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IDAHO PUBLIC
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR)
AUTHORITY TO IMPLEMENT FIXED COST)
ADJUSTMENT ("FCA") RATES FOR) CASE NO. IPC-E-13-06
ELECTRIC SERVICE FROM JUNE 1,)
2013, THROUGH MAY 31, 2014.)

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

ZACHARY L. HARRIS

1 Q. Please state your name and business address.

2 A. My name is Zachary L. Harris and my business
3 address is 1221 West Idaho Street, Boise, Idaho 83702.

4 Q. By whom are you employed and in what capacity?

5 A. I am employed by Idaho Power Company ("Idaho
6 Power" or "Company") as a Regulatory Analyst in the
7 Regulatory Affairs Department.

8 Q. Please describe your educational background.

9 A. In December of 2008, I received a Bachelor of
10 Science degree in Accounting from Brigham Young University-
11 Hawaii. In December of 2011, I received a Master of
12 Science degree in Accounting from Boise State University.
13 After becoming employed by Idaho Power in May 2011, I
14 attended the electric utility ratemaking course offered
15 through New Mexico State University's Center for Public
16 Utilities. I also attended the "Cost-of-Service Concepts
17 and Techniques," as well as the "Rate Design for Electric
18 Utilities" courses offered by Electric Utility Consultants,
19 Inc. in 2012.

20 Q. What is the purpose of your testimony?

21 A. The purpose of my testimony is to describe the
22 Company's request to implement its annual Fixed Cost
23 Adjustment ("FCA") rates per Idaho Public Utilities
24 Commission ("Commission") Order No. 32505 (Case No. IPC-E-
25 11-19), which approved the FCA as a permanent program for

1 the Residential and Small General Service customers. The
2 Commission's subsequent Order No. 32731 in that case
3 directed that the FCA mechanism continue with its existing
4 methodology.

5 Specifically, my testimony will discuss three areas
6 related to the FCA mechanism and Schedule 54, Fixed Cost
7 Adjustment. First, I will briefly discuss the FCA
8 mechanism itself and how the FCA amount is determined.
9 Second, I will describe the determination of the 2012 FCA
10 amount. Lastly, I will discuss the calculation of the FCA
11 rates the Company is proposing to go into effect on June 1,
12 2013.

13 **I. FIXED COST ADJUSTMENT MECHANISM**

14 Q. What is the purpose of the FCA mechanism?

15 A. The FCA is a true-up mechanism that
16 "decouples," or separates, energy sales from revenue in
17 order to remove the financial disincentive that exists when
18 the Company invests in demand-side management resources.
19 Under the FCA, rates for Residential Service (Schedules 1,
20 3, 4, and 5) and Small General Service (Schedule 7)
21 customers are adjusted annually to recover or refund the
22 difference between the level of fixed costs authorized by
23 the Commission in the Company's most recent general rate
24 case and the level of fixed costs that the Company actually

25

1 received through energy sales during the previous calendar
2 year.

3 Q. Please describe the FCA mechanism.

4 A. For both the Residential and Small General
5 Service classes, the FCA mechanism is the same. The
6 formula used to determine the FCA amount is:

7
$$\text{FCA} = (\text{CUST} \times \text{FCC}) - (\text{NORM} \times \text{FCE})$$

8 Where:

9 FCA = Fixed Cost Adjustment;
10 CUST = Average Number of Customers, by class;
11 FCC = Fixed Cost per Customer rate, by class;
12 NORM = Weather-Normalized Energy, by class; and
13 FCE = Fixed Cost per Energy rate, by class.

14 Q. How is the FCA amount determined?

15 A. The FCA amount is the difference between the
16 Company's "authorized fixed cost recovery" (CUST X FCC) and
17 the "actual fixed cost recovery" (NORM X FCE). The
18 "authorized fixed cost recovery" is determined by
19 multiplying the average number of customers for the
20 previous calendar year by the FCC rate established as a
21 result of the outcome in the Company's most recent general
22 rate case proceeding in which the FCC rate was set. The
23 "actual fixed cost recovery" is determined by multiplying
24 the weather-normalized energy sales for the previous

25

1 calendar year by the FCE rate. The FCE rate was also
2 established in the Company's most recent general rate case.

