BEFORE THE

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IDAHO PUBLIC
UTILITIES COMMISSION

IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES FOR ELECTRIC SERVICE TO ELECTRIC CUSTOMERS IN THE STATE OF IDAHO.	)	CASE NO. IPC-E-08-10

DIRECT TESTIMONY OF JOE LECKIE

IDAHO PUBLIC UTILITIES COMMISSION

OCTOBER 24, 2008

Q. Please state your name and business address for the record.

A. My name is Joe Leckie. My business address is 472 West Washington Street, Boise, Idaho.

Q. By whom are you employed and in what capacity?

A. I am employed by the Idaho Public Utilities Commission (Commission) as an auditor in the Utilities Division.

Q. What is your educational and experience background?

A. I graduated from Brigham Young University with a Bachelors of Science degree in Accounting. I worked for the accounting firm Touche Ross in its Los Angeles office for approximately one year. I then attended law school and graduated from the J. Rueben Clark School of Law at Brigham Young University with a Juris Doctorate degree.
I am licensed to practice law in the State of Montana. I practiced law in the State of Montana for approximately 25 years. I have been employed at the Commission as an auditor since March 2001. I have attended the annual regulatory studies program sponsored by the National Association of Regulatory Utilities Commissioners (NARUC) at Michigan State University in August of 2001. I have attended several other training courses sponsored by NARUC on regulatory accounting and auditing.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present and discuss adjustments to Idaho Power Company's financial information that have an effect on the revenue requirement recommendation in this case. I will present adjustments in miscellaneous service revenues, payroll expense, employee incentive compensation, 2009 salary structure adjustment, rate base, depreciation expense, attorney fees, and director fees. I will also discuss the escalation of rate base additions valued at less than two (2) million dollars and the Company's cost curtailment programs.

Q. What adjustment are you proposing for Account 451-Miscellaneous Service Revenues?

A. In the Company's case this account was reduced by 13.99%, which resulted in a reduction of $566,667. Miscellaneous revenue is recorded in Account 451. The Company in its Methodology Manual (Company Exhibit No. 34, page 2) describes the revenues that are recorded in this account:

> *Description* - Account 451 includes revenues for all miscellaneous services and charges billed to customers who are not specifically provided for in other accounts. This includes fees for changing, connecting or disconnecting services, and profit on maintenance or installations on customers' premises. Miscellaneous service revenues include continuous service reversion charges, field visit charges; return trip charges, returned check fees, service connection charges, service establishment charges, and application and processing fees

collected for new permits, new leases or requests for easement relinquishments.

The Company used a three-year Compound Annual Growth Rate (CAGR) applied to 2007 actual revenues resulting in the reduction of 13.99%, and attributes the reduction to slower customer growth anticipated in 2008. The Company recorded $4,050,513 in revenues in 2007 (See Exhibit No. 113). The Company reduced this amount by the 13.99% or $566,667, and used the difference of $3,483,846 as the amount of miscellaneous service revenue in 2008.

I do not agree with this reduction of revenues and I am recommending that the reduction in service revenue not be allowed. Therefore, revenues received by the Company in 2008 should be increased by $566,667 and the revenue deficiency of the Company should be reduced.

The reasons for my recommendation are based on the actual history of this account. The Company has received more than $3,483,846 in service income for the last four (4) years. The average amount received by the Company over the last eight (8) years is $4,067,043.

The reason given by the Company for its proposed reduction is attributed to slower customer growth. This reduction is not supported by any evidence that slower customer growth will reduce this type of revenue. The actual revenues for January to June 2008 are shown in Exhibit No. 114. This Exhibit shows that as of June 2008, the total revenues for the first half of the year booked to Account 451 are 49.9% of the total revenue booked to Account 451 in 2007.

Staff believes that even under conditions of slower growth that the annual service revenue should at least be at 2007 levels. Therefore, Account 451, Miscellaneous Service Revenue should not be reduced.

