

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF IDAHO POWER
COMPANY'S 2009 INTEGRATED
RESOURCE PLAN (IRP)**

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) **CASE NO. IPC-E-09-33**
)
) **NOTICE OF FILING**
)
) **NOTICE OF**
) **COMMENT DEADLINE**
)
) **ORDER NO. 30986**

IDAHO POWER 2009 ELECTRIC INTEGRATED RESOURCE PLAN

YOU ARE HEREBY NOTIFIED that on December 28, 2009, Idaho Power Company (Idaho Power; Company) filed the Company's 2009 electric Integrated Resource Plan (IRP) with the Idaho Public Utilities Commission (Commission).¹ Idaho Power is a multi-jurisdictional utility and provides electric service to over 486,000 customers (year end 2008) in Idaho and Oregon.

BACKGROUND

As required by Commission Order No. 22299 (Case No. U-1500-165), Idaho Power's filing is a biennial planning document that sets forth how the Company intends to serve the electric requirements of its customers.

Idaho Power's 2009 IRP addresses available supply-side and demand-side resource options, planning period, load forecast, potential resource portfolios, a risk analysis, and near-term and long-term action plans. The complete 2009 IRP consists of four 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.

¹ The normal filing date for Idaho Power's biennial IRP would have been June 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 2009. The Commission accepted that proposed schedule on May 23, 2007, in Order No. 30317. 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 delay to year end on May 19, 2009, in Order No. 30815.

2009 IRP – GOALS AND ASSUMPTIONS

Primary goals reflected in Idaho Power's 2009 IRP application 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 that 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 that play a prominent role in the resource portfolio.

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

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%) annually and summertime peak-hour loads are expected to increase by 53 MW (1.5%) annually through 2020-2029. 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.

2009 IRP – PREFERRED RESOURCE PORTFOLIO

Idaho Power examined 10 resource portfolios and numerous permutations for each of the two 10-year periods as part of preparing the 2009 IRP. Following a risk analysis, Idaho Power selected Portfolio 1.4 (Boardman to Hemingway) as the preferred portfolio for Period One and Portfolio 2.4 (Wind and Peakers) for Period Two. Period One includes completion of the Langley Gulch CCCT (300 MW) in 2012, the Shoshone Falls Upgrade Project (49 MW) in 2015, and assumes completion of the Boardman to Hemingway (B2H) Transmission Project in 2015. Period Two represents a strategy of adding wind resources sufficient to provide energy and Renewable Energy Credits (RECs) along with simple-cycle natural gas plants to provide peaking capacity and operating reserves necessary to integrate wind generation. The additional wind

(500 MW) in Period Two assumes completion of the Gateway West Transmission Project (100 MW) by 2022. The selected portfolio adds supply-side resources capable of providing 529 aMW of energy, 1,525 MW of capacity to 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 energy efficiency and demand-side management programs estimated to reduce average loads by 127 aMW and peak-hour loads by 438 MW by 2029.

Idaho Power believes that maintaining a diverse resource portfolio is the best way to mitigate risk given the amount of uncertainty in the planning process. As part of this strategy, the 2009 IRP contains a qualitative discussion of the potential risk associated with carbon regulation, developing technologies, resource siting, and relying on market purchases. Although a market for renewable energy credits (RECs) has recently developed, the Company contends that there is uncertainty associated with the future market value of RECs and potential limitations on the quantity of RECs that may be purchased to meet state renewable portfolio standards (RPS) requirements or federal renewable electricity standards (RES).

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 Oregon and Idaho Commission Staffs, representatives of the Idaho Office of Energy Resources and the Idaho Governor's Office, and others, including representatives of groups opposed to the Company's proposed B2H transmission line project.

A copy of the complete 2009 IRP can 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. The Company states that it will schedule public presentations regarding its IRP at community meetings held throughout its Idaho and Oregon service territories in early 2010.

DEADLINE FOR COMMENTS

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Company's filing in Case No. IPC-E-09-33 and finds it reasonable to establish the following schedule for comment on Idaho Power's 2009 IRP.

Thursday, April 15, 2010

Deadline for filing written comments

YOU ARE FURTHER NOTIFIED that written comments concerning the Company's IRP filing shall be made to the Commission and Idaho Power 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

Barton L. Kline
Lisa D. Nordstrom
Idaho Power Company
PO Box 70
Boise, ID 83707-0070

E-mail: bkline@idahopower.com
lnordstrom@idahopower.com

Michael J. Youngblood
Pricing & Regulatory Services
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: myoungblood@idahopower.com

All comments filed 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 Idaho Power's IRP filing may be viewed at www.puc.idaho.gov by clicking on "File Room" and "Electric Cases," or can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 West Washington Street, Boise, Idaho and at the principal business office of Idaho Power, 1221 West Idaho Street, Boise, Idaho ((208) 388-2200).

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter and Idaho Power Company, an electric utility, pursuant to the authority and power granted under Title 61 of the Idaho Code and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER


IT IS HEREBY ORDERED that this case be processed in accordance with the foregoing schedule for filing of written comments.

NOTICE OF FILING
NOTICE OF COMMENT DEADLINE
ORDER NO. 30986


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 22nd
day of January 2010.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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