3 Q. Can the FCA true-up amount be either positive
4 or negative?

5 A. Yes. The FCA can be either positive or
6 negative. If the FCA was positive, that would indicate the
7 Company's authorized fixed cost recovery amount was greater
8 than the fixed costs actually recovered through the energy
9 rate. This would stem from the fact that the growth rate
10 in weather-normalized energy was less than the growth rate
11 in customers, i.e., the use per customer had decreased.
12 The effect would be that the Company had under-collected
13 its authorized level of fixed costs. In a similar fashion,
14 if the FCA was negative, that would indicate that the
15 Company's authorized fixed cost recovery amount was less
16 than the fixed costs actually recovered through the energy
17 rate and would result in a refund of the adjustment.

18 **II. FCA DETERMINATION FOR CALENDAR YEAR 2012**

19 Q. Did the rates for the FCC and FCE change in
20 2012?

21 A. Yes. As stated above, the FCA mechanism is
22 intended to recover the difference between the level of
23 fixed costs authorized by the Commission in the Company's
24 most recent general rate case and the level of fixed costs
25 actually recovered through rates. The Company recently

1 completed a general rate case, Case No. IPC-E-11-08, with
2 an effective date of January 1, 2012 (Order No. 32426).
3 The FCC and FCE rates were determined in that case and
4 updated for this filing.

5 The FCC and FCE rates that were used for the months
6 of January through December 2012 are consistent with the
7 revenue requirement established in Case No. IPC-E-11-08.

8 Q. What were the monthly FCC rates used for
9 reporting purposes during the 2012 calendar year of the
10 FCA?

11 A. Exhibit No. 1 shows the monthly FCC rates used
12 for January through December reporting in 2012. For the
13 Residential class, the monthly FCC rate was \$54.22 per
14 customer and for the Small General Service class, the
15 monthly FCC rate was \$30.05.

16 Q. What were the monthly FCE rates used for
17 reporting purposes during the 2012 calendar year of the
18 FCA?

19 A. Exhibit No. 1 details the Residential and
20 Small General Service monthly "shaped" FCE rates that were
21 used for monthly reporting purposes January through
22 December of 2012.

23 Q. Why are "shaped" FCE rates used for reporting
24 purposes?

25

1 A. The FCE rates are shaped based on monthly
2 weather-normalized energy sales to better match cause and
3 effect for accounting purposes so that the Company can
4 adhere to Generally Accepted Accounting Principles and
5 better estimate the financial impacts of the FCA
6 calculation at year-end. The ultimate FCA is determined
7 annually but is recorded to Company accounts on a monthly
8 basis. The monthly accounting is similar to the Power Cost
9 Adjustment ("PCA") accounting practices.

10 Q. Has the Company been periodically reporting
11 the balance of the FCA amount to the Commission?

12 A. Yes. Since 2009, the Company has continued to
13 report the monthly FCA deferral balance in the monthly FCA
14 report provided to the Commission. Exhibit No. 2 is a copy
15 of the monthly FCA Report for calendar year 2012. The
16 total combined unadjusted monthly FCA balance of
17 \$8,830,217.50 is shown on line 32, column O, of this
18 exhibit.

19 Q. What are the monthly unadjusted FCA balances
20 for calendar year 2012 for both the Residential and Small
21 General Service classes?

22 A. Exhibit No. 2 shows the derivation of the
23 \$8,830,217.50 combined FCA for January 2012 through
24 December 2012. This amount includes \$8,289,514.68 (line
25 15, column O) as the accumulated balance for the

1 Residential FCA and \$540,702.82 (line 29, column O) as the
2 accumulated balance for the Small General Service FCA.
3 Both amounts include interest calculated through December
4 2012.

5 Q. Were any adjustments made to these amounts
6 once the Company's financial books were closed at year-end
7 2012?

8 A. Yes. When the Company's financial books were
9 closed at year-end, the actual average customer count and
10 actual weather-normalized energy sales were determined.
11 Once these were determined, the "authorized fixed cost
12 recovery" (average customer count X FCC) and the "actual
13 fixed cost recovered" (weather-normalized energy X FCE)
14 could be calculated.

15 The difference between this year-end determination
16 of the FCA balances and the sum of the 12 monthly reported
17 estimates of the FCA balances required adjustments to
18 arrive at the annual FCA amount.

19 Q. What were the adjustments made to the
20 Residential and Small General Service FCA balances?

21 A. The Company recorded adjustments to the
22 Residential and Small General Service FCA balances in the
23 month of January 2013. For the Residential class, an
24 adjustment of an additional \$38,911.80 was made to the
25 monthly deferral calculation in January (Exhibit No. 3,

1 line 6, column O), not including interest. For the Small
2 General Service class, a negative adjustment of \$9,525.55
3 was made to the monthly deferral calculation in January
4 (Exhibit No. 3, line 20, column O), not including interest.
5 Exhibit No. 4 shows the calculation of the FCA balances for
6 the Residential and Small General Service customer classes
7 for 2012 prior to adjustments being made, and not including
8 interest.

