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IDAHO PUBLIC
UTILITIES COMMISSION

BARTON L. KLINE
Senior Attorney

November 5, 2007

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P. O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-07-15
IN THE MATTER OF IDAHO POWER'S PETITION TO MODIFY THE
METHODOLOGY FOR DETERMINING FUEL COSTS USED TO
ESTABLISH PUBLISHED RATES FOR PURPA QUALIFYING
FACILITIES

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of Idaho Power Company's Reply Comments for the above-referenced matter.

I would appreciate it if you would return a stamped copy of this transmittal letter in the enclosed self-addressed, stamped envelope.

Very truly yours,



Barton L. Kline

BLK:sh
Enclosures

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IDAHO PUBLIC UTILITIES COMMISSION

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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER'S)	
PETITION TO MODIFY THE)	CASE NO. IPC-E-07-15
METHODOLOGY FOR DETERMINING)	
FUEL COSTS USED TO ESTABLISH)	IDAHO POWER'S REPLY COMMENTS
PUBLISHED RATES FOR PURPA)	
<u>QUALIFYING FACILITIES</u>)	

COMES NOW, Idaho Power Company ("Idaho Power" or the "Company") and hereby submits the following Reply Comments.

Background

1. Idaho Power's Request.

In its Petition Idaho Power requested that the Commission modify the methodology currently used to determine the fuel costs that are used to compute published avoided cost rates to be paid to qualifying cogeneration and small power production facilities ("QFs"). For a 2008 QF project, fuel costs will make up 71% of total avoided costs. Idaho Power recommended that the Commission change the method for determining the fuel cost component to utilize the average of all twenty years set out in the Northwest Power Planning Conservation Council's (NWPPCC) 2007 final median forecast of natural gas

prices rather than continuing to use the escalated average of the first three years of the same forecast.

2. Wind Developers' Position.

Exergy Development Group ("Exergy"), Intermountain Wind, LLC ("Intermountain"), Idaho Wind Farms, LLC ("Idaho Wind Farms") and engineers, Gary Seifert and Kurt Myers, who work at the Idaho National Engineering Laboratory ("Seifert-Myers") collectively, Wind Developers, all filed comments urging the Commission to reject Idaho Power's Petition and continue to set the fuel cost component using the average of the first three years of the NWPCC's twenty year forecast of natural gas prices as the starting point. Wind Developers argue that without the higher purchase prices resulting from continued use of the current method, the development of new QF wind generation resources might not be economically feasible.

3. Utility and Staff Position.

Avista Corporation ("Avista"), Rocky Mountain Power ("Rocky Mountain") and the Commission Staff ("Staff") all filed comments supporting Idaho Power's position that the current methodology used to compute the fuel cost component of avoided cost rates should be changed. They concur that the current methodology does not present natural gas prices representative of the costs set out in the NWPCC's forecast. However, Avista, Rocky Mountain and Staff recommend that the Commission determine the fuel cost component in a different way than that proposed by Idaho Power. The two utilities and Staff recommend that the Commission simply use each year of the NWPCC's entire forecast "as is". Under their proposal, each year of a twenty-year QF contract would have a different fuel cost component as a part of the total published rate.

**Wind Developers' Comments Fail to Acknowledge the Federal Law that Governs
Avoided Cost Rate Setting**

The Wind Developers' Comments ask the Commission to reject Idaho Power's proposal based on portions of Idaho state law and Commission policy associated with retail ratemaking. Later in these Reply Comments, Idaho Power will demonstrate that its proposal is fully consistent with Idaho state law and policy associated with retail ratemaking, even though it is federal law that is controlling in this case. The Company will also show that federal law requires that the Commission apply very different standards when setting avoided costs than when it engages in retail ratemaking. However, in light of the Wind Developers' efforts to blur the distinction between Idaho law governing retail rate setting and the body of federal law that governs avoided cost rate setting, Idaho Power believes a brief summary of the legal underpinnings of PURPA may assist the Commission in its analysis of this case.

