

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION</b>	)	
<b>OF IDAHO POWER COMPANY'S REQUEST</b>	)	<b>CASE NO. IPC-E-13-06</b>
<b>FOR AUTHORIZATION TO IMPLEMENT</b>	)	
<b>FIXED COST ADJUSTMENT (FCA) RATES</b>	)	<b>NOTICE OF APPLICATION</b>
<b>FOR SERVICE EFFECTIVE JUNE 1, 2013</b>	)	
<b>THROUGH MAY 31, 2014</b>	)	<b>NOTICE OF</b>
	)	<b>MODIFIED PROCEDURE</b>
	)	
	)	<b>ORDER NO. 32778</b>

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YOU ARE HEREBY NOTIFIED that on March 15, 2013, Idaho Power Company filed an Application to implement Fixed Cost Adjustment (FCA) rates for electric service effective June 1, 2013 through May 31, 2014. The FCA is a mechanism to allow Idaho Power to separate a portion of revenue to pay fixed costs from its volumetric energy sales, and it provides symmetry through a surcharge or credit when fixed-cost recovery per customer varies above or below a Commission-established base. The FCA rates are identified in tariff Schedule 54 and are applicable to the residential and small general service customer classes.

YOU ARE FURTHER NOTIFIED that the FCA mechanism functions by first identifying an authorized fixed-cost recovery amount for the residential and small general service customer classes. This amount is a product of the actual number of customers in each class multiplied by the fixed-cost per customer rate, which is established as part of determining the Company's revenue requirement in its most recent general rate case. The authorized recovery amount is then compared to the amount of fixed costs actually recovered by the Company, which is determined by multiplying the weather-normalized sales for each class by the fixed-cost per energy rate, also established in the Company's most recent rate case. The difference between the authorized fixed-cost recovery amount and the actual fixed costs recovered results in an adjustment each year to the FCA rate.

YOU ARE FURTHER NOTIFIED that the Company's Application states there is a 2012 FCA balance of \$8,362,974 for the residential class and \$533,387 for the small general services class, for a total amount to be recovered of \$8,896,361. The FCA deferral balance is a small decrease below the FCA balance currently collected in customers' rates. Accordingly, the Company proposes an FCA rate decrease of 0.30% for both the residential and small general

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service customer classes. The decrease equates to a new FCA rate of 0.1770 cents per kWh for the residential class and 0.2262 cents per kWh for the small general service class.

### **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 within twenty-one (21) days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment.

YOU ARE FURTHER NOTIFIED that 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, Idaho 83720-0074

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5918

Lisa D. Nordstrom  
Idaho Power Company  
PO Box 70  
Boise, ID 83707-0070  
Email: [lnordstrom@idahopower.com](mailto:lnordstrom@idahopower.com)

Zachary L. Harris  
Greg Said  
Idaho Power Company  
PO Box 70  
Boise, ID 83707-0070  
E-mail: [zharris@idahopower.com](mailto:zharris@idahopower.com)  
[gsaid@idahopower.com](mailto: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](http://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 if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

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. The Application is also available on the Commission's web site at [www.puc.idaho.gov](http://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 specifically *Idaho Code* § 61-501, 61-502, and 61-503. 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 this case be processed under Modified Procedure. Interested persons and the parties may file written comments within 21 days of the service date of this Order.

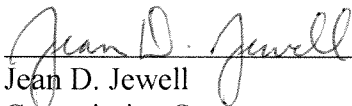
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 3<sup>rd</sup>  
day of April 2013.

  
PAUL KJELLANDER, PRESIDENT

  
MACK A. REDFORD, COMMISSIONER

  
MARSHA H. SMITH, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

bls/O:IPC-E-13-06\_ws