9 Q. What is the total amount of the FCA, including
10 interest, the Company is requesting to implement in rates
11 on June 1, 2013?

12 A. Exhibit No. 3 shows the FCA balances and
13 adjustments, plus interest calculated through May 2013.
14 The total amount of the FCA the Company is requesting to
15 implement in rates on June 1, 2013, is \$8,896,361.65
16 reflected on line 32, column T, of Exhibit No. 3. The FCA
17 for the Residential class shows \$8,362,974.20 reflected on
18 line 15, column T, of Exhibit No. 3. For the Small General
19 Service class, an additional \$533,387.45 will need to be
20 recovered as part of the FCA true-up mechanism. This
21 amount is reflected on line 29, column T, of Exhibit No. 3.

22 Q. What is the significance of these numbers with
23 respect to the Company's recovery of its fixed costs?

24 A. Because the Residential FCA is a positive
25 number, it means that the average use per customer

1 decreased from the level established in Case No. IPC-E-11-
2 08. Therefore, the Residential class will receive an
3 adjustment to allow for recovery of the fixed costs that
4 were not collected through the energy charges during the
5 year. The same holds true for the Small General Service
6 class, meaning that the use per customer for this class has
7 also decreased based on the level assumed in Case No. IPC-
8 E-11-08, and the Company has under-collected its authorized
9 level of fixed costs for the Small General Service class.

10 **III. CALCULATION OF THE FIXED COST ADJUSTMENT RATE**

11 Q. Please describe the calculation of the FCA
12 rates the Company is proposing to go into effect on June 1,
13 2013.

14 A. The FCA rates the Company proposes to go into
15 effect on June 1, 2013, were calculated by taking the FCA
16 balances for each class described above and dividing by the
17 respective weather-normalized energy sales forecast for the
18 June 1, 2013, through May 31, 2014, timeframe ("test
19 year"). This is the same period as the PCA test year.

20 Q. What has the Company determined the test year
21 weather-normalized energy sales to be for both the
22 Residential and Small General Service classes?

23 A. The Company's test year weather-normalized
24 energy sales is 4,843,909,254 kilowatt-hours ("kWh") for
25

1 the Residential class and 143,366,943 kWh for the Small
2 General Service class.

3 Q. What are the corresponding FCA rates for the
4 Residential and Small General Service classes based on a
5 combined and equal FCA rate change?

6 A. In Order No. 32505, the Commission ordered
7 that the FCA deferral balance will be recovered or refunded
8 equally between the Residential and Small General Service
9 customer classes. Because the Residential and Small
10 General Service classes reduced their energy consumption
11 per customer and thereby the Company under-collected its
12 authorized level of fixed costs as established in Case No.
13 IPC-E-11-08, each class requires a rate surcharge in order
14 to recover the authorized level of fixed costs. The
15 Residential class has a calculated FCA balance of
16 \$8,362,974.20, while the Small General Service class has a
17 calculated FCA balance of \$533,387.45. The total FCA
18 balance of \$8,896,361.65 is 2.12 percent above current base
19 rates for the applicable customer classes.

20 To collect 2.12 percent above the current base rates
21 for each customer class, the FCA rate for the Residential
22 class is 0.1770 cents per kWh and the corresponding rate
23 for the Small General Service class is 0.2262 cents per
24 kWh.

25

1 Q. What is the difference between the current FCA
2 deferral balance and the proposed FCA deferral balance?

3 A. In Order No. 32544, the Commission approved
4 the net FCA deferral balance of \$10,315,927 with rates
5 based on that balance effective for the period June 1,
6 2012, through May 31, 2013. In this filing, the Company is
7 proposing to collect rates based on an FCA deferral balance
8 of \$8,896,362, which would collect \$1,419,565 less than the
9 current FCA deferral balance. This represents a 13.76
10 percent decrease below the current FCA deferral balance.

11 Q. What is the percentage change in billed
12 revenue as measured from total billed amounts currently
13 recovered from Residential and Small General Service
14 customers, including the current FCA?

