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BARTON L. KLINE
Lead Counsel
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December 28, 2009

VIA HAND DELIVERY

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P.O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-09-33
*IN THE MATTER OF IDAHO POWER COMPANY'S 2009 INTEGRATED
RESOURCE PLAN ("IRP")*

Dear Ms. Jewell:

Enclosed please find for filing an original and ten (10) copies of Idaho Power's Application in the above matter.

Very truly yours,

Barton L. Kline

BLK:csb
Enclosures

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Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S 2009 INTEGRATED)
RESOURCE PLAN ("IRP").)
CASE NO. IPC-E-09-33
APPLICATION

COMES NOW Idaho Power Company ("Idaho Power" or "Company"), and in accordance with Idaho Public Utilities Commission ("IPUC" or "Commission") Order No. 22299, hereby requests that the Commission issue its order accepting the Company's 2009 Integrated Resource Plan ("IRP" or "Plan"). In support of this request, Idaho Power states as follows:

I. BACKGROUND

As required by IPUC Order No. 22299 and Oregon Public Utility Commission ("OPUC") Order Nos. 89-507 and 07-002, the Company prepares and files a biennial Integrated Resource Plan with both the IPUC and the OPUC setting forth how Idaho Power intends to serve the electric requirements of its customers. Idaho Power had

initially planned to file its 2009 IRP in June of 2009.¹ However, the desire to provide additional information on the proposed Boardman to Hemingway 500 kV transmission line ("B2H") caused Idaho Power to request permission to file the 2009 IRP by year-end 2009. The Commission granted Idaho Power's request for a delay to year-end on May 19, 2009, in Order No. 30815. Idaho Power's 2009 IRP addresses its available supply-side and demand-side resource options, planning period load forecasts, potential resource portfolios, a risk analysis, and near-term and long-term action plans.

The complete 2009 IRP consists of four (4) separate documents: (1) the 2009 Integrated Resource Plan; (2) Appendix A – Sales and Load Forecast; (3) Appendix B – Demand-Side Management 2008 Annual Report; and (4) Appendix C – Technical Appendix. A copy of the complete 2009 IRP is enclosed as Attachment No. 1 and can also be found on the Company's website at www.idahopower.com. Interested persons may also request a printed copy of the 2009 IRP by contacting Mark Stokes at (208) 388-2483 or MStokes@idahopower.com.

Idaho Power has worked with stakeholders for the last eighteen (18) months to develop the 2009 IRP. To incorporate stakeholder and public input, the Company worked with the Integrated Resource Plan Advisory Council ("Advisory Council"), comprised of members of the environmental community, major industrial customers, agricultural interests, Idaho state legislators, representatives of the OPUC and IPUC Staffs, representative from the Idaho Office of Energy Resources, the Idaho Governor's Office, and others, including representatives of groups opposed to the Company's

¹ The normal filing date for the biennial IRP would have been June of 2008. However, in Order No. 30281, the Commission expressed a desire to receive the IRPs from each of its three jurisdictional electric utilities within a narrower time frame. In response to that, Idaho Power proposed that it file its next "full" IRP in June of 2009. The Commission accepted that proposed schedule on May 23, 2007, in Order No. 30317.

proposed B2H transmission line project. The Advisory Council meetings served as an open forum for discussion related to the development of the IRP, and its members have made significant contributions to the Plan. A list of the members of the Advisory Committee is enclosed as Attachment No. 2. Idaho Power will also schedule public presentations regarding the 2009 IRP at community meetings held throughout its Idaho and Oregon service territories in early 2010.

II. IRP GOALS AND ASSUMPTIONS

The primary goals of Idaho Power's 2009 IRP are to: (1) identify sufficient resources to reliably serve the demand for energy within Idaho Power's service area throughout the 20-year planning period; (2) ensure the portfolio of selected resources reasonably balances cost, risk, and environmental concerns; (3) give equal and balanced treatment to both supply-side resources and demand-side measures; and (4) involve the public in the planning process in a meaningful way. In the 2009 IRP, the Company also explored transmission alternatives and investigated and evaluated renewable resources playing a more prominent role in the resource portfolio.

The 2009 IRP assumes that during the two 10-year planning periods (2010-2019 is "Period One" and 2020-2029 is "Period Two") evaluated in the IRP, Idaho Power will continue to be responsible for acquiring resources sufficient to serve all of its retail customers in its Oregon and Idaho service territories and will continue to operate as a vertically-integrated electric utility.

The number of customers in Idaho Power's service area is expected to increase from around 486,000 in 2008 to over 680,000 by the end of the planning period in 2029. As a result, Idaho Power's average load is expected to increase by 13 aMW (0.7

percent) annually and summertime peak-hour loads are expected to increase by 53 MW (1.5 percent) annually through 2029. Idaho Power continues to use 70th percentile water conditions and 70th percentile average load for energy planning. For peak-hour capacity planning, Idaho Power uses 90th percentile water conditions and 95th percentile peak-hour load.

III. PREFERRED RESOURCE PORTFOLIO

Idaho Power examined ten (10) resource portfolios and numerous permutations for each of the two 10-year periods as part of preparing the 2009 IRP. Following the risk analysis, Idaho Power selected Portfolio 1-4 (B2H) as the preferred portfolio for Period One. The Company selected Portfolio 2-4 (wind and peakers) for Period Two. The selected portfolio adds supply-side resources capable of providing 529 aMW of energy, 1,525 MW of capacity to meet peak-hour loads, and 425 MW of additional transmission capacity from the B2H line to the Pacific Northwest. The selected portfolio also includes new and expanded demand-side management programs estimated to reduce average loads by 127 aMW and peak-hour loads by 438 MW by 2029.

The 2009 IRP presented by this Application provides the Company's estimate of future loads and sets forth how the Company intends to serve the electrical requirements of its native load customers over the next 20 years. While the proposed resource portfolios represent current resource acquisition targets, it is important to note that the actual resource portfolio may differ from the quantities and types of resources outlined in the IRP depending on the changing needs of Idaho Power and its customers.

IV. EXPANDED IRP ANALYSIS

In Order 30281, the Commission accepted the Company's 2006 IRP. In so doing, the Commission directed the Company to: (1) include in future IRPs "the Company's evaluation and analysis of possible transmission projects, costs and potential risks; and (2) an analysis of how the fixed cost adjustment mechanism (FCA) has affected the Company's ability to incorporate more DSM programs."

With respect to transmission projects, the 2009 IRP contains a much expanded discussion and analysis of the Company's transmission resource options with particular emphasis on the proposed Boardman to Hemingway and Gateway West transmission projects. These projects are discussed in substantial detail in the IRP in Chapter 7, "Transmission Resources."

With respect to the FCA, the IRP specifically addresses the fixed cost adjustment and its impacts on DSM on page 17, and in more general terms in Chapter 4, "Demand-Side Management."

V. SERVICE OF PROCESS

Idaho Power requests that any notices, inquiries, and communications regarding this request be provided to:

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VI. REQUEST FOR ACCEPTANCE

Idaho Power respectfully requests that the Commission issue its Order accepting the Company's 2009 IRP and finding that the 2009 IRP meets both the procedural and substantive requirements of Order No. 22299.

DATED at Boise, Idaho, this 28th day of December 2009.



BARTON L. KLINE
Attorney for Idaho Power Company