

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR A)	CASE NO. IPC-E-09-09
PRUDENCY DETERMINATION OF)	
ENERGY EFFICIENCY RIDER FUNDS)	NOTICE OF APPLICATION
SPENT IN 2002-2007)	
)	NOTICE OF MOTION
)	TO APPROVE STIPULATION
)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 31000

YOU ARE HEREBY NOTIFIED that in its 2008 rate case, Case No. IPC-E-08-10, Idaho Power requested that the Commission find that its 2002-2007 expenditures on conservation programs, funded by the Energy Efficiency Rider, were prudently incurred. Total Rider expenditures during the period were approximately \$33 million. The Commission deferred a determination on the prudence of the expenditures pending additional information to evaluate the programs' effectiveness. In February 2009, Idaho Power and Staff filed a Stipulation in that case establishing the prudence of a portion of the Rider funds the Company spent during the five-year period. The Commission subsequently issued an Order finding that "the Stipulation identifying approximately \$18.3 million in energy efficiency expenditures for 2002-2007 as prudent to be just, reasonable, and in the public interest." The Stipulation approved by the Commission also required the Company to file a pleading with the Commission seeking a prudence determination for the balance of Rider funds spent during 2002-2007. On April 1, 2009, the Company filed an Application requesting the Commission find the remaining \$14,657,971 in 2002-2007 Energy Efficiency Rider expenditures to be prudently incurred expenses.

YOU ARE FURTHER NOTIFIED that following the filing of the Company's Application, Staff and Idaho Power continued to discuss ways to evaluate the effectiveness of the Company's demand-side management (DSM) programs. On October 5, 2009, Staff hosted a DSM evaluation workshop, including an evaluation consultant retained by the Commission, to

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discuss appropriate levels of objective and transparent evaluation of DSM programs. As a result of the workshop and follow-up discussions, Idaho Power and Staff agreed to terms for a comprehensive utility annual DSM report, as set forth in a Memorandum of Understanding (MOU). The MOU provides terms for Idaho Power to manage, plan, evaluate, and report its DSM activities to the Commission. In addition, Staff and the Company signed a Stipulation agreeing that the remaining balance of Rider funds spent during 2002-2007 (\$14,657,971) were prudent expenditures. The Memorandum of Understanding providing terms for reporting and evaluation of DSM expenditures is attached to the Stipulation.

YOU ARE FURTHER NOTIFIED that on January 25, 2010, Idaho Power filed a Motion to Approve Stipulation. In addition, the Company specifically requests that the Commission confirm that the \$14,657,971 in Energy Efficiency Rider expenditures the Company made between 2002-2007 were prudent, and that the Commission provide feedback regarding the DSM evaluations and prudency determinations discussed in the Memorandum of Understanding. Because the 2002-2007 DSM expenditures were made using tariff rider funds, a determination that the expenditures were prudent will not affect customer rates.

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

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or in opposition with the Commission within twenty-one (21) days from the service date of this Notice. 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 may be mailed to the Commission and Idaho Power at the addresses reflected below:

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

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Barton L. Kline
Lisa D. Nordstrom
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-Mail: bkline@idahopower.com
lnordstrom@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 comment form, using the case number as it appears on the front of this document. These comments must also be sent to Idaho Power at the e-mail 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 and supporting workpapers have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices or 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 case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and that 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.

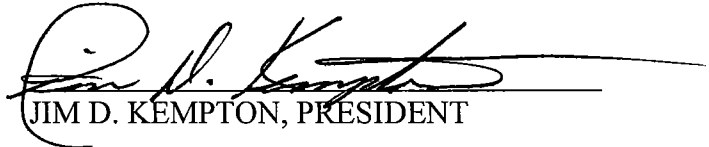
ORDER

IT IS HEREBY ORDERED that the Application of Idaho Power Company for prudence determination of Energy Efficiency Rider funds spent in 2002-2007 be processed by

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Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so within twenty-one (21) days from the service date of this Notice.

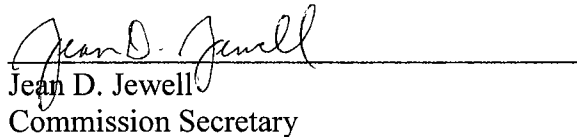
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 5th day of February 2010.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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