15 A. The total FCA deferral balance of
16 \$8,896,361.65 the Company is proposing to collect through
17 the FCA rates effective June 1, 2013, through May 31, 2014,
18 is \$1,299,410 less than the amount the current FCA rates
19 are collecting based on the Company's test year weather-
20 normalized energy sales, reflecting a decrease in total
21 test year billed revenue for the affected customer classes
22 of 0.30 percent.

23 Q. If Idaho Power under-collected its authorized
24 level of fixed costs, why is the Company proposing a net
25 decrease in the FCA rates?

1 A. As explained previously, the current FCA rates
2 were approved by the Commission to collect \$10.3 million.
3 While the Company under-collected its authorized level of
4 fixed costs, the proposed FCA deferral balance of \$8.9
5 million leads to an incremental decrease and a rate
6 reduction for the Residential and Small General Service
7 customer classes. The rate reduction would result in a
8 decrease in total test year billed revenue for the affected
9 customer classes of 0.30 percent.

10 Q. How will the Company incorporate the FCA
11 surcharges for the Residential and Small General Service
12 classes on customers' bills?

13 A. The Company proposes to continue including the
14 FCA with the Annual Adjustment Mechanism Charge on
15 Residential and Small General Service customers' bills.

16 Q. Does this complete your testimony?

17 A. Yes, it does.

18

19

20

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25

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-06

IDAHO POWER COMPANY

**HARRIS, DI
TESTIMONY**

EXHIBIT NO. 1

Idaho Power Company
FCC & FCE Rates Based on IPC-E-11-08 Final Order No. 32426
Used for Monthly Reporting for 2012

Authorized Fixed Cost Recovery Number of Customers	Residential			Small General Service				
	\$258,560,620			\$10,222,650				
	397,403			28,351				
	Residential			Small General Service				
	FCC	Energy	FCE	FCC	Energy	FCE		
January	\$54.22	577,646,145	\$0.037301	\$21,546,779	\$30.05	15,424,688	\$0.055229	\$851,890
February	\$54.22	522,161,703	\$0.041264	\$21,546,481	\$30.05	14,152,968	\$0.060191	\$851,881
March	\$54.22	450,746,976	\$0.047802	\$21,546,607	\$30.05	12,918,626	\$0.065943	\$851,893
April	\$54.22	390,151,410	\$0.055227	\$21,546,892	\$30.05	11,890,363	\$0.071645	\$851,885
May	\$54.22	320,214,459	\$0.067288	\$21,546,591	\$30.05	10,194,453	\$0.083564	\$851,889
June	\$54.22	321,415,996	\$0.067037	\$21,546,764	\$30.05	11,007,233	\$0.077393	\$851,883
July	\$54.22	377,235,622	\$0.057117	\$21,546,567	\$30.05	12,177,054	\$0.069958	\$851,882
August	\$54.22	447,572,666	\$0.048141	\$21,546,596	\$30.05	12,948,452	\$0.065791	\$851,892
September	\$54.22	398,463,607	\$0.054074	\$21,546,521	\$30.05	12,431,142	\$0.068528	\$851,881
October	\$54.22	332,401,018	\$0.064821	\$21,546,566	\$30.05	11,128,839	\$0.076548	\$851,890
November	\$54.22	374,451,248	\$0.057542	\$21,546,674	\$30.05	10,963,362	\$0.077703	\$851,886
December	\$54.22	498,215,760	\$0.043248	\$21,546,835	\$30.05	13,709,490	\$0.062139	\$851,894
Total		<u>5,010,676,610</u>		<u>\$ 258,559,873</u>		<u>148,946,670</u>		<u>\$ 10,222,646</u>
Difference				(\$747)				(\$4)
Annual FCC and FCE	\$650.63		\$0.051602		\$360.57		\$0.068633	