Q. What adjustment are you proposing to payroll expenses?

A. I do not agree with the magnitude of the Company's annualized payroll adjustment increasing payroll expense by $2,593,733. The Company used a forecasted December 2008 payroll of $10,995,625 (this is based on two (2) pay periods) and then annualized this amount (multiplied by 13 to account for 26 pay periods annually) to calculate the annual payroll amount of $142,943,119.

I used the actual payrolls for August and September 2008 with 2 pay periods in each month. I determined the average payroll per pay period during these two (2) months is equal to $5,419,365 or $140,903,490 annually. This is $2,039,629 less than the Company's forecast. See Exhibit No. 115.

Because the payroll expense is less than the Company's forecast, the payroll tax burden is also reduced by $172,587.

The Company divides and allocates the payroll costs to Operating Expenses (64.93%) and capitalized Construction Work in Progress (CWIP). I recommend an adjustment to the Operating Expenses. Therefore the total reduction between the Company's position and what I am recommending is the sum of $2,039,629 and $172,587 times the expense allocation percentage of 64.93%, or $1,436,301. See Exhibit No. 116.

I believe using the annualized average of the actual payrolls for August and September 2008 is a better representation of the actual payroll costs the Company will incur than the Company's forecast of December 2008 payroll annualized. August and September payrolls are the highest payrolls to date in 2008. The basic difference between the Company's calculation and my calculation is the starting point of the annualization. I have used the actual, known amounts of the payroll expense for August 2008 and September 2008, and the Company used a forecasted December 2008 starting point. The opportunity to overstate the amount of the annualized payroll amount is greater with forecasted numbers than with actual numbers.

Q. Did you make any adjustments to the incentive expense?

A. Yes. The Company included in its request for incentive compensation, an incentive rate of 4%. The

Company testified that calculating the incentive at this rate would remove incentive amounts above the normalized incentive target rate. I calculated the incentive rate at 2% and determined that at 2%, the normalized incentive expense would be reduced by $2,999,492. The payroll tax burden on this amount is $253,808, resulting in a total of $3,253,300. The Company does not pay incentive on its entire payroll, but on only 98.64%, therefore the total of $3,253,300 must be multiplied by this percentage to determine the total decrease in incentive expense. The total decrease to the incentive expense is $3,208,964. See Exhibit No. 116.

The Company accrued $9,423,443 of incentive expenses in 2007 and then used an annualizing growth factor of 9.41% to calculate the projected accrual for incentive expense for 2008 of $10,309,981. The Company in Exhibit No. 31, page 2 determined its 2008 incentive expense is expected to be $6,418,111. Since the accrual of $10,309,981 exceeds the expected expense of $6,418,111, the Company reduced the operating expense increase for the 2008 annualized payroll and the 2009 salary structure adjustment by the difference of $3,838,832. When my recommended adjustment of a decrease in the incentive expense of $3,208,964 is added to the Company's reduction of $3,838,832, the total reduction in operating expense should be $7,047,796, leaving $3.2 million in the test year for incentive pay.

I believe the incentive rate should be 2% instead of the 4% proposed by the Company for the following reasons: First, the Company and Staff were both parties to a Stipulation filed in a previous case by the Company that addressed the inclusion/exclusion of incentive pay for employees. Pursuant to the Stipulation filed in Case No. IPC-E-05-28, the parties to that Stipulation agreed as follows:

> The Parties agree conceptually that it is reasonable to include an employee pay-at-risk or employee incentive component in test-year revenue requirements so long as such incentive component is based on goals that benefit customers and the amounts payable for achieving the goals are limited to reasonable "target" or medium goals. Senior management pay-at-risk is appropriately excluded from the test year revenue requirement.

According to the information provided by the Company to Audit Request No. 77, the employees' incentive compensation is based on four (4) goals: Customer Satisfaction, O&M Expenses, Network Reliability, and Idaho Power Net Income. The qualifying payout for achieving the target or medium goal in each of the goals is as follows:

Customer Satisfaction	1.5%
O&M Expense	1.5%
Network Reliability	1.0%
Idaho Power Net Income	2.0%

Since only those goals that benefit customers are considered in determining incentive compensation, I have excluded the payout percentages for O&M Expenses and Idaho Power Net Income. In my calculation only the payout percentages for Customer Satisfaction and Network Reliability are included. It is clear that the payout percentage for Idaho Power Net Income should not be included. I have excluded the qualifying payout for maintaining or reducing O&M Expenses because it should be a self-funding goal. When employees achieve that particular goal of reducing O&M expenses, the savings to the Company would be sufficient to fund the incentive payout. This is true at least in the short run and should be reflected especially during a period of economic turmoil when everyone is expected to be conservative.