Sales of electricity by QFs to Idaho electric utilities are wholesale sales that are subject to the exclusive jurisdiction of the Federal Energy Regulatory Commission ("FERC"). (*Connecticut Light and Power Company*, 70 FERC ¶ 61,012 (1995)). Sections 201 and 210 of the Public Utility Regulatory Policies Act of 1978 ("PURPA") established the legal requirement for regulated electric utilities to purchase energy from QFs and directed FERC to promulgate rules to implement PURPA consistent with its wholesale jurisdiction. (16 U.S.C. § 824a-3(a) (1988)). Pursuant to its authority under PURPA, FERC delegated a portion of its wholesale rate setting authority to the state regulatory commissions of the various states and required the state regulatory commissions to set avoided cost rates for purchases from QFs situated in their respective states. (*Federal Energy Regulatory Com'n v. Mississippi*, 102 S.Ct. 2126 (1982)). However, the delegation

of authority from the FERC was not open-ended. FERC promulgated rules proscribing the boundaries within which state regulatory commissions can set avoided cost rates. (18 C.F.R. § 292.101 *et. seq.*). The FERC's rules and its subsequent interpretations of its rules are binding upon the state commissions as they establish avoided cost rates for their jurisdictional electric utilities. (16 U.S.C. § 824a-3(f) (1988)).

Apropos to this case, there are several federal statutes and FERC rules implementing those statutes that this Commission must consider in reviewing the Comments filed by the Wind Energy Developers in this case:

1. The FERC's delegation of wholesale ratemaking authority to this Commission under PURPA requires that the Commission implement the FERC's regulations. (18 CFR §292.401).

2. Under PURPA, the avoided cost rates an electric utility pays for electric energy from a QF must not discriminate against QFs and must "be just and reasonable *to the electric consumers of the electric utility* and in the public interest." (16 U.S.C. §824a-3(b)) (Emphasis added).

3. To comply with PURPA requirements, avoided cost rates set by this Commission cannot exceed the incremental cost to the electric utility of alternative electric energy. (16 U.S.C. §824a-3(b)). The term "incremental cost of alternative energy" means the cost to the electric utility of electric energy which, but for the purchase from such co-generator or small power producer, such utility would generate a purchase from another source. (16 U.S.C. §834a-3(d)). Stated another way, after the Commission has set avoided costs, customers should be economically indifferent as to whether the utility purchases an amount of energy from QFs, generates the same amount of energy itself, or

purchases the energy on the wholesale market. This is commonly referred to in avoided cost proceedings as the Ratepayer Neutrality Test.

4. Once the IPUC has established QF purchase rates equal to full avoided costs, the IPUC's obligation to encourage the development of QF resources has been satisfied. (*Connecticut Light and Power Company*, 70 FERC ¶ 61,012 (1995)).

Wind Developers' Single Issue Rate Case Argument is Flawed

Exergy and Intermountain argue that Idaho Power's proposal to modify only the fuel cost input of the avoided cost methodology is the equivalent of a "single issue rate case," and thus is disfavored in Idaho because it would not examine all the components of the avoided cost rate at the same time. (Intermountain Comments p. 2). Exergy's and Intermountain's characterization of the Commission's view of single issue rate cases overreaches. While not appropriate in all circumstances, abbreviated cases that focus on limited issue(s) are regularly used by the Commission to balance the desire for precision in setting retail rates with judicial economy. Idaho Power believes the Commission not only has the legal authority under both federal and state law, to adjust the fuel cost component in isolation, but also that the public interest would be served by doing so in this instance.

The Idaho Supreme Court made it clear that a complete rate proceeding is NOT required in every instance when the Commission adjusts rates. In *J.R. Simplot Co. v. Intermountain Gas Co.*, 630 P.2d 133, 102 Idaho 341 (1981), the Idaho Supreme Court specifically approved the practice of a "tracker" or "single item" rate proceeding regarding a specific cost which could be separately identified. The Supreme Court ruled:

Where, as in this case, the utility has no control over substantially increased costs, a pass-through rate increase to cover the additional costs will not impact the authorized rate of return. In such situations, the common utility regulation practice is to permit a scaled down proceeding focusing only

on the particular increase. [Citations omitted.] “Little purpose is served by requiring the commission to hold a general rate proceeding recalculating all expenses, revenues, rate base and rate of return, when the only substantial issues are extraordinary changes in fuel costs” [Citations omitted.] With a view to constitutional considerations, it is clear that within the regulatory context, due process is a flexible concept permitting expert administrative agencies broad latitude to adapt procedure to the specific regulatory needs of their jurisdictions. (Citations omitted).

