

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF IDAHO POWER COMPANY FOR AN</b>	)	<b>CASE NO. IPC-E-09-30</b>
<b>ACCOUNTING ORDER TO AMORTIZE</b>	)	
<b>ADDITIONAL ACCUMULATED DEFERRAL</b>	)	<b>NOTICE OF</b>
<b>INCOME TAX CREDIT AND APPROVING A</b>	)	<b>MODIFIED PROCEDURE</b>
<b>RATE CASE MORATORIUM</b>	)	
	)	<b>ORDER NO. 30960</b>

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YOU ARE HEREBY NOTIFIED that on November 6, 2009, Idaho Power Company filed an Application requesting a Commission Order to authorize the Company to amortize accumulated deferred investment tax credits (ADITC), and approving a Stipulation signed by the Company, Staff and five other parties. The Stipulation calls for a moratorium on a general rate case; establishes Idaho Power's permitted use of ADITC for the years 2009, 2010 and 2011; establishes a sharing mechanism for potential revenue sharing; and proposes base rate adjustments based on results of the 2010 annual Power Cost Adjustment (PCA).

YOU ARE FURTHER NOTIFIED that the Stipulation states that Idaho Power will not file a general rate case that would change its revenue requirement and resulting rates to become effective prior to January 1, 2012. The rate case moratorium does not affect other revenue requirement proceedings, such as the PCA, the Fixed Cost Adjustment (FCA), an annual advanced metering infrastructure rate adjustment, an annual pension expense recovery, or the energy efficiency rider adjustment.

YOU ARE FURTHER NOTIFIED that the Accounting Order the Company requests affects its use of ADITC. If the Company's return on equity falls below 9.5%, the Company would be permitted to amortize additional ADITC in an amount up to \$45 million over the three-year period 2009-2011. The Company could use no more than \$15 million of additional amortization in one year (unless there is a carryover), and if the Company's return on equity exceeds 10.5%, the Company will share 50% of any profits in excess of a 10.5% return on equity with customers.

YOU ARE FURTHER NOTIFIED that the Stipulation also proposes base rate adjustments based on 2010 PCA results. Because Idaho Power and the parties anticipate the PCA rate calculation for 2010 will be a substantial reduction in PCA rates, the Company will

request that the Commission change the base level for net power supply expenses to be used for both base rates and PCA calculations. The Stipulation provides that 2010 PCA reduction up to the first \$40 million will be allocated equally between customers and the Company. The Company's share of this PCA rate reduction would be applied to increase permanent base rates on a uniform percentage basis to all customer classes and contract customers. The customers' share of this PCA rate reduction would be a direct customer rate reduction. All of the PCA rate reduction above \$40 million up to \$60 million will be provided directly to customers as a rate reduction. A 2010 PCA rate reduction in excess of \$60 million will be applied to absorb any increase in the base level for net power supply expenses. If the 2010 PCA rate reduction exceeds \$60 million, plus the established increase in base net power supply expenses, the next \$10 million will be shared equally between the Company and its customers and any remainder will go entirely to customers.

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 opposition with the Commission **within fourteen (14) 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](mailto:bkline@idahopower.com)  
[lnordstrom@idahopower.com](mailto:lnordstrom@idahopower.com)

John R. Gale  
Vice President, Regulatory Affairs  
Idaho Power Company  
PO Box 70  
Boise, ID 83707-0070  
E-mail: [rgale@idahopower.com](mailto:rgale@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](http://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](http://www.puc.idaho.gov) under the "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-124, 61-125, 61-307, 61-502, 61-503, and 61-507. 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 Petition of Idaho Power Company for approval to authorize the Company to amortize accumulated deferred investment tax credits and approving a Stipulation be processed by Modified Procedure, IDAPA 31.01.01.201-.204.

Persons interested in submitting written comments in this matter must do so within fourteen (14) days from the service date of this Notice.


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8<sup>th</sup> day of December 2009.

  
JIM D. KEMPTON, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
MACK A. REDFORD, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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