

## **DECISION MEMORANDUM**

**TO:** COMMISSIONER REDFORD  
COMMISSIONER SMITH  
COMMISSIONER KEMPTON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** WELDON STUTZMAN  
DEPUTY ATTORNEY GENERAL

**DATE:** NOVEMBER 26, 2008

**SUBJECT:** IDAHO POWER'S PETITION FOR APPROVAL OF CHANGES TO ITS  
IRRIGATION PEAK REWARDS PROGRAM AND FOR AUTHORITY  
TO RECOVER THE COSTS OF THE PROGRAM IN THE PCA,  
CASE NO. IPC-E-08-23

At its Decision Meeting on November 24, 2008, the Commission determined to issue a Notice of Application and Notice of Modified Procedure to process Idaho Power Company's Petition requesting approval of changes to its Irrigation Peak Rewards Program. The process included a 45-day period for written comments to be filed with the Commission. Staff recommended the lengthier comment period because Idaho Power included with its Petition a request to recover the Irrigation Peak Rewards Program costs through its annual Power Cost Adjustment (PCA). While the substantive changes to the Peak Rewards Program were set forth in a Stipulation signed by Commission Staff and Idaho Irrigation Pumpers Association, Inc., Idaho Power's proposal to recover program costs through the PCA was not part of the Stipulation signed by the parties. The Company projects program costs for 2009 to be nearly \$7 million.

On November 25, 2008, before the Commission's Notice of Application and Notice of Modified Procedure was issued, Idaho Power filed a Motion to Bifurcate and Shorten Time. In its Motion, the Company requests that the Commission issue a Notice of Modified Procedure with a 14-day comment period to process only review of the Stipulation for the specific program changes. The Company also requests that its proposal to recover program costs in the PCA be processed by a separate notice, including a 14-day period for interested parties to intervene.

After the intervention period, the parties in the case can discuss further procedure for consideration of the cost recovery issues and present those issues to the Commission. The Company requests that the Commission act on its Motion at its Decision Meeting on December 1, 2008, so that an Order may be issued by January 1, 2009 on the substantive changes to the Irrigation Peak Rewards Program.

Staff recommends that the Commission bifurcate the issues in this case and issue a Notice of Petition and Notice of Modified Procedure with a 14-day comment period to invite comments on the substantive changes to the Irrigation Peak Rewards Program as set forth in the Stipulation filed by Idaho Power. Staff also recommends that the Commission issue a separate notice for a 14-day period for intervention for parties interested in discussing cost recovery of the program.

**COMMISSION DECISION**

Should the Commission bifurcate this case and issue a Notice of Petition and Notice of Modified Procedure with a 14-day comment period to process the substantive changes to the Irrigation Peak Rewards Program as set forth in the Stipulation, and also file a Notice of Intervention to invite parties to participate in discussions regarding cost recovery of the program?



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Weldon B. Stutzman  
Deputy Attorney General

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