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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR) CASE NO. IPC-E-09-06
AUTHORITY TO IMPLEMENT FIXED COST)
ADJUSTMENT ("FCA") RATES FOR)
ELECTRIC SERVICE FROM JUNE 1,)
2009, THROUGH MAY 31, 2010.)
_____)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

SCOTT D SPARKS

1 Q. Please state your name and business address.

2 A. My name is Scott D. Sparks and my business
3 address is 1221 West Idaho Street, Boise, Idaho.

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

6 A. I am employed by Idaho Power Company as a
7 Senior Pricing Analyst in the Pricing and Regulatory
8 Services Department.

9 Q. Please describe your educational background.

10 A. In May of 1989, I received a Bachelor of
11 Business Administration degree in Business Management from
12 Boise State University.

13 Q. Please describe your work experience with
14 Idaho Power Company.

15 A. I became employed by Idaho Power Company in
16 1985 as a part-time mail clerk and have held positions as
17 Meter Reader, Customer Service Representative, Economic
18 Analyst, Human Resource/Compensation Analyst, Pricing and
19 Regulatory Services Analyst, and Resource Planning Analyst.

20 In January of 1991, after two years in the Customer
21 Service Department, I was offered and I accepted a position
22 in the Company's Energy Services Department. My
23 responsibilities over six years in the department varied
24 from conservation program evaluation, special studies, and

1 load forecasting and research. In 1995, I was asked to
2 temporarily transfer to the Human Resources Department to
3 assist with implementation of the Company's reorganization,
4 benefit, and compensation plans.

5 In 1998, I applied for and accepted a position in
6 the Pricing and Regulatory Services Department where I was
7 responsible for reviving the Company's resource planning
8 and integrated resource planning processes. As part of
9 reorganization, I was reassigned to the Power Supply
10 Planning Department in 2001 where I acted as the lead
11 analyst for the Integrated Resource Plan. In July 2003, I
12 left the Company to pursue self-employment in the real
13 estate and construction sectors. I returned to the Company
14 as a Senior Pricing Analyst in the Pricing and Regulatory
15 Services Department in June 2008.

16 Q. What is the purpose of your testimony?

17 A. The purpose of my testimony is to describe
18 the Company's request for its annual Fixed Cost Adjustment
19 ("FCA") per Order No. 30267 in Case No. IPC-E-04-15.
20 Specifically, my testimony will discuss four areas related
21 to the FCA pilot program. First, I will briefly discuss
22 the FCA mechanism itself and how a Fixed Cost Adjustment is
23 determined. Second, I will briefly discuss the 2008
24 demand-side management activities during the second year of

1 implementation of the FCA pilot program. Third, I will
2 discuss the results from the second year of the FCA pilot
3 and, fourth, I will discuss the calculation of the FCA rate
4 the Company is proposing to go into effect on June 1, 2009.

5 **FIXED COST ADJUSTMENT MECHANISM**

6 Q. What is the purpose of a Fixed Cost
7 Adjustment true-up mechanism?

8 A. The FCA is a true-up mechanism that
9 "decouples," or separates, energy sales from revenue in
10 order to remove the financial disincentive that exists when
11 the Company invests in demand-side management ("DSM")
12 resources. Under the FCA, rates for Residential Service
13 (Schedule 1, Schedule 4, and Schedule 5) and Small General
14 Service (Schedule 7) customers are adjusted annually up or
15 down to recover or refund the difference between the fixed
16 costs authorized by the Commission in the Company's most
17 recent general rate case and the fixed costs that the
18 Company actually received through energy sales during the
19 previous year. Through the application of this true-up
20 mechanism, the Company is not financially harmed by
21 decreases in energy sales within the Residential and Small
22 General Service customer classes.