102 Idaho at 342, 630 P.2d at 134.

In Order No. 21340 issued in Case No. U-1500-164 investigating the effects of federal Income Tax Code revisions, the Commission noted that while the *Simplot* decision did not “catalog[e] all of the possible circumstances in which a ‘single-issue’ proceeding may be appropriate,” it listed two criteria under which the Commission has discretion to conduct a single issue proceeding consistent with due process: when the utility has no control over a change in expense and when the adjustment will not effect the authorized rate of return. (Order No. 21340 at 5). The two criteria identified in *Simplot* are present in this docket as well. First, Idaho Power has no control over the content and timing of the NWPCC’s forecast and second, the Company’s proposed avoided cost rate adjustment will not financially benefit the Company.

In 2000, the Idaho Supreme Court reaffirmed its *Simplot* findings in *Industrial Customers of Idaho Power v. Idaho Public Utilities Commission*, 134 Idaho 285, 1 P.3d 786 (2000). The Industrial Customers of Idaho Power and Micron argued that the Commission erred when it permitted Idaho Power to recover deferred DSM expenditures in a single item expense case rather than in a general rate case. After determining that an accelerated rate of recovery of Idaho Power’s DSM expenditures would not increase the Company’s authorized rate of return, the Idaho Supreme Court held that “the Commission regularly

pursued its statutory authority when it adopted abbreviated proceedings to account for the Company's single item expense." *Id.* at 292. Thus, the Idaho Supreme Court has twice upheld the Commission's decision to use single issue rate cases to achieve just and sufficient retail rates.

Although Exergy and Intermountain imply that the Commission uniformly discourages single issue rate cases, history does not support this view. The single issue rate case is a tool the Commission has used on multiple occasions in the past to review the reasonableness of retail rates. It is an important part of the Commission's established practice. For example, the Commission routinely considers trackers that increase or decrease a gas utility's rates and charges without considering any expense item other than its purchased gas cost. In addition, this Commission annually reviews the power cost trackers of Avista and Idaho Power, focusing exclusively upon these electric utilities net power supply costs.

Not limited to just tracker cases, the Commission has also used single issue proceedings to include costs in retail rates associated with Avista's Coyote Springs 2 and Idaho Power's Bennett Mountain generating plants (Case Nos. AVU-E-05-1 and IPC-E-05-10, respectively). The Commission has entertained numerous limited-issue retail rate cases for utilities over the years, including those stemming from Case No. U-1500-164's *Investigation of the Effects of Revisions of the Federal Income Tax Code upon the Cost of Service of Regulated Utilities*, Order No. 21340. Single issue rate cases have been used to adjust the rates of non-energy utilities as well, including those of Mountain Bell (Order No. 16047, Case No. U-1006-52; Order No. 17665, Case No. U-1006-61; Order No. 19956, Case No. U-1000-92) and Hayden Pines Water Company (Case No. HPN-W-89-1, Order No. 23554).

It is reasonable for the Commission to use a single item adjustment in this present case as well. The Commission has for many years sanctioned the use of “trackers” to collect changes in fuel expenses. Idaho Power’s petition seeks to similarly modify the forecasted fuel component of the avoided cost rate. Moreover, the fuel forecast is issued by the NWPCC and thus is not within Idaho Power’s control. Costs associated with the natural gas price forecast comprise the lion’s share (approximately 70% for a 2008 project) of the published avoided cost rate paid to QFs and QF payments and expenses are fully recovered in the Company’s PCA. Consequently, any adjustments made to the fuel forecast component of the avoided cost rate will not impact Idaho Power’s authorized rate of return or otherwise benefit its finances. At the same time, the adjustment Idaho Power proposes will ensure that the fuel cost component of the avoided cost methodology will more accurately track the NWPCC’s forecast and that additional accuracy will benefit customers.

