

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF IDAHO POWER</b>	)	
<b>COMPANY'S PETITION TO INCREASE</b>	)	<b>CASE NO. IPC-E-07-03</b>
<b>THE PUBLISHED RATE ELIGIBILITY CAP</b>	)	
<b>FOR WIND-POWERED SMALL POWER</b>	)	
<b>PRODUCTION FACILITIES; AND</b>	)	<b>NOTICE OF</b>
	)	<b>MODIFIED PROCEDURE</b>
<b>TO ELIMINATE THE 90%/110%</b>	)	
<b>PERFORMANCE BAND FOR WIND-</b>	)	<b>NOTICE OF</b>
<b>POWERED SMALL POWER PRODUCTION</b>	)	<b>COMMENT/PROTEST DEADLINE</b>
<b>FACILITIES</b>	)	

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On February 6, 2007, Idaho Power Company (Idaho Power; Company) filed a Petition with the Idaho Public Utilities Commission (Commission) proposing a \$10.72/MWh wind integration adjustment or reduction to published avoided cost rates. In support of its proposal the Company submitted its recently completed Wind Integration Study. The Company requested a Commission order

1. Raising the cap on entitlement to published avoided cost rates for intermittent wind-powered small power production facilities that are qualifying facilities (QFs) under Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 (PURPA) from the current level of 100 kW to 10 aMW per month; and

2. Authorizing Idaho Power to purchase state-of-the-art wind forecasting services that will provide the Company with forecasts of wind conditions in those geographic areas where the Company's wind generation resources are located. It is Idaho Power's proposal that the order should further provide that wind-powered QFs will reimburse the Company for their share of the cost of the wind forecasting service; and

3. Authorizing Idaho Power to require the inclusion of a Mechanical Availability Guarantee (MAG) in all new contracts to purchase energy from wind-powered QFs; and

4. In conjunction with the Commission's approval of paragraphs 1, 2 and 3 above, the Company proposes to eliminate the requirement that the 90%/110% performance band be included in new contracts for energy purchases from intermittent wind-powered QFs.

A Notice of Petition and Notice of Preliminary Procedure was issued in Case No. IPC-E-07-03 on February 16, 2007. As a matter of preliminary procedure and prior to any

procedural scheduling by the Commission, Idaho Power on March 15, 2007, hosted the first public workshop in Case No. IPC-E-07-03. Pursuant to Notice, a second public workshop was held on June 20, 2007.

On June 28, 2007, the Commission issued a Notice establishing an intervention deadline of July 18, 2007. The following parties requested and were granted intervenor status: Exergy Development Group of Idaho LLC; Renewable NW Project and N.W. Energy Coalition; PacifiCorp dba Rocky Mountain Power; Ridgeline Energy LLC; Idaho Windfarms LLC; Cassia Gulch Wind Park LLC and Cassia Wind Farms LLC; Avista Corporation; Snake River Alliance; Gerald Fleischman; Renaissance Engineering & Design, PLLC; Blue Ribbon Energy LLC; and INL Biofuels and Renewable Energy Technologies.

On July 31 and August 10, 2007, Commission Staff sponsored joint settlement workshops in Case Nos. IPC-E-07-03 (Idaho Power), PAC-E-07-07 (PacifiCorp), and AVU-E-07-02 (Avista) to explore whether parties of record could agree to a common generic wind integration adjustment to published rates. IDAPA 31.01.01.272-276.

The Commission has been informed that the participants in the joint settlement workshops were unable to reach a compromise generic settlement. In consideration of the foregoing and based on its review of the filings of record in Case No. IPC-E-07-03, YOU ARE HEREBY NOTIFIED that the Commission has preliminarily found that the public interest regarding Idaho Power's proposed wind integration adjustment (with related proposed rate methodology modifications) may not require a hearing to consider the issues presented by the Petition and that the Petition may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the **deadlines for filing written comments or protests** with respect to the Petition and the Commission's use of Modified Procedure in Case No. IPC-E-07-03 are as follows:

Initial Comment Deadline

Friday, September 21, 2007

Reply Deadline

Friday, October 5, 2007

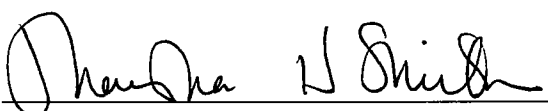
Persons desiring a hearing must specifically request a hearing in their written protests or comments.

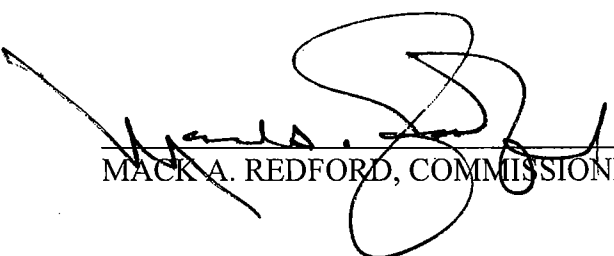
YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Petition in Case No. IPC-E-07-03 may be viewed at [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and "Electric Cases," or can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 W. Washington Street, Boise, Idaho and at the general business office of Idaho Power Company, 1221 West Idaho Street.

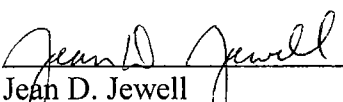
DATED at Boise, Idaho this 22<sup>nd</sup> day of August 2007.

  
PAUL KJELLANDER, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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