If the target payout percentage is achieved in both Customer Satisfaction and Network Reliability the maximum percentage of incentive expense to include in revenue requirement would be 2.5%. However, there is one additional hurdle to the payment of this incentive compensation. That hurdle requires earnings must be sufficient for shareholders to receive a dividend payment of $1.20 per year before the employees are entitled to any incentive pay. This additional hurdle creates an element of shareholder benefit that dictates the incentive payout percentages; and the payment of the incentive is not based solely on goals that benefit customers. I therefore have reduced the incentive percentage by 1/2% to the 2% that I recommend be included in incentive compensation. Staff is concerned that the overriding dividend restriction changes the customer benefits received from the incentive programs previously accepted for inclusion in rates. If employee incentives are eliminated under this restriction, the total program solely benefits shareholders. Employee actions will then focus on earnings as the Net Income incentive program will be the only one that impacts the employee pay structure. If that becomes the case, Staff will recommend no incentives be included in rates since the customer benefit has been removed.

Q. Do you propose any adjustment to the Company's request for a Salary Structure Adjustment (SSA) for 2009?

A. Yes, I have not included any increase for the 2009 SSA. The Company requested an additional $3,019,804 for the 2009 operating payroll. This increase represents a 3% increase to 2008 gross payroll. The Company's proposal violates long-standing ratemaking treatment that post test year adjustments be known and measurable. The amount of the adjustment, if any, is neither known nor measurable. In the past, the Company has foregone employee raises for reasons of economic prudency. This is an area Staff expects the

Company will closely monitor and limit under current economic conditions, particularly those that have developed since the Company filed this case. In Order No. 29505, issued by the Commission in the Company's 2003 rate case, the Commission specifically addressed the inclusion of an SSA:

> The Company acknowledged that current financial conditions do, and we believe they ought to; dictate a tightening of the Company's belt so to speak with regard to salaries. Because of this and the fact that the SSA adjustment is neither known nor measurable at this time, the Commission accordingly will remove $2,241,595 from test year expenses for the SSA.

Staff is also concerned with customers' reaction when a company, particularly in a difficult economy, is asking for additional revenues to give raises at a time when it is also asking for an increase in rates. I discuss later in my testimony my perception of the Company's minimal efforts to reduce its operating costs. Therefore, I do not believe that it is appropriate to fund in this case a 3% blanket increase in employees' salaries for 2009.

Q. Is there any adjustment to rate base for that portion of the payroll increase that is capitalized?

A. No. The Company divides and allocates the payroll costs between the expense portion of the costs (64.93%) and capitalized CWIP (35.07%). Those payroll costs that are capitalized in CWIP are recorded in the individual work orders on an actual basis. Then when the CWIP is placed in service, its total actual cost is capitalized.

Q. Did you review the Company's rate base amount in its Application?

A. Yes, I reviewed the rate base accounts except for the Materials and Supplies Account reviewed by Staff witness Vaughn.

Q. What is the amount of rate base in the Company's Application?

A. The Company is requesting a rate base of $2,265,781,563. This is the 2008 adjusted rate base amount that includes all of the adjustments proposed by the Company.

Q. Have you recommended any adjustments to this amount?

A. Staff witness Vaughn has recommended an adjustment for the Materials and Supplies Account. Other than that adjustment and the impact on Accumulated Depreciation caused by the change in depreciation rates, I do not recommend any adjustment to the Company's proposed rate base amount. I discuss the methodology in determining the 2008 amount for CWIP projects with a cost less than $2 million later in my testimony but that discussion does not result in a recommended adjustment.