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-06

IDAHO POWER COMPANY

**HARRIS, DI
TESTIMONY**

EXHIBIT NO. 2

**Idaho Power Company
Monthly FCA Report for 2012
January 2012 - December 2012**

	A	B	C	D	E	F	G	H
1	Fixed Cost Adjustment		January	February	March	April	May	June
2	for the year ended December 31, 2012							
3								
4	Residential FCA:							
5	Beginning Balance	\$		1,193,386.67	1,205,668.28	853,300.15	956,083.03	1,081,252.24
6	Amount Deferred	\$	1,193,386.67	12,281.61	(352,368.13)	102,782.88	125,169.21	732,082.96
7	Ending Balance	\$	1,193,386.67	1,205,668.28	853,300.15	956,083.03	1,081,252.24	1,813,335.20
8								
9	Interest:							
10	Accrual thru Prior Month	\$	-	-	994.49	1,999.21	2,710.29	3,507.03
11	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
12	Monthly Interest Inc/(Exp)	\$	-	994.49	1,004.72	711.08	796.74	901.04
13	Interest Accrued to date	\$	-	994.49	1,999.21	2,710.29	3,507.03	4,408.07
14								
15	Total Residential FCA:		1,193,386.67	1,206,662.77	855,299.36	958,793.32	1,084,759.27	1,817,743.27
16								
17								
18	Small General Service FCA:							
19	Beginning Balance	\$	-	58,610.21	62,827.54	93,771.11	179,097.76	249,918.89
20	Amount Deferred	\$	58,610.21	4,217.33	30,943.57	85,326.65	70,821.13	68,848.68
21	Ending Balance	\$	58,610.21	62,827.54	93,771.11	179,097.76	249,918.89	318,767.57
22								
23	Interest:							
24	Accrual thru Prior Month	\$	-	-	48.84	101.20	179.34	328.59
25	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
26	Monthly Interest Inc/(Exp)	\$	-	48.84	52.36	78.14	149.25	208.27
27	Interest Accrued to date	\$	-	48.84	101.20	179.34	328.59	536.86
28								
29	Total Small General Service FCA:		58,610.21	62,876.38	93,872.31	179,277.10	250,247.48	319,304.43
30								
31								
32	Total Fixed Cost Adjustment	\$	1,251,996.88	1,269,539.15	949,171.67	1,138,070.42	1,335,006.75	2,137,047.70
35								
36								
37	Entries:							
38	599 X00001 999 182302 (254302)		1,251,996.88	17,542.27	(320,367.48)	188,898.75	196,936.33	802,040.95
39	599 X00001 999 440301		(1,193,386.67)	(12,281.61)	352,368.13	(102,782.88)	(125,169.21)	(732,082.96)
40	599 X00001 999 442301		(58,610.21)	(4,217.33)	(30,943.57)	(85,326.65)	(70,821.13)	(68,848.68)
41	599 X00001 999 421006 (431013)		-	(1,043.33)	(1,057.08)	(789.22)	(945.99)	(1,109.31)
42								

**Idaho Power Company
Monthly FCA Report for 2012
January 2012 - December 2012**

	A	B	I	J	K	L	M	N	O
1	Fixed Cost Adjustment		July	August	September	October	November	December	Total
2	for the year ended December 31, 2012								
3									
4	Residential FCA:								
5	Beginning Balance	\$	1,813,335.20	3,051,733.71	4,620,949.97	5,885,186.95	7,014,131.50	7,355,400.09	
6	Amount Deferred	\$	1,238,398.51	1,569,216.26	1,264,236.98	1,128,944.55	341,268.59	904,922.58	8,260,322.67
7	Ending Balance	\$	3,051,733.71	4,620,949.97	5,885,186.95	7,014,131.50	7,355,400.09	8,260,322.67	
8									
9	Interest:								
10	Accrual thru Prior Month	\$	4,408.07	5,919.18	8,462.29	12,313.08	17,217.40	23,062.51	
11	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
12	Monthly Interest Inc/(Exp)	\$	1,511.11	2,543.11	3,850.79	4,904.32	5,845.11	6,129.50	29,192.01
13	Interest Accrued to date	\$	5,919.18	8,462.29	12,313.08	17,217.40	23,062.51	29,192.01	
14									
15	Total Residential FCA:		3,057,652.89	4,629,412.26	5,897,500.03	7,031,348.90	7,378,462.60	8,289,514.68	8,289,514.68
16									
17									
18	Small General Service FCA:								
19	Beginning Balance	\$	318,767.57	377,430.05	416,270.27	443,751.90	489,981.00	479,555.02	
20	Amount Deferred	\$	58,662.48	38,840.22	27,481.63	46,229.10	(10,425.98)	58,506.14	538,061.16
21	Ending Balance	\$	377,430.05	416,270.27	443,751.90	489,981.00	479,555.02	538,061.16	
22									
23	Interest:								
24	Accrual thru Prior Month	\$	536.86	802.50	1,117.03	1,463.92	1,833.71	2,242.03	
25	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
26	Monthly Interest Inc/(Exp)	\$	265.64	314.53	346.89	369.79	408.32	399.63	2,641.66
27	Interest Accrued to date	\$	802.50	1,117.03	1,463.92	1,833.71	2,242.03	2,641.66	
28									
29	Total Small General Service FCA:		378,232.55	417,387.30	445,215.82	491,814.71	481,797.05	540,702.82	540,702.82
30									
31									
32	Total Fixed Cost Adjustment	\$	3,435,885.44	5,046,799.56	6,342,715.85	7,523,163.61	7,860,259.65	8,830,217.50	8,830,217.50
35									
36									
37	Entries:								
38	599 X00001 999 182302 (254302)		1,298,837.74	1,610,914.12	1,295,916.29	1,180,447.76	337,096.04	969,957.85	8,830,217.50
39	599 X00001 999 440301		(1,238,398.51)	(1,569,216.26)	(1,264,236.98)	(1,128,944.55)	(341,268.59)	(904,922.58)	(8,260,322.67)
40	599 X00001 999 442301		(58,662.48)	(38,840.22)	(27,481.63)	(46,229.10)	10,425.98	(58,506.14)	(538,061.16)
41	599 X00001 999 421006 (431013)		(1,776.75)	(2,857.64)	(4,197.68)	(5,274.11)	(6,253.43)	(6,529.13)	(31,833.67)
42									

