

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-11-24
AUTHORITY TO MODIFY ITS RULE H)	
TARIFF RELATED TO THE GENERAL)	NOTICE OF APPLICATION
OVERHEAD RATE.)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 32429

On November 18, 2011, Idaho Power Company filed an Application with the Commission seeking authority to modify the general overhead rate it charges in the Company's Rule H tariff relating to new service attachments and distribution line installations and alterations. The Company requests that the Application be processed by Modified Procedure and that the proposed changes become effective on March 15, 2012.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company proposes to remove the 1.5% limitation for recovery of general overhead costs in the "Work Order Cost" definition of Rule H in an effort to shift more of the cost burden for new service attachments and distribution line installations or alterations from general ratepayers to customers requesting construction for these services. Application at 3.

YOU ARE FURTHER NOTIFIED that the Company states that, by removing the 1.5% limitation for recovery of general overhead costs and allowing the Company to recover the full construction overheads under Rule H, the Company will receive larger contributions in aid of construction (CIAC) to offset the costs of providing these construction services. The Company maintains that this will ultimately reduce the revenue requirement for general ratepayers and reduce additional upward pressure on rates. *Id.*

YOU ARE FURTHER NOTIFIED that, specifically, the Company is proposing to recover all actual general overhead costs related to construction under Rule H from the party requesting the construction service. Idaho Power proposes to update this general overhead rate each time accounting adjustments (increases or decreases) are made to balance the Company's

general overhead account. These updates would be automatically reflected in the Company's work order processing and accounting systems. In addition, the Company proposes to file its effective general overhead rates in all future annual Rule H updates of charges and credits to allow the Commission the opportunity to scrutinize the effective rate charged on Rule H work orders.

YOU ARE FURTHER NOTIFIED that the Company requests that the removal of the general overhead cap be approved by March 1, 2012, and become effective on March 15, 2012, to coincide with the effective date of the Company's annual update of its Rule H charges and credits.

NOTICE OF MODIFIED PROCEDURE

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 **no later than February 2, 2012**. 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, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Lisa D. Nordstrom
Jason B. Williams
Idaho Power Company
PO Box 70

Boise, ID 83707-0070

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

Scott D. Sparks
Gregory W. Said
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: ssparks@idahopower.com
gsaid@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 Idaho Power may file reply comments (if necessary) **no later than February 9, 2012.**

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written positions before it. IDAPA 31.01.01.204.

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 by clicking on "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 for authority to modify its Rule H (line extension) tariff related to the general overhead rate be processed by Modified Procedure. Persons interested in submitting written comments in this matter must do so no later than February 2, 2012.

IT IS FURTHER ORDERED that Idaho Power may file reply comments no later than February 9, 2012.

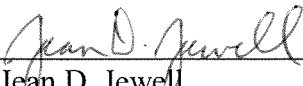
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 4th day of January 2012.


PAUL KJEILANDER, PRESIDENT


MACK A. REDFORD, COMMISSIONER


MARSHA H. SMITH, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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