23 Q. Please describe the Fixed Cost Adjustment
24 mechanism.

1 A. For both the Residential and Small General
2 Service classes, the FCA mechanism is the same. The
3 formula used to determine the FCA amount is:

$$4 \quad \text{FCA} = (\text{CUST} \times \text{FCC}) - (\text{NORM} \times \text{FCE})$$

5 Where:

6 FCA = Fixed Cost Adjustment;

7 CUST = Average number of customers, by class;

8 FCC = Fixed Cost per Customer rate, by class;

9 NORM = Weather-normalized energy, by class;

10 FCE = Fixed Cost per Energy rate, by class.

11 Q. How is the FCA true-up amount determined?

12 A. The FCA true-up is the difference between
13 the Company's "allowed fixed cost recovery" (CUST X FCC)
14 and the "actual fixed cost recovery" (NORM X FCE). The
15 "allowed fixed cost recovery" is determined by multiplying
16 the average number of customers for the year times the
17 fixed cost per customer ("FCC") rate established as a
18 result of the outcome in the Company's general rate case.
19 The "actual fixed cost recovery" is determined by
20 multiplying the weather-normalized energy sales for the
21 year times the fixed cost per energy ("FCE") rate. The FCE
22 rate is also established in the Company's general rate
23 case.

1 Q. Can the FCA true-up amount be either
2 positive or negative?

3 A. Yes. The FCA can be either positive or
4 negative. If the adjustment amount were positive, that
5 would indicate the Company's allowed fixed cost recovery
6 amount was greater than the fixed costs actually recovered
7 through the energy rate for that class of customers. This
8 would stem from the fact that the growth rate in weather-
9 normalized energy was less than the growth rate in
10 customers; i.e., the use per customer had decreased. The
11 effect would be that the Company had under-collected its
12 fixed costs and therefore additional dollars need to be
13 collected from the customer class in order to make the
14 Company financially whole. In a similar fashion, if the
15 FCA were negative, that would indicate that the Company's
16 allowed fixed cost recovery amount was less than the fixed
17 costs actually recovered through the class energy rate and
18 would result in a refund of the adjustment amount to that
19 customer class.

20 Q. What were the FCA adjustments for the
21 Residential and Small General Service classes in 2008 in
22 Case No. IPC-E-08-04.

23 A. The FCA for the Residential class was a
24 negative \$3,587,591.70 and the adjustment for Small General

1 Service was a positive \$1,187,033.97. In Order No. 30556,
2 the Commission ordered that the overall credit balance
3 (\$2,400,557) be distributed equally to both the Residential
4 and Small General Service customer classes. The resulting
5 rate reduction was 0.0457 cents per kWh for these
6 customers.

7 **DEMAND-SIDE MANAGEMENT ACTIVITIES**

8 Q. Please describe the Company's enhanced
9 efforts toward promoting demand-side management activities
10 through energy efficiency and demand response programs in
11 2008.

12 A. Throughout 2008, the Company actively
13 pursued numerous, additional opportunities to promote
14 demand-side management. Some of the key areas where the
15 Company enhanced its effort include: (1) energy
16 efficiency, (2) demand response, (3) market transformation,
17 (4) other programs and initiatives, and (5) new electric
18 rate designs.

19 In total, the Company substantially increased its
20 spending in energy efficiency and demand response programs.
21 Demand-side management expenses were slightly under \$21
22 million in 2008, which is a 35 percent increase over 2007
23 expenditures of \$15.7 million. The energy savings for the
24 Company's energy efficiency programs in 2008 was 107,484

1 megawatt hours, a 72 percent increase over the energy
2 savings in 2007. In 2008, the Company's energy efficiency
3 programs continued to increase in number and customer
4 participation. Idaho Power Company offered 13 energy
5 efficiency programs, two demand response programs, and
6 added three new programs: (1) the Home Products program,
7 (2) the Home Weatherization pilot, and (3) the Attic
8 Insulation pilot. Additional significant energy savings
9 continued to be realized through market transformation
10 partnership activities with the Northwest Energy Efficiency
11 Alliance ("NEEA").

12 A complete description of all energy efficiency
13 activities can be found in the Company's 2008 Demand-Side
14 Management Annual Report currently filed with the
15 Commission.

16 Q. What other initiatives did the Company
17 pursue in encouraging energy efficiency?

18 A. In the Company's last general rate case,
19 Case No. IPC-E-08-10, several new price-based rate designs
20 were approved in support of the Company's objective of
21 encouraging the wise and efficient use of electricity.
22 Year-round tiered blocks, expanded time-of-use pricing, and
23 the introduction of load-factor pricing were all efforts

1 toward encouraging the efficient use of electricity. These
2 new rates designs went into effect February 1, 2009.