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-13-06**

IDAHO POWER COMPANY

**HARRIS, DI
TESTIMONY**

EXHIBIT NO. 3

**Idaho Power Company
Monthly FCA Report for 2012
January 2012 - May 2013**

	A	B	C	D	E	F	G	H	I	J	K
1	Fixed Cost Adjustment		January	February	March	April	May	June	July	August	September
2	for the year ended December 31, 2012										
3											
4	Residential FCA:										
5	Beginning Balance	\$		1,193,386.67	1,205,668.28	853,300.15	956,083.03	1,081,252.24	1,813,335.20	3,051,733.71	4,620,949.97
6	Amount Deferred	\$	1,193,386.67	12,281.61	(352,368.13)	102,782.88	125,169.21	732,082.96	1,238,398.51	1,569,216.26	1,264,236.98
7	Ending Balance	\$	1,193,386.67	1,205,668.28	853,300.15	956,083.03	1,081,252.24	1,813,335.20	3,051,733.71	4,620,949.97	5,885,186.95
8											
9	Interest:										
10	Accrual thru Prior Month	\$	-	-	994.49	1,999.21	2,710.29	3,507.03	4,408.07	5,919.18	8,462.29
11	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
12	Monthly Interest Inc/(Exp)	\$	-	994.49	1,004.72	711.08	796.74	901.04	1,511.11	2,543.11	3,850.79
13	Interest Accrued to date	\$	-	994.49	1,999.21	2,710.29	3,507.03	4,408.07	5,919.18	8,462.29	12,313.08
14											
15	Total Residential FCA:		1,193,386.67	1,206,662.77	855,299.36	958,793.32	1,084,759.27	1,817,743.27	3,057,652.89	4,629,412.26	5,897,500.03
16											
17											
18	Small General Service FCA:										
19	Beginning Balance	\$	-	58,610.21	62,827.54	93,771.11	179,097.76	249,918.89	318,767.57	377,430.05	416,270.27
20	Amount Deferred	\$	58,610.21	4,217.33	30,943.57	85,326.65	70,821.13	68,848.68	58,662.48	38,840.22	27,481.63
21	Ending Balance	\$	58,610.21	62,827.54	93,771.11	179,097.76	249,918.89	318,767.57	377,430.05	416,270.27	443,751.90
22											
23	Interest:										
24	Accrual thru Prior Month	\$	-	-	48.84	101.20	179.34	328.59	536.86	802.50	1,117.03
25	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%
26	Monthly Interest Inc/(Exp)	\$	-	48.84	52.36	78.14	149.25	208.27	265.64	314.53	346.89
27	Interest Accrued to date	\$	-	48.84	101.20	179.34	328.59	536.86	802.50	1,117.03	1,463.92
28											
29	Total Small General Service FCA:		58,610.21	62,876.38	93,872.31	179,277.10	250,247.48	319,304.43	378,232.55	417,387.30	445,215.82
30											
31											
32	Total Fixed Cost Adjustment	\$	1,251,996.88	1,269,539.15	949,171.67	1,138,070.42	1,335,006.75	2,137,047.70	3,435,885.44	5,046,799.56	6,342,715.85
35											
36											
37	Entries:										
38	599 X00001 999 182302 (254302)		1,251,996.88	17,542.27	(320,367.48)	188,898.75	196,936.33	802,040.95	1,298,837.74	1,610,914.12	1,295,916.29
39	599 X00001 999 440301		(1,193,386.67)	(12,281.61)	352,368.13	(102,782.88)	(125,169.21)	(732,082.96)	(1,238,398.51)	(1,569,216.26)	(1,264,236.98)
40	599 X00001 999 442301		(58,610.21)	(4,217.33)	(30,943.57)	(85,326.65)	(70,821.13)	(68,848.68)	(58,662.48)	(38,840.22)	(27,481.63)
41	599 X00001 999 421006 (431013)		-	(1,043.33)	(1,057.08)	(789.22)	(945.99)	(1,109.31)	(1,776.75)	(2,857.64)	(4,197.68)
42											