The Legal Standards for Setting Avoided Cost Rates is Different Than the Standard for Setting Retail Rates

In its Comments, Intermountain argues that avoided cost rates determined under PURPA are subject to the same “fair, just and reasonable” standards as are retail rates set in accordance with Idaho Code § 61-502. Intermountain then posits that because Idaho Power’s proposal only seeks to adjust the fuel cost component, rather than all of the components that go into determining the published avoided cost rates, it is impossible, under Idaho law, for the Commission to come to the conclusion that adjusting the fuel cost component as proposed by Idaho Power would result in just and reasonable avoided cost rates. In making this argument, Intermountain ignores the difference between the standards the Commission is required by federal law to follow in establishing avoided cost

rates and the standard that Idaho law establishes for setting retail rates. This distinction is significant and the Commission should reject Intermountain's argument because it fails to recognize the purpose of the controlling federal statutes as compared to the purpose of Idaho Code § 61-502. To illuminate that difference, a comparison of the specific code provisions as required.

First, 16 U.S.C. § 824a-3(b) provides:

(b) Rates for purchases by electric utilities

The Rules prescribed under subsection (a) of this section shall insure that, in requiring any electric utility to offer to purchase electric energy from any qualifying cogeneration facility or qualifying small power production facility, the rates for such purchase-

(1) shall be just and reasonable *to the electric consumers of the electric utility* and in the public interest, and

(2) shall not discriminate against qualifying cogenerators or qualifying small power producers. No such rule prescribed under subsection (a) of this section shall provide for a rate which exceeds the incremental cost to the electric utility of alternative electric energy. (Emphasis added).

Next, Idaho Code § 61-502 provides:

Determination of Rates. Whenever the commission, after a hearing had upon its own motion or upon complaint, shall find that the rates, fares, tolls, rentals, charges or classifications, or any of them, demanded, observed, charged or collected by any public utility for any service or product or commodity, or in connection therewith, including the rates or fares for excursions or commutation tickets, or that the rules, regulations, practices, or contracts or any of them, affecting such rates, fares, tolls, rentals, charges or classifications, or any of them, are unjust, unreasonable, discriminatory or preferential, or in any wise in violation of any provision of law, or that such rates, fares, tolls, rentals, charges or classifications are insufficient, the commission shall determine the *just, reasonable or sufficient rates, fares, tolls, rentals,*

charges, classifications, rules, regulations, practices or contracts to be thereafter observed and in force and shall fix the same by order as hereinafter provided, and shall, under such rules and regulations as the commission may prescribe, fix the reasonable maximum rates to be charged for water by any public utility coming within the provisions of this act relating to the sale of water. (Emphasis added). (Citations omitted).

Idaho Code § 61-502 requires the Commission to set retail rates that are just and reasonable to consumers. But Idaho law also requires the Commission to set rates that are *sufficient* to allow the utility to recover its costs and earn a return of and return on its investment in utility plant. This is the regulatory compact that underlies all retail ratemaking.

In contrast, U.S.C. § 824a-3(b)(1) does not require the Commission to consider whether the avoided cost rates it sets are sufficient to make QF projects economically viable. If the Commission sets avoided cost rates that are equal to “the incremental cost to the utility of alternative energy” the published rates are *per se*, just, reasonable and non-discriminatory.

Intermountain’s Comments create the impression that the Commission is required to look at the “just and reasonable” standard from the perspective of the QF developer and not from the perspective of the “electric consumers of the electric utility.” However, the provisions of 16 U.S.C. § 824a-3(b) make it clear that the Commission cannot set avoided cost rates with the goal of making sure that the published rate is high enough to allow all QF projects to develop. Under PURPA, the Commission is only allowed to set avoided cost rates equal to the electric utility’s incremental cost of alternative electric energy.

The Commission Is Prohibited From Artificially Stimulating Development of QF Resources

In its Comments, Exergy urges the Commission to deny Idaho Power's petition because the 2007 Idaho State Energy Plan requires the Commission to give a high priority to the development of renewable resources. Apparently, Exergy equates compliance with the State Energy Plan with maintaining the published rates at a level that is sufficient to make all QF projects economically attractive. (Exergy Comments p. 3). Despite Exergy's urging, federal law does not permit the State of Idaho to artificially stimulate the development of QF resources by requiring the Commission to set QF purchase prices above avoided costs.