3 SECOND YEAR FCA PILOT

4 Q. Did the Company use the same FCC and FCE
5 monthly rates for reporting purposes throughout the second
6 year of the pilot?

7 A. No. As stated above, the FCA mechanism is
8 intended to recover the difference between the fixed costs
9 authorized by the Commission in the Company's most recent
10 general rate case and the fixed costs actually recovered
11 through rates. If energy rates change during the year, the
12 relationship between allowed and actual fixed costs needs
13 to be adjusted.

14 Q. Were there changes in fixed cost recovery
15 during 2008?

16 A. Yes. Case No. IPC-E-07-08 changed the
17 Company's base rates in March 2008, which required an
18 update to both the FCC and FCE. As a result, the Company
19 used FCC and FCE rates for the months of January and
20 February that were based upon the revenue requirement
21 established in Case No. IPC-E-05-28. The new FCC and FCE
22 rates that were used for the months of March through
23 December 2008 are consistent with the revenue requirement
24 established in Case No. IPC-E-07-08.

1 Q. Please describe the monthly FCC rates used
2 for reporting purposes during the second year of the pilot
3 (2008).

4 A. Exhibit No. 1 shows the monthly FCC rates
5 that were used for January and February reporting purposes
6 in 2008. For the Residential class, the monthly FCC rate
7 was \$32.98 and for Small General Service the rate was
8 \$24.49. These were established through the fixed costs
9 indentified in Case No. IPC-E-05-28. Exhibit No. 2 shows
10 the FCC rates used for March through December month-to-
11 month reporting in 2008. For the Residential class, the
12 monthly FCC rate for March through December was \$35.74 per
13 customer and for the Small General Service class the
14 monthly FCC was \$24.57.

15 Q. Please describe the monthly FCE rates used
16 for reporting purposes during the second year of the pilot
17 (2008).

18 A. Exhibit No. 1 details the Residential and
19 Small General Service monthly "shaped" FCE rates that were
20 used for January and February monthly reporting purposes.
21 The rates used for Residential were \$0.022760 and
22 \$0.025017, respectively, for January and February while the
23 Small General Service rates were \$0.034067 and \$0.035986,
24 respectively. Exhibit No. 2 details the monthly "shaped"

1 FCE rates used for March through December for both customer
2 classes.

3 Q. Why are "shaped" FCE rates used for
4 reporting purposes?

5 A. The FCE rates are shaped to better match
6 cause and effect for accounting purposes so that the
7 Company can adhere to generally accepted accounting
8 principles ("GAAP") and better estimate the financial
9 impacts of the FCA calculation at year-end. The ultimate
10 FCA adjustment is determined annually, but is booked to
11 Company accounts on a monthly basis. This is similar to
12 Power Cost Adjustment ("PCA") accounting practices.

13 Q. Has the Company been periodically reporting
14 the balance of the FCA true-up account to the Commission?

15 A. Yes. As part of the Stipulation to Case No.
16 IPC-E-04-15, Order No. 30267, the Company agreed to record
17 the FCA deferral as a separate line item in the monthly PCA
18 report provided to the Commission. The Company continued
19 to report the monthly balance of the FCA in 2008; however,
20 the true-up account balance was reported in a separate
21 report detailing the FCA only. Exhibit No. 3 is a copy of
22 the FCA Report for 2008. The total FCA combined adjustment
23 balance of a positive \$2,721,218.65 can be seen on line 32,
24 column S of Exhibit No. 3.

1 Q. What are the FCA true-up amounts for the
2 calendar year 2008 for both the Residential and Small
3 General Service classes?

4 A. Exhibit No. 3 shows the derivation of the
5 positive \$2,721,218.65. This amount includes a positive
6 \$1,385,482.32 (line 15, column S) as the accumulated
7 balance for the Residential FCA and a positive
8 \$1,335,736.33 (line 29, column S) for the accumulated
9 balance for the Small General Service FCA. Both amounts
10 include interest through December 2008.