Idaho Power Company
Monthly FCA Report for 2012
January 2012 - May 2013

	A	B	L	M	N	O	P	Q	R	S	T
1	Fixed Cost Adjustment		October	November	December	January-13	February-13	March-13	April-13	May-13	Total
2	for the year ended December 31, 2012										
3											
4	Residential FCA:										
5	Beginning Balance	\$	5,885,186.95	7,014,131.50	7,355,400.09	8,260,322.67	8,299,234.47	8,299,234.47	8,299,234.47	8,299,234.47	
6	Amount Deferred	\$	1,128,944.55	341,268.59	904,922.58	38,911.80	0.00	0.00	0.00	0.00	8,299,234.47
7	Ending Balance	\$	7,014,131.50	7,355,400.09	8,260,322.67	8,299,234.47	8,299,234.47	8,299,234.47	8,299,234.47	8,299,234.47	
8											
9	Interest:										
10	Accrual thru Prior Month	\$	12,313.08	17,217.40	23,062.51	29,192.01	36,075.61	42,991.64	49,907.67	56,823.70	
11	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
12	Monthly Interest Inc/(Exp)	\$	4,904.32	5,845.11	6,129.50	6,883.60	6,916.03	6,916.03	6,916.03	6,916.03	63,739.73
13	Interest Accrued to date	\$	17,217.40	23,062.51	29,192.01	36,075.61	42,991.64	49,907.67	56,823.70	63,739.73	
14											
15	Total Residential FCA:		7,031,348.90	7,378,462.60	8,289,514.68	8,335,310.08	8,342,226.11	8,349,142.14	8,356,058.17	8,362,974.20	8,362,974.20
16											
17											
18	Small General Service FCA:										
19	Beginning Balance	\$	443,751.90	489,981.00	479,555.02	538,061.16	528,535.61	528,535.61	528,535.61	528,535.61	
20	Amount Deferred	\$	46,229.10	(10,425.98)	58,506.14	(9,525.55)	0.00	0.00	0.00	0.00	528,535.61
21	Ending Balance	\$	489,981.00	479,555.02	538,061.16	528,535.61	528,535.61	528,535.61	528,535.61	528,535.61	
22											
23	Interest:										
24	Accrual thru Prior Month	\$	1,463.92	1,833.71	2,242.03	2,641.66	3,090.04	3,530.49	3,970.94	4,411.39	
25	Annual Interest Rate		1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	1.0%	
26	Monthly Interest Inc/(Exp)	\$	369.79	408.32	399.63	448.38	440.45	440.45	440.45	440.45	4,851.84
27	Interest Accrued to date	\$	1,833.71	2,242.03	2,641.66	3,090.04	3,530.49	3,970.94	4,411.39	4,851.84	
28											
29	Total Small General Service FCA:		491,814.71	481,797.05	540,702.82	531,625.65	532,066.10	532,506.55	532,947.00	533,387.45	533,387.45
30											
31											
32	Total Fixed Cost Adjustment	\$	7,523,163.61	7,860,259.65	8,830,217.50	8,866,935.73	8,874,292.21	8,881,648.69	8,889,005.17	8,896,361.65	8,896,361.65
35											
36											
37	Entries:										
38	599 X00001 999 182302 (254302)		1,180,447.76	337,096.04	969,957.85	36,718.23	7,356.48	7,356.48	7,356.48	7,356.48	8,896,361.65
39	599 X00001 999 440301		(1,128,944.55)	(341,268.59)	(904,922.58)	(38,911.80)	-	-	-	-	(8,299,234.47)
40	599 X00001 999 442301		(46,229.10)	10,425.98	(58,506.14)	9,525.55	-	-	-	-	(528,535.61)
41	599 X00001 999 421006 (431013)		(5,274.11)	(6,253.43)	(6,529.13)	(7,331.98)	(7,356.48)	(7,356.48)	(7,356.48)	(7,356.48)	(68,591.57)
42											

