the list of data requests that we have for the Avimor project. Here is what we need to get started:

1. An idea of where the Avimor substation and transmission line fit in with Idaho Power's long range plans. Specifically, would the Company have had to build the line and substation at some point whether or not Avimor was coming in? If so, how would the project have been financed and how would it have impacted customer rates?
2. A cost comparison for new hookups like Avimor (and a clarification of the \$350 and \$1000 amounts used by Staff.)
3. A breakdown of what exactly the \$4.3 million will buy.
4. The costs from the Hidden Springs development on a per customer basis. We would also like to know if those costs included transmission costs.
5. Overall rate impact from the development if approved as requested. If you can give us an idea of the impact on different classes, that would be helpful, too.
6. Provide some examples of cases that the Commission allowed interest to be collected on short and long term deferrals.
7. Please provide some basic Energy Star information such as benefits to constructing an Energy Star home.

I would like to come over Monday morning to discuss these items with you. Please let me know if you have any questions. Thanks – I look forward to working with you again.

*Alden J. Holm, CPA  
9446 W. Fairview Ave.  
Boise, ID 83704  
(208) 322-0720  
Alden@treasurevalleycpa.com*

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No virus found in this outgoing message.

Checked by AVG Free Edition.

Version: 7.5.446 / Virus Database: 268.18.8/714 - Release Date: 3/8/2007 10:58 AM

"EMF <idahopower.com>" made the following annotations.

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9/5/2007

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Version: 7.5.446 / Virus Database: 268.18.12/724 - Release Date: 3/16/2007 12:12 PM

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=====  
"EMF <idahopower.com>" made the previous annotations.

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Version: 7.5.446 / Virus Database: 268.18.15/728 - Release Date: 3/20/2007 8:07 AM