

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR AN) **CASE NO. IPC-E-13-11**
ACCOUNTING ORDER AUTHORIZING)
COLLECTION OF CAPITALIZED CUSTOM) **NOTICE OF APPLICATION**
EFFICIENCY INCENTIVE PAYMENTS)
)
) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **ORDER NO. 32799**

YOU ARE HEREBY NOTIFIED that on April 15, 2013, Idaho Power Company filed an Application requesting an accounting order authorizing the Company to recover through its Energy Efficiency Rider the regulatory asset associated with custom efficiency incentive payments. Idaho Power seeks recovery of incentive payments made between January 1, 2011 through June 1, 2013, plus accrued carrying charges, and also requests authorization to collect future incentive payments made after June 1, 2013.

YOU ARE FURTHER NOTIFIED that the Custom Efficiency Program provides financial incentives to commercial and industrial customers to implement energy efficiency measures at their sites, including lighting retrofits, efficient industrial controls, and energy efficiency upgrades. On May 17, 2011, the Commission issued an Order authorizing the Company to record custom efficiency incentive payments made since January 1, 2011, in a regulatory asset account, with an amortization period to be determined later by the Commission. See Order No. 32245. Later, in Case No. IPC-E-12-15, the Commission determined that \$7,018,385 of custom efficiency incentive payments recorded in the regulatory asset account were prudently incurred. In yet another case, the Company sought recovery of the incentive payments in the regulatory asset account outside of a general rate case, but the Commission denied the Company’s request in Case No. IPC-E-12-24. Order No. 32766. The Company now is requesting an accounting order authorizing modification to the regulatory accounting treatment for custom efficiency incentive payments, effectively returning collection of these expenditures to the Energy Efficiency Rider. The Company’s request is consistent with a statement in Order No. 32766 that “the Company may propose to recover program expenditures through its Energy

Efficiency Rider, and thus obtain speedy recovery of these expenditures.” Order No. 32766, p. 9.

YOU ARE FURTHER NOTIFIED that the Company’s Application requests transfer of the balance of the custom efficiency regulatory asset account to the Rider account as of June 1, 2013, plus accrued carrying charges equal to the currently approved customer deposit rate of 1%. For custom efficiency incentive payments made after June 1, 2013, the Company is requesting to record these amounts to the Rider account in the same manner as other Rider-funded energy efficiency expenditures “until such time that the issue of capitalized investment in DSR [demand-side resources] can be fully addressed in a future general rate case.” Application, p. 5. The Company projects a balance of \$14,706,829 in the custom efficiency regulatory asset account to be transferred to the Rider account under the Company’s requested accounting treatment. Idaho Power currently projects a liability account balance of \$8,481,610 in the Rider account as of June 1, 2013, but the Rider account would reflect an asset balance of \$6,353,057 at the end of June 2013 if the Commission approves the Company’s Application. Although the Rider account would temporarily shift to a regulatory asset balance, the Company projects the account balance would return to a regulatory liability by summer 2014. Application, p. 7. Accordingly, the Company believes the current level of Rider funding is sufficient to provide timely recovery of the custom efficiency incentive payments and also fund the Company’s energy efficiency programs. The Company requested that its Application be processed by Modified Procedure.

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

Matt Larkin
Greg Said
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: mlarkin@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 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 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.*

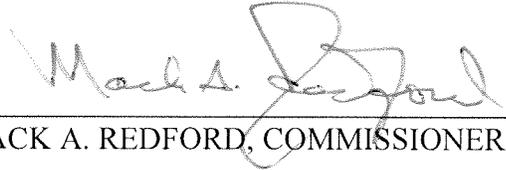
ORDER

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 30th day of April 2013.



PAUL KJELLANDER, PRESIDENT

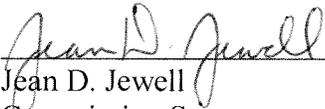


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

bls/O:IPC-E-13-11_ws