Q. What adjustment did you propose for depreciation expense?

A. The Company filed a case before the Commission specifically addressing the issue of the annual depreciation rates for the Company's assets, Case No. IPC-E-08-6. That case was concluded when this Commission issued Order No. 30639 on September 12, 2008. The Commission adopted a Stipulation between the Company and Staff setting forth the depreciation rates with an effective date of August 1, 2008. Prior to the Commission issuing Order No. 30630, the Company filed this rate case reflecting the depreciation rates it had filed in the depreciation case.

The rates adopted in Order No. 30630 are different for some assets than those rates used by the Company in its filing of this rate case. Therefore, an adjustment is made to update the depreciation expense to include the rates adopted by Order No. 30639. The depreciation expense should be reduced from a $471,026 increase (see Company's Exhibit No. 31, page 3 of 6) to a $1,000,162 decrease (see Exhibit No. 117; Company's answer to Audit Request No. 113). Thus, depreciation expense should be reduced by $1,471,189.

Q. Does this adjustment affect any other accounts?

A. Yes, it will affect the Accumulated Depreciation account or depreciation reserves. The Company included an increase in the reserve of $227,440 when it filed its rate case. With the reduction in depreciation expense, the corresponding reserve would decrease by a negative $508,191. The net effect on the reserve account is a decrease in the reserve account of $735,595. This account reduces the Company's rate base; therefore, a reduction in the reserve account will increase rate base by $735,595.

Q. Did you review the Company's expenses for attorney fees?

A. Yes.

Q. Did you make any adjustments in these expenses?

A. Yes, I found that the Company expended $192,364 to the Dewey & Le Boeuf law firm (previously the Le Boeuf Lamb and Green law firm) for services related to the stock plans for Idaho Power Company and IDACORP. See Exhibit No. 118. These legal charges related only to the stock plans of the companies and were separated from other legal services that were provided by the same firm. These charges are solely related to the shareholder interests and not for customers' benefits. Therefore, these expenses should be included below the line and not part of the revenue requirement.

Q. Did you have any adjustment in the fees the Company paid to the Company's directors?

A. Yes, the Company provides a plan where the directors are allowed to defer any or all of their director's fees earned. These fees are then deferred until the director opts under the provisions of the plan to have the deferred fees paid to them. While the fees are deferred under the provision of the plan, the fees earn interest at a rate that is 3% over Moody's long-term corporate bond yield average rate.

In 2007, the directors of Idaho Power earned $337,676 in interest on deferred fees. Also in 2007, the directors of IDACORP earned $186,721 in interest on deferred fees. For the director fees for IDACORP, over 90% are allocated back to Idaho Power. Therefore, the Company has included at least $505,724 of interest expense that it paid to its directors for the deferred directors' fees. The interest rate paid in 2007 for the deferred amounts ranged between 8.83% and 9.34%.

Customers should not be responsible for paying a premium of 3% over Moody's long-term corporate bond yield average rate to the directors. The directors should not receive an interest rate greater than the average rate the Company would pay to any independent third party for a similar amount. Any interest above the market rate for funds should be a below-the-line expense and not included in the revenue requirement. Staff therefore recommends that the Company's expenses for the Board of Directors be reduced by 3% of the interest earned on the deferred fees. This would equal $15,172 ($505,724 x 3%).

Q. Do you have any other concerns about the

Directors' fees?

A. In 2008, the Company increased the annual retainer for board members from $30,000 to $35,000 and for the chairman of the board from $94,000 to $105,000. The Company has not included this increase in a specific known and measurable adjustment for this rate case. However, I would expect that this increase will be reflected in subsequent cases. This is an area of expenses that I also discuss in the cost containment portion of my testimony.

Q. Did you recommend any adjustment to the Company's rate base annualization?

A. No, other than the impact on Accumulated Depreciation, I do not recommend any adjustments to the portion of rate base that I reviewed. I reviewed the plant in service additions to rate base. Staff witness Vaughn reviewed the Materials and Supplies portion of rate base and has a recommended adjustment for that account.

