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IDAHO PUBLIC
UTILITIES COMMISSION

April 15, 2008



PCA Filing Reflects Costs Of Energy Purchases

On April 15, 2008, Idaho Power submitted its annual Power Cost Adjustment (PCA) filing to the Idaho Public Utilities Commission (IPUC). This filing reflects the company's costs of purchasing fuel for coal and natural gas fired generating plants and power bought from the wholesale energy market. These costs are impacted by the availability of lower cost hydroelectric generation. Sales of surplus electricity to other utilities offset some of these costs.

With IPUC approval, the revised PCA will show as a monthly charge of 0.8891 cents per kilowatt-hour (kWh) of electricity used effective June 1. Residential customers averaging 1,050 kWh of electricity per month will see an increase of approximately \$6.80 on their monthly electricity bills.

Hot Summer Results In Higher 2007 Power Supply Expenses

The PCA captures both forecast and look-back components. Although the forecast for 2008 reflects better stream flows than those in 2007, power supply expenses last year were far greater than expected. This year's adjustment reflects \$132 million of unrecovered 2007 power supply costs, largely due to last summer's heat wave.

National Weather Service records show the 2007 summer as the hottest on record in many parts of our service area, with temperatures breaking the 100 degree mark 14 times in July alone. This meant unprecedented demand for electricity with our company exceeding its previous record for customer

use five times before setting an all time high of 3,193 megawatts on July 13.

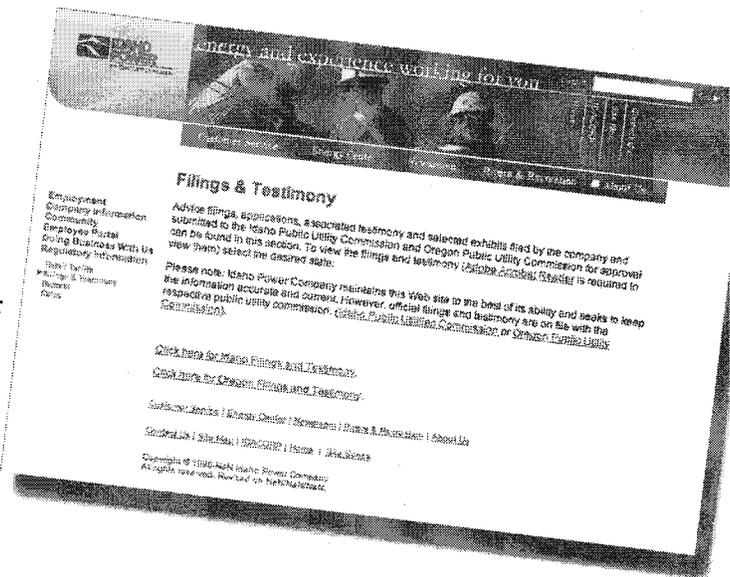
2008 Stream Flows Improve Over 2007

There is a relationship between stream flow in the Snake River and your power rates. Stream flow this year is expected to be 5.4 million acre-feet (maf) over the period April - July, substantially better than last year's 2.8 maf. Under traditional PCA calculations, customers would receive 90 percent of the benefit of the increased hydro generation; nearly \$42 million this year. However, this year the company is proposing to give the entire benefit of the increased hydro generation to its customers, raising the hydro benefit to \$44 million. This amount will be applied against the \$132 million of unrecovered expenses from 2007. The recommendation to move to 100 percent from 90 percent also will affect the look-back portion of next year's PCA calculation.

Overall Results Of 2007 Filing

If this filing is approved as submitted, Idaho customers' rates will increase by approximately \$87 million, or 12.76 percent on average. This chart illustrates the overall percentage increase for each major customer group as a result of the proposed PCA. The varying amount of overall increase reflects the difference that each group pays for electricity.

Customer Group	Current PCA	Proposed PCA	Overall Increase
Residential	.2419 cents per kilowatt-hour	.8891 cents per kilowatt-hour	10 %
Small Commercial			8 %
Large Commercial			14.4 %
Irrigation			12.7 %
Industrial			18.6 %

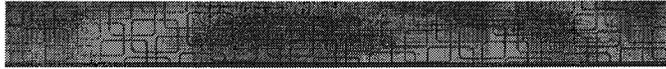


Idaho Power's proposal is subject to public review and approval by the IPUC. Copies of the application are located on the company's Web site www.idahopower.com/aboutus/regulatoryinfo/filings.asp, at the Idaho Power Corporate Headquarters, and at the offices of the IPUC.

Where Did Your Electricity Come From Last Year?

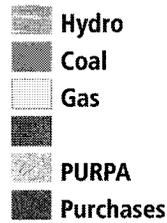
Idaho Power uses a diverse mix of resources to provide its customers with a reliable, low-cost supply of electricity. This mix includes hydroelectricity, power generated by the company's coal or natural gas-fired plants and from purchases from the wholesale energy market.

There are times when the company can generate more power than its customers can use. In these instances, Idaho Power sells this energy and applies the proceeds of the sales to its fuel costs to reduce the amount it needs to collect from its customers.

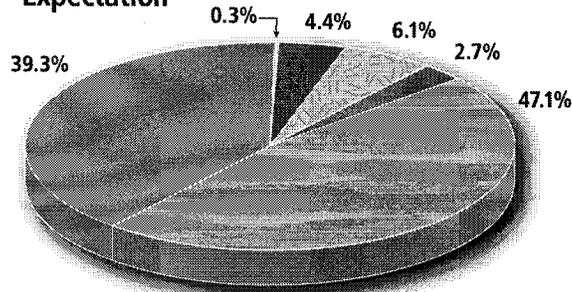


Generation Sources

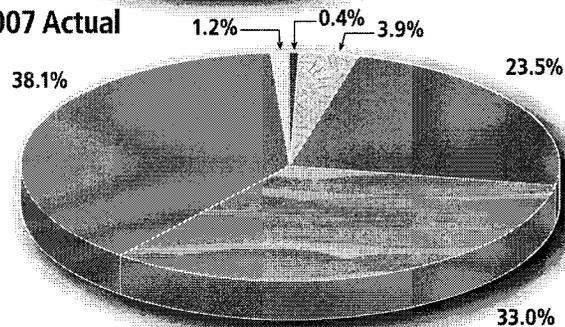
These charts show the source of your electricity in a normal year and the amount and sources Idaho Power used to meet electrical demand in 2007.



Normal Expectation



2007 Actual



Like all other forms of energy, electricity is becoming increasingly valuable. Idaho Power encourages its customers to use it wisely. Information on energy efficiency programs is available in the "Energy Center" at www.idahopower.com.