11 Q. Were any adjustments made to these amounts
12 once the Company's books were closed at year-end?

13 A. Yes. Once the Company's books were closed
14 at year-end, the average prorated customer count and annual
15 weather normalized energy sales were determined. Once
16 these were determined, the "allowed fixed cost recovery"
17 (average prorated customer count X FCC) and the "actual
18 fixed cost recovered" (annual weather normalized energy
19 sales X FCE) could be calculated. The difference between
20 this year-end determination of the FCA balances and the sum
21 of the twelve monthly reported estimates of the FCA
22 balances required adjustments to the FCA deferral account.

23 Q. What were the adjustments made to the
24 Residential and Small General Service FCA balances?

1 A. In February 2009, the Company booked the
2 adjustments to the Residential and Small General Service
3 FCA balances. For the Residential class, an adjustment of
4 a negative \$75,910.55 was made (Exhibit No. 4, line 6,
5 column T) resulting in a total accrual of positive
6 \$1,310,900.87, not including interest. For the Small
7 General Service class, a positive \$47,313.19 (Exhibit No.
8 4, line 20, column T) adjustment was made resulting in a
9 total deferral of \$1,352,965.47, not including interest.

10 Q. What is the total amount of the Fixed Cost
11 Adjustment, including interest, the Company is requesting
12 to implement in rates on June 1, 2009?

13 A. Exhibit No. 4 shows the FCA balances and
14 adjustments, plus interest calculated through May 2009.
15 The total amount of the fixed cost adjustment the Company
16 is requesting to implement in rates on June 1, 2009, is an
17 increase of \$2,714,915.48 reflected on line 32, column X.
18 The FCA for the Residential class shows an increase of
19 \$1,320,748.96 reflected on line 15, column X. For the
20 Small General Service class, an additional \$1,394,166.52
21 will need to be recovered as part of the FCA true-up
22 mechanism. This amount is reflected on line 29, column X.

23 Q. What is the significance of these numbers
24 with respect to the Company's recovery of its fixed costs?

1 A. Since the residential true-up is a positive
2 number, it means that the rate of growth in the number of
3 residential customers was more than the rate of growth in
4 the energy sales for that class; i.e., the average use per
5 customer decreased. Therefore, the Residential class will
6 receive an increase to recover the additional fixed costs
7 not collected during the year. The same holds true for the
8 Small General Service class meaning that the use per
9 customer for this class has decreased and the Company has
10 under-collected its fixed costs.

11 **CALCULATION OF 2009-2010 FCA RATES**

12 Q. Please describe the calculation of the Fixed
13 Cost Adjustment rate the Company is proposing to go into
14 effect on June 1, 2009.

15 A. The FCA rate the Company proposes to go into
16 effect on June 1, 2009, is calculated by taking the FCA
17 true-up balances described above and dividing by the 2008
18 weather normalized load by class, as defined by FCA
19 methodology.

20 Q. What has the Company determined the 2008
21 weather normalized load to be for both the Residential and
22 Small General Service classes?

23 A. The Company's weather normalized sales for
24 2008 was 4,961,893,208 kWh and 170,004,623 kWh for the

1 Residential and Small General Service classes,
2 respectively.

3 Q. What is the FCA the Company proposes to
4 place into effect on June 1, 2009, for the Residential
5 class?

6 A. The residential FCA would be an adder to the
7 Residential class of \$1,320,748.96. This would mean a rate
8 adder of 0.0266 cents per kWh ($\$1,320,748.96 \times 100 /$
9 $4,961,893,208$ kWh). This represents a 0.42 percent
10 increase in residential rates.

11 Q. What is the total FCA determination for the
12 Small General Service class?

13 A. The Small General Service FCA requires an
14 additional recovery of fixed costs in the amount of
15 \$1,394,166.52. This would mean a rate adder for the Small
16 General Service class of 0.8200 cents per kWh
17 ($\$1,394,166.52 \times 100 / 170,004,623$ kWh). This represents a
18 10.29 percent increase in the Small General Service rates.

19 Q. Are these the Residential and Small General
20 Service FCA rate increases the Company is proposing to
21 implement June 1, 2009, through May 31, 2010?