The Company includes in its current rate base amount the cost of projects it expects to put into service by the end of 2008. Those projects are divided into two groups: those costing more than $2 million and those costing less than $2 million. The Company has included the projects costing more than $2 million by including the cost of the project as a known and measurable adjustment. For those projects with capital expenditures less than $2 million, the Company used a 6% increase to 2007 actual CWIP closings to reflect its 2008 additions.

Although I have not recommended any adjustments to the Company-proposed escalation in capital expenditure of less than $2 million, I am not satisfied that this methodology is reasonable going forward. I am specifically concerned with regard to the CAGR application to the previous year's numbers as the 2008 additions to rate base. This methodology will eventually result in unreasonable compounding of additions to rate base. While Staff recognizes the need for investment to serve new customers, and does not oppose the escalation in this case, the Company should not consider this position as an agreement to the methodology. I believe the Company and Staff should continue to evaluate more appropriate known and measurable methods of establishing rate base levels for this smaller category of investments.

Q. Do you have any concerns about the Company's cost containment efforts?

A. Yes. The Company-proposed cost containments in the amount of $3,834,000 (Company's Exhibit No. 31, page 6 of 6). These containments are related to the delayed filling of open employee positions, delayed training and curtailed travel. This amount represents an approximate reduction of only 0.68% in the Company's 2008 operation and maintenance expenses. In the Company's case many 2007 O&M expense accounts, including A&G, are escalated by the 5-year growth rate. This occurs prior to the proposed cost containment proposal being reflected. In other words, the Company proposes a 9.41% increase in O&M expenses and then scales back its projected increase by 0.68% as a cost-saving measure. In the current economic environment, I believe the Company could be more active in finding ways to reduce its growing expenses. As an example, I indicated earlier in my testimony that I thought the Company could do more to reduce payroll expense and director fees.

My review of the Board of Director Meeting Minutes revealed that the minutes for the Idaho Power Company and IDACORP meetings were almost identical. Rather than duplicating efforts, the Company should explore ways to be more efficient in delivering the necessary information to the directors, and ultimately reduce overall costs.

Q. Are these the only areas you are recommending as possibilities for cost containment?

A. No. Staff witness Vaughn discusses the need for greater controls with P-cards and Staff witness Nobbs also discusses potential ways to control costs in the 900 accounts. As stated above, I expect the Company will continue to evaluate opportunities for cost containment.

Q. Does this conclude your direct testimony in this proceeding?

A. Yes, it does.

IDAHO POWER COMPANY

Adjustment for Miscellaneous Service Revenue
Account 451

Year	Amount Collected	Idaho Power Company's Case			Staff's Recommendation			Staff's Adjustment to Revenue	
		CAGR	Adjustment	2008 Amount	CAGR	Adjustment	2008 Amount		
2000	$ 2,831,525								
2001	$ 3,255,111								
2002	$ 3,355,823								
2003	$ 3,391,006								
2004	$ 4,214,833								
2005	$ 6,012,639								
2006	$ 5,424,893								
2007	$ 4,050,513	-13.99%	$ (566,666.77)	$ 3,483,846	0%	$ -	$ 4,050,513	$ 566,667	Increase
Average	$ 4,067,043								

Exhibit No. 113
Case No. IPC-E-08-10
J. Leckie, Staff
10/24/08

IDAHO POWER COMPANY

Account 451 - Miscellaneous Service Income
Comparison of Actual 2008 to 2007

Year		January	February	March	April	May	June	July	August	September	October	November	December	Total
2008	Monthly Total	$ 278,986	$ 263,435	$ 328,714	$ 383,757	$ 390,700	$ 377,238	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,022,829
	Continuing Total	$ 278,986	$ 542,421	$ 871,135	$ 1,254,892	$ 1,645,591	$ 2,022,829							
2007	Monthly Total	$ 295,021	$ 385,034	$ 387,303	$ 452,976	$ 264,139	$ 360,431	$ 293,134	$ 377,752	$ 313,447	$ 346,496	$ 311,791	$ 262,989	$ 4,050,513
	Continuing Total	$ 295,021	$ 680,055	$ 1,067,358	$ 1,520,334	$ 1,784,473	$ 2,144,904	$ 2,438,037	$ 2,815,790	$ 3,129,237	$ 3,475,733	$ 3,787,524	$ 4,050,513	
	Totals	$ (16,035)	$ (137,634)	$ (196,223)	$ (265,442)	$ (138,881)	$ (122,074)							

