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IDAHO PUBLIC UTILITIES COMMISSION

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Idaho Power Seeks To Change Out Of Date Line Extension Charges

BOISE, Idaho (April 1, 2008)—Idaho Power Mar. 10 filed an application with the Idaho Public Utilities Commission (IPUC) for authority to change an 11-year-old price structure for new underground service attachments and installation or alteration of distribution lines.

Known as "Rule H," the current pricing mechanism no longer reflects the actual costs of labor and materials for extending power lines into new subdivisions, new homes, or new small businesses. For example, Idaho Power has noted an increase in large scale residential development requiring larger sized wire than that used in 1997 when the rule was last amended.

Depending upon the request, the company now commonly uses one of three sizes of service wire to provide electrical connections. The company is asking the IPUC to recognize and differentiate the price of service based upon the different size of underground cables needed to provide electricity to larger sized homes and small businesses today. The average home today is approximately 2,500 square-feet compared to just over 2,000 square-feet in the 1990s when the current price structure was established.

The proposal seeks to change the price per foot for the distance of the new installation. The existing method reflects no differentiation of costs by wire size. While standard overhead service is provided at no charge by Idaho Power, underground installation costs must be paid by customers who request it.

In 1997, the base charges for new underground attachments when service is provided from existing underground facilities were \$30 and \$255 if a two-inch riser was required to take service from overhead lines. The company is asking to increase these base charges to \$40 and \$395 respectively. If approved, the new price structure also allows for a three-inch riser to address larger-sized services not envisioned when the current price structure was created.

The following table demonstrates the current base and distance charges for new underground service attachments and those proposed by Idaho Power for residential and small commercial customers:

<u>Base Charge</u>	<u>Proposed</u>	<u>Existing</u>
• from underground	\$40.00	\$30
• from overhead including 2" riser	\$395.00	\$255
• from overhead including 3" riser	\$520.00	NA
<u>Distance Charge---Idaho Power Installed Facilities (per foot)</u>		
• with 1/0 underground cable	\$6.90	\$5.05
• with 4/0 underground cable	\$7.50	NA
• with 350 underground cable	\$9.60	NA
<u>Customer Provided Trench & Conduit (per foot)</u>		
• with 1/0 underground cable	\$2.15	\$1.05
• with 4/0 underground cable	\$3.60	NA
• with 350 underground cable	\$4.65	NA

Idaho Power asked the IPUC to act on its request by May 1 to allow the company to meet the peak construction demand.

Idaho Power's application is a proposal open to public review and comment and is subject to IPUC approval. The public can view Idaho Power's proposal, Case No. IPC-E-08-02, at www.idahopower.com/aboutus/regulatoryinfo/filings.asp, the IPUC Web Site – www.puc.state.id.us, or at Idaho Power's Corporate Headquarters, 1221 W. Idaho Street, Boise, Idaho. For more information contact:

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