22 A. No. To be consistent with the methodology
23 applied in the first year of the FCA pilot, Case No. IPC-E-
24 08-04, Order No. 30556, the Company is proposing a combined

1 rate increase for Residential and Small General Service
2 customers of 0.0529 cents per kWh or 0.82 percent.

3 Q. The Stipulation specified that the FCA rate
4 component should be combined with the Conservation Program
5 Funding Charge, now the Energy Efficiency Services Charge,
6 for purposes of customer bill presentation. How will the
7 Company conform to the Stipulation's specifications?

8 A. The Company will include the combined FCA
9 rate adjustment with the Energy Efficiency Services Charge
10 on Residential and Small General Service customer's bills.

11 Q. Does this complete your testimony?

12 A. Yes.

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-09-06

IDAHO POWER COMPANY

SPARKS, DI
TESTIMONY

EXHIBIT NO. 1

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-09-06

IDAHO POWER COMPANY

SPARKS, DI
TESTIMONY

EXHIBIT NO. 2

IDAHO POWER COMPANY
FCC & FCE Rates Based on IPC-E-07-08
Used for Monthly Reporting for 2008

	Residential	Small Commercial	
Authorized Fixed Cost Recovery	\$165,246,810	\$9,200,238	
Number of Customers	385,325	31,210	
	Residential	Small Commercial	
	Energy	Energy	FCE
January	\$35.74	\$24.57	\$766,681
February	\$35.74	\$24.57	\$766,692
March	\$35.74	\$24.57	\$766,687
April	\$35.74	\$24.57	\$766,680
May	\$35.74	\$24.57	\$766,684
June	\$35.74	\$24.57	\$766,681
July	\$35.74	\$24.57	\$766,685
August	\$35.74	\$24.57	\$766,693
September	\$35.74	\$24.57	\$766,687
October	\$35.74	\$24.57	\$766,683
November	\$35.74	\$24.57	\$766,680
December	\$35.74	\$24.57	\$766,691
Total	4,964,097,044	208,043,392	\$9,200,224
Difference			(\$14)
Annual FCE	\$428.85	\$294.79	\$0.044223

(\$6)