Exhibit No. 114
Case No. IPC-E-08-10
J. Leckie, Staff
10/24/08

Idaho Power Compan y
Straight-Time Payroll (DCE 111)
Year-To-Date 2008

	January 2008	February 2008	March 2008	April 2008	May 2008	June 2008	July 2008	August 2008	September 2008	Total Year- to-Date
Total Year DCE 111	10,677,161	10,688,230	10,695,766	10,724,374	16,152,510	10,777,421	10,808,522	10,838,842	10,838,616	102,201,442
Pay Cycles Per Month	2	2	2	2	3	2	2	2	2	19
				Average per pay period for August and September	$5,419,365	$10,838,730		Average per pay period for 1-1-08 to 9-30-08	$5,379,023	
				Pay periods per year	26			Pay periods per year	26	
0				Annual 2008 payroll	$140,903,490			Annual 2008 pay roll		$139,854,605
				Company's 2008 Forecasted Annual Payroll	$142,943,119	$10,995,625		Company's 2008 Forecasted Annual Payroll		$142,943,119
				Difference	$2,039,629	$156,895		Difference		$3,088,514

Exhibit No. 115
Case No. IPC-E-08-10
J. Leckie, Staff
10/24/08

Idaho Power Company
Adjustment to 2007 Payroll and Incentive Operating Expenses

Line No.			(1) Company's Calculation as per Exhibit 31	Staff's Calculation	Difference
	1) Operating Payroll (Various accts)				
1	ST Payroll 2007		$ 130,757,895	$ 130,757,895	
2	Annualized Payroll Growth Factor	6.50%	8,501,976	$ 8,501,976	
3	Forecasted 2008 ST Payroll		139,259,871	$ 139,259,871	
4	Forecasted December 2008 Payroll		10,995,625		
	Average August and September 2008 Payroll			$ 5,419,365	
5	Annualized December 2008		142,943,119	$ 140,903,490	$ 2,039,629
6	Gross Adjustment to 2008		3,683,248	1,643,619	$ 2,039,629
7	Add payroll tax @	8.46%	311,666	139,078	$ 172,587
8	Total adjustment including payroll tax		3,994,914	$ 1,782,697	$ 2,212,217
9	Operating percent		64.93%	64.93%	64.93%
10	Adjustment to Operating Expense		$ 2,593,733	$ 1,157,431.76	$ 1,436,301
	2) Incentive Expense (920 account))				
	Annualized December 2008 ST Payroll		$ 142,943,119	$ 140,903,490	$ 2,039,629
11	Plus: 2007 Overtime Payroll		8,679,963	$ 8,679,963	$ -
12	Less:2007 Officer Payroll	3,462,963			$ -
13	Times Annualized Payroll Growth Factor	6.50%	3,688,128	$ 3,688,128	$ -
14	Total Payroll Excl Officers		147,934,954	145,895,325	$ 2,039,629
15	Normalized Incentive Rate		4.00%	2.00%	
16	Normalized Incentive		5,917,398	2,917,906	$ 2,999,492
17	Payroll Tax on Normalized Incentive @	8.46%	500,713	$ 246,905	$ 253,808
18	Normalized Incentive Including Payroll Tax		6,418,111	$ 3,164,811	$ 3,253,300
19	Less: 2007 Incentive Accrual plus Tax	9,423,443			$ -
20	Times Annualized A&G Growth Factor	9.41%	10,309,981	$ 10,309,981	$ -
21	Gross Adjustment		(3,891,870)	(7,145,170)	$ 3,253,300
22	Times incentive operating percent		98.64%	98.64%	98.64%
23	Adjustment to Operating Expense for Incentive		$ (3,838,832)	$ (7,047,796)	$ 3,208,964
24					

