

**BEFORE THE  
IDAHO PUBLIC UTILITIES COMMISSION  
CASE NO. IPC-E-11-06**

**IDAHO POWER COMPANY**

**ATTACHMENT NO. 3**

**PRESS RELEASE**



# NEWS RELEASE

## Idaho Power Files More Than \$40 Million PCA Decrease for Idaho Customers

*The Power Cost Adjustment (PCA) is an annual filing that reflects Idaho Power's anticipated fuel costs for generating electricity, costs of power purchases to meet customer demand and benefits resulting from sales of surplus energy for the coming year. It also brings last year's forecasted costs in balance with actual expenses. In 2006 and 2010 the PCA resulted in a decrease to customers and will again in 2011.*

BOISE, Idaho, April 18, 2011 – On April 15, Idaho Power submitted its annual Power Cost Adjustment (PCA) proposal for approval by the Idaho Public Utilities Commission (IPUC). The PCA, an annual filing in place since 1992, is strictly a cost recovery mechanism that passes on both the benefits and costs of supplying energy to Idaho Power customers.

If our filing is approved by the commission, Idaho **customer rates will be reduced by more than \$40 million**, or an average reduction of 4.78 percent overall beginning June 1. The chart below illustrates the overall percentage decrease for each major customer group as a result of the PCA filing. The varying percentages of overall decrease for each customer class reflect the difference in the price each group pays for electricity.

The typical Idaho residential customer using 1,050 kilowatt-hours (kWh) of energy per month will see a PCA decrease of approximately \$2.97 on their monthly bill. The actual percent change will vary by customer group based upon the rate they pay.

**PCA REVENUE IMPACT BY CLASS**  
Percentage Change from Current Rates

	Residential Service	Small General Service	Large General Service	Large Power Service	Irrigation Service	Overall Change
PCA	(3.58%)	(2.59%)	(5.38%)	(7.83%)	(4.72%)	(4.78%)

In March, Idaho Power submitted two rate increase proposals with the IPUC: the annual Fixed Cost Adjustment (FCA) and a filing for pension funding. These filings together requested recovery of \$14.7 million, or 1.74 percent overall. If approved, these changes will also go into effect June 1, 2011.

If the two proposals are approved along with the proposed PCA rate decrease,

more-more-more

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customers will still experience an overall rate **reduction of more than \$25 million**, or a 3.03 percent decrease.

### MARCH 15 AND PCA FILINGS COMBINED REVENUE IMPACT BY CLASS

Percentage Change from Current Rates

	Residential Service	Small General Service	Large General Service	Large Power Service	Irrigation Service	Overall Change
FCA	0.74%	0.74%	0.00%	0.00%	0.00%	0.36%
Pension Funding	1.39%	1.40%	1.39%	1.36%	1.40%	1.39%
PCA	(3.58%)	(2.59%)	(5.38%)	(7.83%)	(4.72%)	(4.78%)
Combined Effect	(1.45%)	(0.45%)	(4.00%)	(6.47%)	(3.32%)	(3.03%)

"Idaho Power is sensitive to the challenges faced by its customers in these difficult economic times," stated Vice President of Regulatory Affairs Greg Said. "We are pleased to be in a position to reduce our customers' rates as our state works toward economic recovery."

About IDACORP, Inc.:

IDACORP, Inc. (NYSE: IDA), Boise, Idaho-based and formed in 1998, is a holding company comprised of Idaho Power Company, a regulated electric utility; IDACORP Financial, a holder of affordable housing projects and other real estate investments; and Ida-West Energy, an operator of small hydroelectric generation projects that satisfy the requirements of the Public Utility Regulatory Policies Act of 1978. IDACORP's origins lie with Idaho Power and operations beginning in 1916. Today, Idaho Power employs approximately 2,000 people to serve a 24,000 square-mile service area in southern Idaho and eastern Oregon. With 17 low-cost hydroelectric projects as the core of its generation portfolio, Idaho Power's 492,000 residential, business and agricultural customers pay some of the nation's lowest prices for electricity. To learn more about Idaho Power or IDACORP, visit [www.idahopower.com](http://www.idahopower.com) or [www.idacorpinc.com](http://www.idacorpinc.com).

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