\$165,246,804

\$0.033288

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-09-06

IDAHO POWER COMPANY

SPARKS, DI
TESTIMONY

EXHIBIT NO. 3

	A	B	C	D	E	G	H	I	K	L	M	O	P	Q	S
	Fixed Cost Adjustment	January	February	March	April	May	June	July	August	September	October	November	December	Totals	
1	for the year ended December 31, 2008														
2															
3															
4	Residential FCA:														
5	Beginning Balance	\$ 0.00	(421,776.55)	(1,028,569.34)	(984,102.99)	(833,791.08)	(882,714.87)	(789,394.70)	(789,394.70)	339,722.87	803,567.11	926,033.81	1,285,650.47	1,376,391.64	
6	Amount Deferred	(421,776.55)	(606,792.79)	34,466.35	160,311.91	(148,923.79)	193,320.17	1,129,117.57	463,844.24	1,224,666.70	122,466.70	359,616.66	90,741.17	10,419.78	1,386,811.42
7	Ending Balance	(421,776.55)	(1,028,569.34)	(984,102.99)	(833,791.09)	(882,714.87)	(789,394.70)	(789,394.70)	339,722.87	803,567.11	926,033.81	1,285,650.47	1,376,391.64	1,386,811.42	
8	Interest:														
9	Accrual thru Prior Month	\$ 0.00	0.00	(1,757.40)	(6,043.11)	(10,185.21)	(13,659.34)	(17,753.99)	(21,043.13)	(21,043.13)	(19,627.62)	(16,279.42)	(12,420.95)	(7,064.07)	
10	Monthly Interest Rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
11	Monthly Interest Rate	0.00	(1,757.40)	(4,285.71)	(4,142.10)	(3,474.13)	(4,094.65)	(3,283.14)	1,415.51	3,348.20	3,658.47	3,658.47	5,368.88	5,734.97	(1,329.10)
12	Monthly Interest Inc(Exp)	\$ 0.00	(1,757.40)	(4,285.71)	(4,142.10)	(3,474.13)	(4,094.65)	(3,283.14)	1,415.51	3,348.20	3,658.47	3,658.47	5,368.88	5,734.97	(1,329.10)
13	Interest Accrued to date	\$ 0.00	(1,757.40)	(6,043.11)	(10,185.21)	(13,659.34)	(17,753.99)	(21,043.13)	(21,043.13)	(19,627.62)	(16,279.42)	(12,420.95)	(7,064.07)	(1,329.10)	
14															
15	Total Residential FCA:	(421,776.55)	(1,030,326.74)	(1,000,146.10)	(843,976.29)	(996,374.21)	(807,148.69)	(618,485.21)	318,679.74	783,939.49	909,754.39	1,273,229.52	1,369,327.57	1,365,482.32	1,385,482.32
16															
17															
18	Small Commercial FCA:														
19	Beginning Balance	\$ 0.00	95,790.97	198,504.82	198,504.82	432,765.64	536,665.02	618,485.21	618,485.21	775,415.93	911,949.86	1,009,902.78	1,104,393.27	1,201,880.33	
20	Amount Deferred	\$ 95,790.97	102,713.85	135,916.16	98,344.66	103,899.38	81,820.19	156,930.72	156,930.72	136,533.93	97,952.92	94,490.49	97,487.06	103,771.95	1,305,652.28
21	Ending Balance	\$ 95,790.97	198,504.82	334,420.98	432,765.64	536,665.02	618,485.21	618,485.21	775,415.93	911,949.86	1,009,902.78	1,104,393.27	1,201,880.33	1,305,652.28	
22	Interest:														
23	Accrual thru Prior Month	\$ 0.00	0.00	399.13	1,226.23	2,619.65	4,422.84	6,658.94	6,658.94	9,235.96	12,466.86	16,266.65	20,474.58	25,076.22	
24	Monthly Interest Rate	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	
25	Monthly Interest Rate	0.00	399.13	827.10	1,393.42	1,803.19	2,236.10	2,577.02	2,577.02	3,230.90	3,799.79	4,207.93	4,601.64	5,007.83	30,084.05
26	Monthly Interest Inc(Exp)	\$ 0.00	399.13	827.10	1,393.42	1,803.19	2,236.10	2,577.02	2,577.02	3,230.90	3,799.79	4,207.93	4,601.64	5,007.83	
27	Interest Accrued to date	\$ 0.00	399.13	1,226.23	2,619.65	4,422.84	6,658.94	9,235.96	12,466.86	16,266.65	20,474.58	25,076.22	30,084.05	30,084.05	
28															
29	Total Small Commercial FCA:	95,790.97	198,903.95	335,647.21	435,385.29	541,087.86	625,144.15	784,651.89	924,416.72	1,026,169.43	1,124,867.85	1,226,956.55	1,335,736.33	1,335,736.33	
30															
31	Total Fixed Cost Adjustment	\$ (325,985.58)	(831,422.79)	(654,498.89)	(408,591.00)	(455,286.35)	(182,004.54)	1,103,331.63	1,708,356.21	1,935,923.82	2,398,097.37	2,596,284.12	2,721,218.65	2,721,218.65	
32															
33															
34	Entries:														
35	Dr. 599 X00001 999 182302 (254302)	(325,985.58)	(505,437.21)	166,923.90	255,907.89	(46,695.35)	273,281.81	1,285,336.17	605,024.58	227,567.61	462,173.55	198,186.75	124,934.53	2,721,218.65	
36	Cr. 599 X00001 999 407405	325,985.58	504,076.94	(170,382.51)	(295,656.57)	45,024.41	(275,140.36)	(1,286,043.29)	(600,378.17)	(220,419.62)	(454,107.15)	(188,223.23)	(114,191.73)	(2,692,463.70)	
37	Cr. 998 X00001 999 421006 (431013)		1,358.27	3,458.61	2,748.68	1,670.94	1,858.55	712.12	(4,646.41)	(7,147.99)	(8,066.40)	(9,958.52)	(10,742.80)	(28,754.95)	
38															
39															
40															
41															

BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-09-06

IDAHO POWER COMPANY

SPARKS, DI
TESTIMONY

EXHIBIT NO. 4

Idaho Power Company
Fixed Cost Adjustment Monthly Accounting Report
January 2008 - May 2009

	A	B	C	D	E	G	H	I	K	L	M
	Fixed Cost Adjustment		January	February	March	April	May	June	July	August	September
1	Fixed Cost Adjustment										
2	for the year ended December 31, 2008										
3											
4	Residential FCA:										
5	Beginning Balance	\$	0.00	(421,776.55)	(1,028,569.34)	(994,102.99)	(833,791.08)	(982,714.87)	(789,394.70)	339,722.87	803,567.11
6	Amount Deferred	\$	(421,776.55)	(606,792.79)	34,466.35	160,311.91	(148,923.79)	193,320.17	1,129,117.57	463,844.24	122,466.70
7	Ending Balance	\$	(421,776.55)	(1,028,569.34)	(994,102.99)	(833,791.08)	(982,714.87)	(789,394.70)	339,722.87	803,567.11	926,033.81
8											
9	Interest:										
10	Accrual thru Prior Month	\$	0.00	0.00	(1,757.40)	(6,043.11)	(10,185.21)	(13,659.34)	(17,753.99)	(21,043.13)	(19,627.62)
11	Monthly Interest Rate		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
12	Monthly Interest Inc/(Exp)	\$	0.00	(1,757.40)	(4,285.71)	(4,142.10)	(3,474.13)	(4,094.65)	(3,289.14)	1,415.51	3,348.20
13	Interest Accrued to date	\$	0.00	(1,757.40)	(6,043.11)	(10,185.21)	(13,659.34)	(17,753.99)	(21,043.13)	(19,627.62)	(16,279.42)
14											
15	Total Residential FCA:		(421,776.55)	(1,030,326.74)	(1,000,146.10)	(843,976.29)	(996,374.21)	(807,148.69)	318,679.74	783,939.49	909,754.39
16											
17											
18	Small Commercial FCA:										
19	Beginning Balance	\$	0.00	95,790.97	198,504.82	334,420.98	432,765.64	536,665.02	618,485.21	775,415.93	911,949.86
20	Amount Deferred	\$	95,790.97	102,713.85	135,916.16	98,344.66	103,899.38	81,820.19	156,930.72	136,533.93	97,952.92
21	Ending Balance	\$	95,790.97	198,504.82	334,420.98	432,765.64	536,665.02	618,485.21	775,415.93	911,949.86	1,009,902.78
22											
23	Interest:										
24	Accrual thru Prior Month	\$	0.00	0.00	399.13	1,226.23	2,619.65	4,422.84	6,658.94	9,235.96	12,466.86
25	Monthly Interest Rate		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
26	Monthly Interest Inc/(Exp)	\$	0.00	399.13	827.10	1,393.42	1,803.19	2,236.10	2,577.02	3,230.90	3,799.79
27	Interest Accrued to date	\$	0.00	399.13	1,226.23	2,619.65	4,422.84	6,658.94	9,235.96	12,466.86	16,266.65
28											
29	Total Small Commercial FCA:		95,790.97	198,903.95	335,647.21	435,385.29	541,087.86	625,144.15	784,651.89	924,416.72	1,026,169.43
30											
31											
32	Total Fixed Cost Adjustment	\$	(325,985.58)	(831,422.79)	(664,498.89)	(408,591.00)	(455,286.35)	(182,004.54)	1,103,331.63	1,708,356.21	1,935,923.82
35											
36	As of January 2009 balance to 182309										
37	Entries:										
38	Dr. 599 X00001 999 182302 (254302) 182309		(325,985.58)	(505,437.21)	166,923.90	255,907.89	(46,695.35)	273,281.81	1,285,336.17	605,024.58	227,567.61
39	Cr. 599 X00001 999 407405		325,985.58	504,078.94	(170,382.51)	(256,656.57)	45,024.41	(275,140.36)	(1,286,048.29)	(600,378.17)	(220,419.62)
40	Cr. 998 X00001 999 421006 (431013)		-	1,358.27	3,458.61	2,748.68	1,670.94	1,858.55	712.12	(4,646.41)	(7,147.99)
41											