Exhibit No. 116
Case No. IPC-E-08-10
J. Leckie, Staff
10/24/08

Idaho Power Company Depreciation Expense

Account	Account Description	Annualized Depreciation Expense	Forecasted Depreciation Expense	Annualizing Adjustment	Reserve Adjustment
301	Organization				
302	Franchises and Consents	781,063.44	781,063.44	-	-
303	Miscellaneous Intangible Plant	6,565,595.64	5,749,532.26	816,063.38	408,031.69
TOTAL	INTANGIBLE PLANT	7,346,659.08	6,530,595.70	816,063.38	408,031.69
310	Land and Land Rights	3,215.76	4,025.80	(810.04)	(405.02)
311	Structures and Improvements	2,023,495.56	2,821,703.46	(798,207.90)	(399,103.95)
312	Boiler Plant Equipment	11,130,341.52	13,425,792.96	(2,295,451.44)	(1,147,725.72)
314	Turbogenerator Units	3,269,330.76	3,879,695.47	(610,364.71)	(305,182.36)
315	Accessory electric Equipment	836,061.84	852,930.99	(16,869.15)	(8,434.57)
316	Misc Power Plant Equipment	476,398.68	283,470.23	192,928.45	96,464.23
TOTAL	STEAM PRODUCTION PLANT	17,738,844.12	21,267,618.91	(3,528,774.79)	(1,764,387.39)
330	Land and Land Rights			-	-
331	Structures and Improvements	3,882,556.68	3,570,897.63	311,659.05	155,829.53
332	Reservoirs, Dams, Waterways	5,570,402.88	5,066,789.65	503,613.23	251,806.62
333	Waterwheel, Turbines, Generato	3,579,156.96	3,489,460.46	89,696.50	44,848.25
334	Accessory Electric Equipment	1,180,217.64	1,123,223.05	56,994.59	28,497.30
335	Misc Power Plant Equipment	466,364.64	371,962.61	94,402.03	47,201.02
336	Roads, Railroads and Bridges	144,758.64	145,283.15	(524.51)	(262.26)
TOTAL	HYDRO PRODUCTION PLANT	14,823,457.44	13,767,616.55	1,055,840.89	527,920.46
340	LAND AND LAND RIGHTS				
341	Structures and Improvements	283,877.76	235,449.09	48,428.67	24,214.34
342	Fuel Holders, Producers, Acces	164,802.72	144,584.06	20,218.66	10,109.33
343	Prime Movers	2,545,990.56	2,111,330.96	434,659.60	217,329.80
344	Generators	1,483,030.56	1,172,667.34	310,363.22	155,181.61
345	Accessory Electric Equipment	724,705.20	682,727.24	41,977.96	20,988.98
346	Misc Power Plant Equipment	85,440.48	84,684.86	755.62	377.81
TOTAL	OTHER PRODUCTION PLANT	5,287,847.28	4,431,443.55	856,403.73	428,201.87
350	Land and Land Rights	470,713.68	490,038.21	(19,324.53)	(9,662.26)
352	Structures and Improvements	742,387.44	606,528.10	135,859.34	67,929.67
353	Station Equipment	5,933,291.40	5,685,015.17	248,276.23	124,138.12
354	Towers and Fixtures	2,582,958.60	2,825,375.54	(242,416.94)	(121,208.47)
355	Poles and Fixtures	2,541,253.20	2,577,578.52	(36,325.32)	(18,162.66)
356	Overhead Conductors, Devices	2,786,607.60	2,758,541.01	28,066.59	14,033.29
359	Roads and Trails	3,132.60	3,288.56	(155.96)	(77.98)
TOTAL	TRANSMISSION PLANT	15,060,344.52	14,946,365.11	113,979.41	56,989.71
360	Land and Land Rights				
361	Structures and improvements	445,570.80	439,680.15	5,890.65	2,945.33
362	Station Equipment	3,100,949.28	2,719,036.52	381,912.76	190,956.38
TOTAL	SUBSTATION EQUIPMENT	3,546,520.08	3,158,716.67	387,803.41	193,901.71
364	Poles, Towers and Fixtures	7,092,672.72	7,335,064.39	(242,391.67)	(121,195.84)
365	Overhead Conductors, Devices	3,304,504.32	3,400,464.47	(95,960.15)	(47,980.08)
366	Underground Conduit	929,997.00	936,306.75	(6,309.75)	(3,154.87)
367	Underground Conductors, Device	3,484,734.36	4,192,639.68	(707,905.32)	(353,952.66)
368	Line Transformers	6,064,161.24	6,086,015.80	(21,854.56)	(10,927.28)
369	Services	1,705,061.28	1,874,543.54	(169,482.26)	(84,741.13)
370	Meters	4,023,057.12	3,015,376.54	1,007,680.58	503,840.29
371	Installations, Cust Premises	25,964.16	177,430.87	(151,466.71)	(75,733.36)
373	Street Lighting, Signal System	170,508.72	209,651.71	(39,142.99)	(19,571.50)
TOTAL	DISTRIBUTION LINES	26,800,660.92	27,227,493.75	(426,832.83)	(213,416.43)
389	Land and Land Rights				
390	Structures and Improvements	1,643,106.72	1,655,739.88	(12,633.16)	(6,316.58)
391	Office Furniture, Equipment	8,407,251.24	7,941,489.97	465,761.27	232,880.64
392	Transportation Equipment	2,163,173.16	2,192,774.57		(14,800.71)
393	Stores Equipment	62,374.68	78,213.49	(15,838.81)	(7,919.41)
394	Tools, Shop, Garage Equipment	228,119.04	326,506.31	(98,387.27)	(49,193.64)
395	Laboratory Equipment	593,134.68	651,086.30	(57,951.62)	(28,975.81)
396	Power Operated Equipment	621,497.28	608,114.73		6,691.28
397	Communication Equipment	2,063,745.48	2,666,301.88	(602,556.40)	(301,278.20)
398	Miscellaneous Equipment	335,291.52	288,331.72	46,959.80	23,479.90
TOTAL	GENERAL EQUIPMENT PLANT	16,117,693.80	16,408,558.85	(274,646.19)	(145,432.53)
TOTAL ELECTRIC PLANT IN SERVICE		106,722,027.24	107,738,409.09	(1,000,162.99)	(508,190.91)
	Amortization of Disallowed Costs	(296,299.32)	(296,299.32)	-	-
TOTAL DEPRECIATION & AMORTIZATION		106,425,727.92	107,442,109.77	(1,000,162.99)	(508,190.91)

