

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR AN) **CASE NO. IPC-E-07-07**
ACCOUNTING ORDER CLARIFYING THE)
ACCOUNTING FOR FUTURE PENSION) **NOTICE OF APPLICATION**
OBLIGATIONS)
)
) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **ORDER NO. 30287**

On March 20, 2007, Idaho Power Company filed an Application seeking an accounting order to clarify the accounting for future pension obligations. The Company requested that its Application be processed by Modified Procedure. With this Order the Commission authorizes the use of Modified Procedure and establishes a deadline for the submission of comments.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Idaho Power is seeking an Order authorizing it to: (1) change from accrual to cash accounting to determine future contributions to defined benefit pension plans; and (2) defer future defined benefit pension plan contributions and record them as regulatory assets with ratemaking treatment of such regulatory assets to be determined in subsequent revenue requirement proceedings. The Company states that it is not requesting current approval of future ratemaking treatment of deferred expenses associated with the Company's defined benefit pension plans, but is only requesting authority to implement regulatory accounting practices.

YOU ARE FURTHER NOTIFIED that Idaho Power accounts for defined benefit pension expense in accordance with Statement of Financial Accounting Standards 87 (SFAS/FAS 87). The Company states that in its 2003 general rate case, IPC-E-03-13, the Commission did not allow the accrued SFAS 87 amount to be included in the Company's revenue requirement; however, the Commission did not direct the Company to change to a cash method to account for defined benefit pension expense. Additionally, the Company refers to Case No. UWI-W-04-04 where United Water utilized the SFAS 87 accrual methodology, and the Commission determined that using actual cash contributions, not accrued obligations, was the

appropriate way to determine the amount to recover in rates for the defined benefit pension expense.

YOU ARE FURTHER NOTIFIED that the Application, supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies and exhibits are also available on the Commission's Website at www.puc.idaho.gov under "File Room."

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filing of record in Case No. IPC-E-07-07. The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

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. IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that if no protests or written comments are received within the deadline, the Commission will consider the matter and enter its Order without a hearing. If protests or comments are filed within the deadline, the Commission will consider them and may, in its discretion, set the matter for hearing or decide the matter and issue its Order on the basis of the written positions before it. IDAPA 01.01.01.204.

NOTICE OF COMMENT/PROTEST DEADLINE

YOU ARE FURTHER NOTIFIED that **the deadline for filing written comments or protests** with respect to the Application and the Commission's use of Modified Procedure in Case No. IPC-E-07-07 **is 21 days from service date of this Order**. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that written comments concerning this case should be mailed to the Commission and to the Company at the addresses reflected below.

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address For Express Mail:

472 W. Washington Street
Boise, ID 83702-5983

Barton L. Kline, Senior Attorney
Lisa Nordstrom, Attorney II
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: bkline@idahopower.com
lnordstrom@idahopower.com

Ric Gale, VP, Regulatory Affairs
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: rgale@idahopower.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's homepage located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to Idaho Power at the e-mail addresses listed above.

FINDINGS/CONCLUSIONS

The Idaho Public Utilities Commission has jurisdiction over Idaho Power Company, its Application seeking an accounting order to clarify the accounting for future pension obligations, and the issues involved in this case by virtue of Title 61, Idaho Code, including *Idaho Code* §§ 61-129, 61-301, 302, 303, 61-502, 61-503, and 61-524 and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

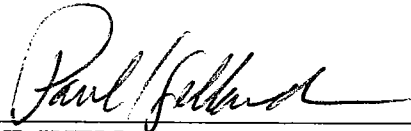
The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case, and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

ORDER

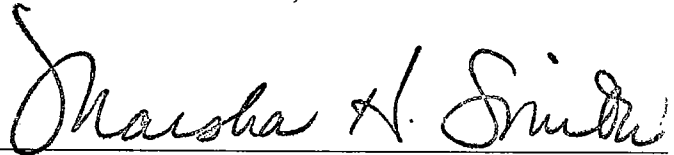
IT IS HEREBY ORDERED that the Application of Idaho Power Company for an accounting order to clarify the accounting for future pension obligations be processed by

Modified Procedure, IDAPA 31.01.01.201-204. Persons interested in submitting written comments in this matter or protesting the use of Modified Procedure should do so no later than 21 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 29th day of March 2007.



PAUL KJELLANDER, PRESIDENT

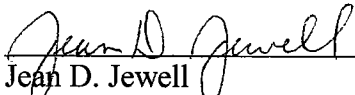


MARSHA H. SMITH, COMMISSIONER



MACK A. REDFORD, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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