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**DONOVAN E. WALKER**  
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March 27, 2013

**VIA HAND DELIVERY**

Jean D. Jewell, Secretary  
Idaho Public Utilities Commission  
472 West Washington Street  
Boise, Idaho 83702

Re: Case No. IPC-E-12-28  
Schedule 89 – Idaho Power Company's Petition for Clarification of Order No.  
32758

Dear Ms. Jewell:

Enclosed for filing in the above matter are an original and seven (7) copies of Idaho Power Company's Petition for Clarification of Order No. 32758.

Very truly yours,

Donovan E. Walker

DEW:csb  
Enclosures

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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF TARIFF ADVICE )  
NO. 12-13 OF IDAHO POWER ) CASE NO. IPC-E-12-28  
COMPANY FOR AUTHORITY TO )  
UPDATE SCHEDULE 89. ) IDAHO POWER COMPANY'S  
) PETITION FOR CLARIFICATION OF  
) ORDER NO. 32758  
)

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COMES NOW, Idaho Power Company ("Idaho Power" or "Company"), by and through its undersigned counsel, and hereby petitions the Idaho Public Utilities Commission ("Commission") to clarify, pursuant to RP 325, the Commission's intent regarding the payment of interest on approximately \$2.46 million in amounts authorized by Order No. 32758 to approximately 43 cogeneration and small power production projects. This Petition is based on the following:

**I. BACKGROUND**

1. On November 28, 2012, Idaho Power filed Tariff Advice No. 12-13 with the Commission seeking authority to update Schedule 89, Unit Avoided Energy Cost for Cogeneration and Small Power Production, pursuant to Order No. 32426. The

Company made this request based upon previous Commission orders which stated that the pricing under Schedule 89 is to be adjusted as a result of an Idaho Power general rate case proceeding where net power supply expenses ("NPSE") change. Because net power supply expenses were not reviewed in Idaho Power's last general rate case but net power supply expenses reflected in rates subsequently changed between rate cases, the Company concluded that the combined effect of those consecutive events should have the same result as if they had occurred simultaneously. Consequently, Idaho Power sought to update Schedule 89 pricing with an effective date of January 1, 2012, to coincide with the effective date of new rates from the last general rate proceeding. Commission Staff recommended that the tariff advice be suspended and that the case be processed by Modified Procedure.

2. On January 4, 2013, the Commission suspended the tariff advice and issued a Notice of Modified Procedure with comments due by January 25, 2013, and reply comments from Idaho Power due by February 1, 2013. Order No. 32708.

3. Tamarack Energy Partnership and Idaho Power submitted timely written comments; no other parties have intervened nor submitted written comments in this matter.

4. On March 7, 2013, the Commission issued an order approving an update to Idaho Power's Schedule 89 with a backdated effective date of June 1, 2010—the date that the new base level NPSE rates became effective in Case No. IPC-E-09-30. Order No. 32758 at 4. The Commission also directed Idaho power to prospectively update Schedule 89 each time net power supply expense in base rates change, whether as part of a general rate case or through some other proceeding. *Id.* at 4-5.

5. Idaho Power filed a revised Schedule 89, Unit Avoided Energy Cost for Cogeneration and Small Power Production, pursuant to Order No. 32758 on March 11, 2013. The Commission approved the revised tariff on March 18, 2013.

## **II. PETITION FOR CLARIFICATION**

6. On March 13, 2013, one of the small power producers affected by the change in the tariff requested that Idaho Power pay interest on the additional amounts authorized by Commission Order No. 32758. The Commission did not address the payment of interest on the approximately \$2.46 million in additional amounts authorized by the backdated rates approved in Order No. 32758. Idaho Power seeks clarification as to whether the Commission intended Idaho Power to pay interest on the additional amounts authorized by the rates backdated to June 1, 2010.

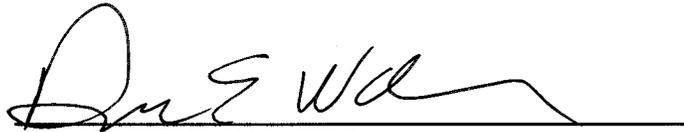
7. If the Commission determines that the payment of interest is appropriate in this instance, Idaho Power requests that the Commission clarify the appropriate interest rate to be applied. Idaho Power notes that the customer deposit rate authorized by Utility Customer Relations Rule 106, IDAPA 31.21.01.106, currently set at 1 percent during calendar year 2013 by Order No. 32684, has been authorized in other proceedings involving customer refunds and deferred accounts. *See generally* Order Nos. 32216 (PAC-E-11-07 ECAM deferral), 30272 (CAP-W-07-01 billing refunds), 32162 (IPC-E-10-20 SO<sub>2</sub> emission allowances proceeds in Power Cost Adjustment), 28626 (USW-T-99-24 bill credit), 29157 (PAC-E-01-16 customer rate true-up), 28366 (AVU-E-00-02 customer rebates), 20974 (U-1002-58 billing refunds), and 27660 and 28099 (IPC-E-97-12 and IPC-E-99-02 revenue sharing to customers).

8. Idaho Power intends to issue payments, without interest, as directed in Order No. 32758 through its normal weekly payment process once the twenty-one-day period following the service date of Order No. 32758 has expired. Should the Commission determine that an interest payment is appropriate, the Company will pay that amount separately.

### III. CONCLUSION

NOW, THEREFORE, Idaho Power respectfully requests the Commission issue an order clarifying whether the Commission intended Idaho Power to pay interest on the additional amounts authorized by the rates backdated to June 1, 2010, and, if so, what the interest rate should be.

Respectfully submitted this 27<sup>th</sup> day of March 2013.



DONOVAN E. WALKER  
Attorney for Idaho Power Company

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that on this 27<sup>th</sup> day of March 2013 I served a true and correct copy of IDAHO POWER COMPANY'S PETITION FOR CLARIFICATION OF ORDER NO. 32758 upon the following named parties by the method indicated below, and addressed to the following:

**Commission Staff**

Kristine Sasser  
Deputy Attorney General  
Idaho Public Utilities Commission  
472 West Washington (83702)  
P.O. Box 83720  
Boise, Idaho 83720-0074

Hand Delivered  
 U.S. Mail  
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**Tamarack Energy Partnership**

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Christa Beary, Legal Assistant