

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. IPC-E-08-24
OF IDAHO POWER COMPANY FOR)
AUTHORITY TO RETIRE ITS GREEN) NOTICE OF APPLICATION
TAGS.)
)
) NOTICE OF
) MODIFIED PROCEDURE
)
) ORDER NO. 30701

On November 14, 2008, Idaho Power Company filed an Application with the Commission seeking authority “to retire” the Green Tags it has obtained or will obtain in the future. By acquiring, retaining, and retiring the Green Tags, Idaho Power can comply with certification standards while clearly communicating the Company’s renewable portfolio¹ to customers, meet customer expectations for increased use of renewable energy, and align with Idaho’s interests in promoting renewable energy. The Company requests that the Application be processed by Modified Procedure.

THE APPLICATION

YOU ARE HEREBY NOTIFIED that Idaho Power’s Application describes Green Tags as tradable environmental commodities that create value for the environmental and social benefits of the non-energy attributes of renewable energy generation. Essentially, the entity that possesses a Green Tag holds the legal right to make claims about the environmental benefits associated with renewable energy. A Green Tag is produced for each megawatt-hour (MWh) of electricity generated by an eligible renewable energy resource. An active market exists for the purchase and sale of Green Tags.

YOU ARE FURTHER NOTIFIED that Idaho Power has two facilities (the Elkhorn wind project and the Raft River geothermal project) that qualify as renewable energy resources. These facilities have generated more than 320,000 MWh of Green Tags in 2007 and 2008. However, by selling the Green Tags from these facilities, Idaho Power loses the right to claim any environmental attributes gained from these renewable energy resources. The person/entity

¹ “Renewable portfolio” generally refers to the portion of the Company’s electricity produced by renewable resources such as wind, solar, biomass, and geothermal energies.

buying the Green Tag retains the sole claim to have purchased “renewable” energy. In contrast, by “retiring” the Green Tags Idaho Power can clearly communicate the Company’s renewable portfolio to customers, meet customer expectations for increased use of renewable energy, and align with State interests in promoting renewable energy.

YOU ARE FURTHER NOTIFIED that Idaho Power contends that the acquisition and retention of Green Tags are necessary to accurately represent the renewable energy component of Idaho Power’s resource portfolio. Acquiring and retaining Green Tags assures Idaho Power’s customers that it acquires or generates energy from renewable resources. The Company recognizes that the State of Idaho has no requirement that electric utilities possess Green Tags. But because Idaho Power’s portfolio includes both renewable resources and purchases from renewable energy resources, retaining Green Tags would allow the Company to satisfy future federal or state laws imposing renewable energy standards.

YOU ARE FURTHER NOTIFIED that Idaho Power’s Application states that the Company remains committed to developing a diverse generation portfolio to better provide reliable, responsible, and affordable energy for future generations.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal evidentiary hearing in this matter and will proceed under Modified Procedure pursuant to the Commission’s Rules of Procedure 201 through 204, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure, with written comments, has proven to be an effective means for obtaining public input and participation in cases of this nature.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **no later than 28 days** from the date of this Order. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the parties at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:
472 W. Washington Street
Boise, ID 83702-5918

Lisa Nordstrom
Barton L. Kline
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
Email: lnordstrom@idahopower.com
bkline@idahopower.com

Mark Stokes
Karl Bokenkamp
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
Email: mstokes@idahopower.com
kbokenkamp@idahopower.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the form, using the case number as it appears on the front of this document. E-mail comments should also be sent to Idaho Power at the addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application, supporting workpapers and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and other workpapers are also available on the Commission's website at www.puc.idaho.gov under the "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-118, 61-119, and 61-520. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

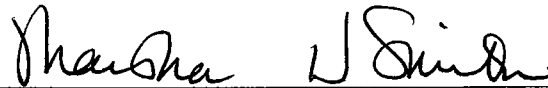
ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons and the parties may file written comments no later than 28 days from the date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 10th day of December 2008.



MACK A. REDFORD, PRESIDENT

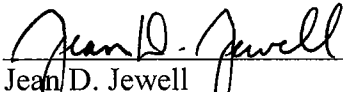


MARSHA H. SMITH, COMMISSIONER



JIM D. KEMPTON, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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