Idaho Power Company
Fixed Cost Adjustment Monthly Accounting Report
January 2008 - May 2009

	A	O	P	Q	S	T	U	V	W	X
	Fixed Cost Adjustment	October	November	December	January	February	March	April	May	Totals
1	Fixed Cost Adjustment									
2	for the year ended December 31, 2008									
3										
4	Residential FCA:									
5	Beginning Balance	926,033.81	1,285,650.47	1,376,391.64	1,386,811.42	1,386,811.42	1,310,900.87	1,310,900.87	1,310,900.87	1,310,900.87
6	Amount Deferred	359,616.66	90,741.17	10,419.78	0.00	(75,910.55)	0.00	0.00	0.00	0.00
7	Ending Balance	1,285,650.47	1,376,391.64	1,386,811.42	1,386,811.42	1,310,900.87	1,310,900.87	1,310,900.87	1,310,900.87	1,310,900.87
8										
9	Interest:									
10	Accrual thru Prior Month	(16,279.42)	(12,420.95)	(7,064.07)	(1,329.10)	982.25	3,293.60	5,478.43	7,663.26	7,663.26
11	Monthly Interest Rate	5.0%	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
12	Monthly Interest Inc/(Exp)	3,866.47	5,356.88	5,734.97	2,311.35	2,311.35	2,184.83	2,184.83	2,184.83	2,184.83
13	Interest Accrued to date	(12,420.95)	(7,064.07)	(1,329.10)	982.25	3,293.60	5,478.43	7,663.26	9,848.09	9,848.09
14										
15	Total Residential FCA:	1,273,229.52	1,369,327.57	1,385,482.32	1,387,793.67	1,314,194.47	1,316,379.30	1,318,564.13	1,320,748.96	1,320,748.96
16										
17										
18	Small Commercial FCA:									
19	Beginning Balance	1,009,902.78	1,104,393.27	1,201,880.33	1,305,652.28	1,305,652.28	1,352,965.47	1,352,965.47	1,352,965.47	1,352,965.47
20	Amount Deferred	94,490.49	97,487.06	103,771.95	0.00	47,313.19	0.00	0.00	0.00	0.00
21	Ending Balance	1,104,393.27	1,201,880.33	1,305,652.28	1,305,652.28	1,352,965.47	1,352,965.47	1,352,965.47	1,352,965.47	1,352,965.47
22										
23	Interest:									
24	Accrual thru Prior Month	16,266.65	20,474.58	25,076.22	30,084.05	32,260.14	34,436.23	36,691.17	38,946.11	38,946.11
25	Monthly Interest Rate	5.0%	5.0%	5.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
26	Monthly Interest Inc/(Exp)	4,207.93	4,601.64	5,007.83	2,176.09	2,176.09	2,254.94	2,254.94	2,254.94	2,254.94
27	Interest Accrued to date	20,474.58	25,076.22	30,084.05	32,260.14	34,436.23	36,691.17	38,946.11	41,201.05	41,201.05
28										
29	Total Small Commercial FCA:	1,124,867.85	1,226,956.55	1,335,736.33	1,337,912.42	1,387,401.70	1,389,656.64	1,391,911.58	1,394,166.52	1,394,166.52
30										
31										
32	Total Fixed Cost Adjustment	2,398,097.37	2,596,284.12	2,721,218.65	2,725,706.09	2,701,596.17	2,706,035.94	2,710,475.71	2,714,915.48	2,714,915.48
35										
36	As of January 2009 balance to 182309									
37	Entries:									
38	Dr. 599 X00001 999 182302 (254302) 182309	462,173.55	198,186.75	124,934.53	4,487.44	(24,109.92)	4,439.77	4,439.77	4,439.77	2,714,915.48
39	Cr. 599 X00001 999 407405	(454,107.15)	(188,228.23)	(114,191.73)	-	28,597.36	-	-	-	(2,663,866.34)
40	Cr. 998 X00001 999 421006 (431013)	(8,066.40)	(9,958.52)	(10,742.80)	(4,487.44)	(4,487.44)	(4,439.77)	(4,439.77)	(4,439.77)	(51,049.14)
41										