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-13-06

IDAHO POWER COMPANY

**HARRIS, DI
TESTIMONY**

EXHIBIT NO. 4

**Idaho Power Company
FCA Summary Calculations
2012**

Residential FCA Calculation														
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total	
FCC	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	\$54.22	
CUST	402,233.0	398,822.0	398,246.2	398,447.8	398,546.9	399,459.3	400,003.1	400,170.3	400,760.1	401,356.8	402,175.9	402,373.8		
Authorized Recovery	\$21,809,073.26	\$21,624,128.84	\$21,592,907.99	\$21,603,840.26	\$21,609,211.29	\$21,658,682.70	\$21,688,169.49	\$21,697,231.50	\$21,729,214.03	\$21,761,564.83	\$21,805,975.78	\$21,816,707.54	\$260,396,707.51	
FCE	\$0.037301	\$0.041264	\$0.047802	\$0.055227	\$0.067288	\$0.067037	\$0.057117	\$0.048141	\$0.054074	\$0.064821	\$0.057542	\$0.043248		
NORM	552,684,555	523,754,698	459,014,406	389,321,480	319,284,896	312,164,920	358,030,717	418,105,466	378,470,585	318,017,477	373,068,453	483,638,907		
Actual Recovery	\$20,615,686.59	\$21,612,213.86	\$21,941,806.64	\$21,501,057.38	\$21,484,042.08	\$20,926,599.74	\$20,449,640.46	\$20,128,015.24	\$20,465,418.41	\$20,614,210.88	\$21,467,104.92	\$20,916,415.45	\$252,122,211.65	
Correction	\$0.00	(\$366.63)	\$3,469.48	\$0.00	\$0.00	\$0.00	\$130.52	\$0.00	(\$441.36)	\$18,409.40	(\$2,397.73)	(\$4,630.49)	\$14,173.19	
Residential FCA	\$1,193,386.67	\$12,281.61	(\$352,368.13)	\$102,782.88	\$125,169.21	\$732,082.96	\$1,238,398.51	\$1,569,216.26	\$1,284,236.98	\$1,128,944.55	\$341,268.59	\$904,922.58	\$8,260,322.67	

Small General Service FCA Calculation														
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD Total	
FCC	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	\$30.05	
CUST	28,842.0	28,376.0	28,272.9	28,281.2	28,228.5	28,332.5	28,326.2	28,321.3	28,334.9	28,253.7	28,295.7	28,265.6		
Authorized Recovery	\$866,702.10	\$852,698.80	\$849,599.20	\$849,849.94	\$848,266.24	\$851,392.29	\$851,201.89	\$851,055.91	\$851,463.93	\$849,022.54	\$850,286.03	\$849,382.60	\$10,220,921.47	
FCE	\$0.055229	\$0.060191	\$0.065943	\$0.071645	\$0.083564	\$0.077393	\$0.069958	\$0.065791	\$0.068528	\$0.076548	\$0.077703	\$0.062139		
NORM	14,631,659	14,096,683	12,407,582	10,670,993	9,303,589	10,111,297	11,328,676	12,345,392	12,024,186	10,485,087	11,076,947	12,728,655		
Actual Recovery	\$808,091.89	\$848,493.45	\$818,193.18	\$764,523.29	\$777,445.11	\$782,543.61	\$792,531.52	\$812,215.69	\$823,993.42	\$802,612.44	\$860,712.01	\$790,945.89	\$9,682,301.50	
Correction	\$0.00	(\$11.98)	\$462.45	\$0.00	\$0.00	\$0.00	\$7.89	\$0.00	(\$11.12)	\$181.00	\$0.00	(\$69.43)	\$558.81	
Small General Service FCA	\$58,610.21	\$4,217.33	\$30,943.57	\$85,326.65	\$70,821.13	\$68,848.68	\$58,662.48	\$38,840.22	\$27,481.63	\$46,229.10	(\$10,425.98)	\$58,506.14	\$538,061.16	

Combined FCA Calculation													
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
Combined FCA	\$1,251,996.88	\$16,498.94	(\$321,424.56)	\$186,109.53	\$195,990.34	\$800,931.64	\$1,297,060.99	\$1,608,056.48	\$1,291,718.61	\$1,175,173.65	\$330,842.61	\$963,428.72	\$8,796,383.83