In *Connecticut Light and Power Company*, FERC ¶ 61,012, the FERC ruled that a Connecticut statute requiring Connecticut electric utilities to purchase energy from certain QF facilities owned by municipal corporations at prices that exceeded the utilities full avoided cost was unlawful. The FERC ruled that federal law, PURPA, preempted state statutes that required electric utilities to pay more than avoided costs for purchases from QFs. FERC stated "Henceforth, however, if parties are required by state law or policy to sign contracts that reflect rates for QF sales at wholesale that are in excess of avoided costs, those contracts will be considered to be void *ab initio*."

Idaho Power concurs that the acquisition of energy from renewable generating resources such as wind and geothermal is desirable. However, the purchase of energy from QF resources under PURPA is not the only way that energy from renewable resources will be acquired by Idaho utilities. Renewable resources play a large role in the Company's Integrated Resource Plan (IRP). Consistent with the IRP, Idaho Power has conducted competitive bidding programs for both wind and geothermal resources with a

third request for proposals in the planning stage. As a result of these competitive bid solicitations, the Company has entered into contracts for 146 MW of renewable energy generation. To date, Idaho Power has been fortunate that the contracts resulting from its competitive bidding solicitations have contained purchase prices that are lower than the published avoided costs. The contracts for wind and geothermal resources acquired as a result of the competitive bid process also include all or a portion of the renewable energy credits (RECs) which are not included as a part of QF contracts. Ownership of those RECs is becoming increasingly important as neighboring states adopt renewable portfolio standards.

Idaho Power's Proposal to Change the Avoided Cost Methodology is Not a Collateral Attack

In its Comments, Intermountain asserts that by requesting that the Commission change the methodology for determining the fuel cost component of the published rates, Idaho Power is launching a collateral attack on Order No. 29124, the Order that established the current avoided cost methodology. In making that assertion, Intermountain has apparently misunderstood Idaho Power's position. It is true that Idaho Power believes that continued use of the current methodology will result in the fuel cost component being set at a level that exceeds the NWPCC's forecast of natural gas prices and as a result, the published rates will be higher than the costs Idaho Power can avoid. But, as Idaho Power's Petition indicates, the reason for its filing is the *difference* between the shape of the NWPCC's natural gas forecast and the shape of the forecast that was used by the Commission in Order No. 29124 to establish the current fuel cost methodology. The Commission Staff in its Comments came to the same conclusion. Staff noted "The current methodology, while it fairly replicated gas price forecasts in the past where prices were

always increasing, now fails to recognize the expected downward trend in fuel prices apparent in NWPCC's twenty year forecast. Failure to recognize the downward price trend in the NWPCC's 2007 forecast will cause the published rates to be much higher than they otherwise would be." (Staff Comments p. 2-3).

Idaho Power is not requesting that the Commission set aside its prior determination that the fuel cost component should be based on the NWPCC's forecast of future gas prices. Idaho Power is only proposing that the Commission move away from continued use of the three-year average methodology utilized in Order No. 29124 and instead utilize the NWPCC's entire twenty year forecast of natural gas prices. The Commission could utilize the full twenty-year forecast either by adopting the average of the twenty years as proposed by Idaho Power or by using the twenty individual years as proposed by Staff, Avista and Rocky Mountain.

Even If the Commission Agrees to Change the Fuel Cost Component, Avoided Cost Rates Will Increase Significantly

All of the commentors urging the Commission to deny Idaho Power's Petition are either wind developers or wind development advocates. What the Wind Developers fail to acknowledge is that wind generation resources are not the only QFs that will benefit from the substantial increase in published rates that will occur if the changed fuel cost methodology recommended by either Idaho Power or the Staff, Avista and PacifiCorp is adopted. If the Commission accepts Idaho Power's proposal, levelized published avoided cost rates for a QF project coming on line in 2008 will increase from \$63.84 per MWh to \$68.15 per MWh, an increase of approximately 6.75 percent.

If the fuel cost component methodology recommended by Staff, Avista and PacifiCorp is adopted, Idaho Power's levelized published rates for a QF project coming on

line in 2008 would increase from \$63.84 per MWh to \$67.14, an increase of approximately 5.17 percent.

If the fuel cost component methodology remains unchanged, Idaho Power's levelized published rates for a QF project coming on line in 2008 would increase from \$63.84 per MWh to \$73.22, an increase of approximately 14.69 percent.