Exhibit No. 117
Case No. IPC-E-08-10
J. Leckie, Staff
10/24/08

IDAHO POWER COMPANY

Adjustment for Attorney Fees for Stock Plans

Attorney Fees Paid for IPCO & IDACORP Stock Plans

3/19/2007	LE BOEUF LAMB GREENE	$14,285.30	030052	STOCK PLANS (IPCO & IDACORP)
6/21/2007	LE BOEUF LAMB GREENE	$41,317.79	060052	STOCK PLANS (IPCO & IDACORP)
7/23/2007	LE BOEUF LAMB GREENE	$28,427.87	070052	STOCK PLANS (IPCO & IDACORP)
8/29/2007	LE BOEUF LAMB GREENE	$19,183.13	080052	STOCK PLANS (IPCO & IDACORP)
9/27/2007	LE BOEUF LAMB GREENE	$32,148.00	090052	STOCK PLANS (IPCO & IDACORP)
10/23/2007	LE BOEUF LAMB GREENE	$22,709.64	100052	STOCK PLANS (IPCO & IDACORP)
11/16/2007	DEWEY & LEBOEUF	$15,278.43	110052	STOCK PLANS (IPCO & IDACORP)
12/28/2007	DEWEY & LEBOEUF	$19,013.85	120052	STOCK PLANS (IPCO & IDACORP)
		$192,364.01		

Exhibit No. 118
Case No. IPC-E-08-10
J. Leckie, Staff
10/24/08

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 24TH DAY OF OCTOBER 2008, SERVED THE FOREGOING **DIRECT TESTIMONY OF JOE LECKIE,** IN CASE NO. IPC-E-08-10, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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SECRETARY