

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S APPLICATION TO INCREASE) CASE NO. IPC-E-12-09
ITS ELECTRIC RATES TO RECOVER THE)
BOARDMAN BALANCING ACCOUNT) NOTICE OF APPLICATION
)
) **NOTICE OF**
) **INTERVENTION DEADLINE**
)
) **NOTICE OF**
) **PUBLIC WORKSHOP**
)
) **ORDER NO. 32479**

On February 15, 2012, Idaho Power Company applied to the Commission for an Order authorizing the Company to increase its rates to begin recovery of the Boardman balancing account.¹ The Company seeks to recover \$1,583,373 in annual revenue, which the Company says results in a uniform percentage increase of 0.18% to all customer classes. The Company asks that the rate change take effect on June 1, 2012, and that the case be reviewed under Modified Procedure.

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YOU ARE HEREBY NOTIFIED that Idaho Power owns 10% of the coal-fired, Boardman power plant in Oregon. On February 15, 2012, the Commission authorized the Company to establish a balancing account related to Boardman's early closure, which is set to occur by December 31, 2020. Application at 2-3; Order No. 32457. The Company says the balancing account will let it track, on a cumulative basis, the difference between revenues and expenses associated with the Boardman shutdown. Application at 2. The Company says the

¹ The Company has concurrently filed three other applications. See Case Nos. IPC-E-12-06, IPC-E-12-07, and IPC-E-12-08. The Company claims its four filings will cumulatively decrease rates for most customers. The Company describes the cumulative rate impact for the major customer classes as: Residential Schedule 1, (0.80%); Small General Schedule 7, (0.55%); Large General Schedule 9, (1.07%); Large Power Schedule 19, 0.65%; and Agricultural Irrigation Schedule 24, (1.09%). The Company says the rates for its Special Contract customers will cumulatively change as follows: Micron, 0.66%; Simplot and Department of Energy (INL), 0.68%; and Hoku Block 1, 0.67%. See Application, Atch.4.

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balancing account also will ensure that customers only pay for actual expenditures. *Id.* The Company is replacing the base rate revenue recovery associated with the Company's existing investment in Boardman with a levelized revenue requirement to be tracked in the balancing account. *Id.* at 2-3.

YOU ARE FURTHER NOTIFIED that with this Application, the Company asks to recover the levelized revenue requirement. This includes the return associated with Boardman capital investments net of accumulated depreciation forecasted through Boardman's remaining life, the costs of accelerating the Boardman depreciation, and the decommissioning costs associated with the Boardman shutdown. *Id.* at 3. The Idaho jurisdictional incremental annual change to base rates the Company is requesting to recover in this proceeding is \$1,583,373. *Id.* The Company proposes to spread this amount to all customer classes and to recover it through a percentage increase to all base rate components except the service charge. *Id.* The Company says the overall, average Boardman-related rate change will be a 0.18% increase, with the per-customer class impact for the major rate schedules being:

<u>Customer Class</u>	<u>Proposed Increase</u>
Residential (Sch. 1)	0.18%
Small General (Sch. 7)	0.17%
Large General (Sch. 9)	0.19%
Large Power (Sch. 19)	0.20%
Agricultural Irrigation (Sch. 24)	0.19%

The Company says depreciation-related rates for special contract customers Micron, Simplot, Department of Energy (INL), and Hoku Materials second block will increase by 0.20%. *Id.*, Attachment No. 1.

YOU ARE FURTHER NOTIFIED that with this Application, the Company filed a set of proposed tariff sheets that identifies all four cases' cumulative impact. The Company says it will make an appropriate, final compliance filing when all final Orders are received. *Id.* at 3-4.

YOU ARE FURTHER NOTIFIED that the Company also says it will keep its Application open for public inspection at its Idaho offices, and that it will notify customers through a press release and bill inserts, with the last notice to be sent on March 20, 2012. *Id.* at 4-5. The Company says, in the alternative, it will bring the Application to the attention of customers as directed by the Commission. *Id.* at 5.

YOU ARE FURTHER NOTIFIED that the Company requested its Application be processed by Modified Procedure. After Staff, the Company, and interested parties have reviewed this matter in workshops, the Commission will determine whether the case may be processed by Modified Procedure. See IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the Application, supporting workpapers, and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and workpapers are also available on the Commission's web site at www.puc.idaho.gov by clicking on "File Room" and then "Electric Cases."

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.*

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over this matter pursuant to Title 61 of the Idaho Code. The Commission may enter any final Order consistent with its authority under Title 61.

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene for the purpose of presenting evidence or cross-examining witnesses at hearing **must file a Petition to Intervene** with the Commission **no later than 14 days from service date of this Order** pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and .073. Persons seeking intervenor status shall also provide the Commission Secretary with their electronic mail address to facilitate further communications in this matter.

YOU ARE FURTHER NOTIFIED that persons desiring to present their views without parties' rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or to other parties.

YOU ARE FURTHER NOTIFIED that once the intervention deadline has passed, the Commission Secretary will issue a Notice of Parties if any Petitions to Intervene are granted.

NOTICE OF PUBLIC WORKSHOP

YOU ARE FURTHER NOTIFIED that the Commission has scheduled a public workshop in this matter on **THURSDAY, APRIL 5, 2012 AT 2:00 P.M. IN THE COMMISSION HEARING ROOM, 472 WEST WASHINGTON STREET, BOISE,**

IDAHO. The public workshop will offer Staff, the Company, and interested persons an opportunity to meet, ask questions, receive information, and possibly resolve issues in dispute.

YOU ARE FURTHER NOTIFIED that the parties participating in the workshop may offer to settle some or all of the issues to be discussed at the workshop.

YOU ARE FURTHER NOTIFIED that all workshops and hearings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

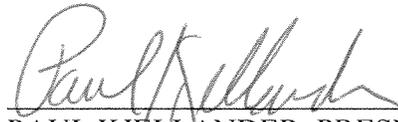
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.idaho.gov

O R D E R

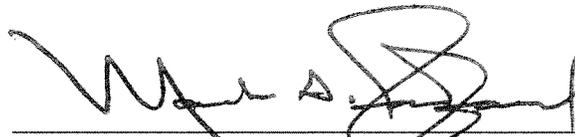
IT IS HEREBY ORDERED that the foregoing scheduling is adopted.

IT IS FURTHER ORDERED that the Company's Application need not include proposed tariff sheets as required by Rule 121.01(a). The Commission waives that requirement under Rule 13 for purposes of this proceeding.

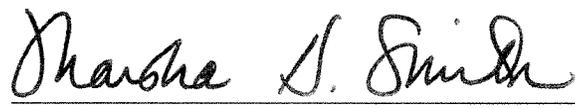
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15th
day of March 2012.



PAUL KJELLANDER, PRESIDENT

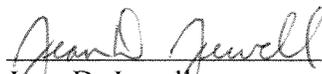


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

O:IPC-E-12-09_kk

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