The Wind Developers all point out that, since the Commission issued Order No. 29872 directing the Company to analyze the costs associated with integration of intermittent wind resources, development of QF wind resources has stalled. With the Commission's recent resolution of various interconnection issues associated with wind projects, (Order No. 30414 issued in the Cassia Wind Park case, case No. IPC-E-06-21), Idaho Power expects wind generation projects with approximately 70 MWs of nameplate generation to move forward with construction in the near term. In addition, during this same period, Idaho Power has received a steady stream of inquiries regarding potential development of non-wind QF resources. Specifically, recent interest has been expressed in QF projects using anaerobic digesters to produce methane gas as fuel for generation, geothermal, biodiesel, biomass generating projects and combined heat and power projects.

Comments of the Wind Developers devote a great deal of their effort to discussing the fact that the Commission is currently considering an adjustment to avoided cost rates to compensate customers for the additional integration costs associated with intermittent wind resources. Wind Developers emphasize that the combination of the reduction in avoided costs to compensate customers for wind integration costs and a reduction in avoided costs to revise the fuel cost component as proposed by Idaho Power, could significantly affect QF developers' ability to economically pursue QF wind projects. Whether Wind Developers' fears are justified is unknown. What is known, is that federal law prohibits the

Commission from setting avoided cost rates based on a determination that the rates must be sufficiently high to allow development of QF projects. Under PURPA, the Commission can only determine Idaho Power's avoided costs, establish published rates consistent with those avoided costs, and it is then up to the QFs to determine the economic viability of their projects.

The adjustment to avoided cost rates to address wind integration costs is a separate and distinct analysis from the adjustment to avoided costs presented by the Company's Petition. The Commission must consider them both on their respective merits but in the end, the analysis is driven by Idaho Power's costs, not the QF developers' economic hurdle rates.

The Alternative Methodology Used to Set the Fuel Cost Component to be Included in Avoided Cost Rates Proposed by Staff, Avista and Rocky Mountain is Reasonable

Staff, Avista and Rocky Mountain propose an alternative to the twenty-year average proposal made by Idaho Power. They propose using the NWPCC's twenty-year forecast "as is". In other words, the fuel cost for each year during the twenty year term of a typical QF contract would use the actual NWPCC's natural gas price forecast for that year as the fuel cost component.

Idaho Power agrees that the approach advocated by Staff, Avista and Rocky Mountain is reasonable and is superior to the current methodology. When compared to Idaho Power's proposed methodology, the Staff 's and utilities' proposal will cause greater swings in the cash flows of QF developers. Idaho Power does not know whether or not QF developers and their financiers can structure project financing to accommodate the changes in cash flow.

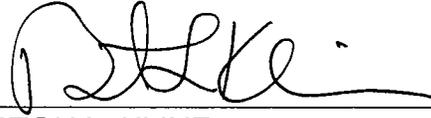
In the final analysis, a QF that performs for the full twenty-year term of its contract would receive the same compensation under either Idaho Power's proposal or the proposal of Staff, Avista and Rocky Mountain. Only the shape of the payment stream would be different.

Conclusion

The end result of this proceeding is to determine how best to ensure that customers will pay QFs rates equivalent to the costs that utilities can actually avoid spending when the utilities purchase power from QFs under PURPA. If history is any indication, a full avoided cost rate case that updates all cost components will likely take considerable time. Idaho Power does not wish to limit access to avoided cost rates until such a proceeding is completed, but neither does it believe ratepayers should commit to funding 20-year PURPA contracts whose largest expense is based on a front-loaded forecast until these issues are fully vetted.

Therefore, Idaho Power filed its Petition and asked the Commission review the reasonableness of the avoided cost fuel forecast component as a single item case. This will ensure that the "ratepayer neutrality" provisions of PURPA are not violated while still allowing developers to continue with their projects. Idaho Power is agreeable to hosting a meeting no later than March 1, 2008 to identify and quantify necessary updates to the remaining avoided cost components. This process may take some time given the number of parties involved, but Idaho Power is hopeful that an agreement on the appropriate cost components can be reached and subsequently filed with the Commission as a consensus document.

Respectfully submitted this 5th day of November 2007.

A handwritten signature in black ink, appearing to read 'B. L. Kline', written over a horizontal line.

BARTON L. KLINE
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 5th day of November 2007, I served a true and correct copy of the within and foregoing upon the following named parties by the method indicated below, and addressed to the following:

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