

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF IDAHO POWER |) | CASE NO. IPC-E-14-03 |
| COMPANY'S APPLICATION FOR |) | |
| AUTHORITY TO IMPLEMENT FIXED |) | NOTICE OF APPLICATION |
| COST ADJUSTMENT RATES FOR SERVICE |) | |
| FROM JUNE 1, 2014 THROUGH MAY 31, |) | NOTICE OF |
| 2015. |) | MODIFIED PROCEDURE |
| |) | |
| |) | ORDER NO. 33004 |

On March 14, 2014, Idaho Power Company filed an Application to implement Fixed Cost Adjustment (FCA) rates for electric service effective June 1, 2014 through May 31, 2015. The Company asks the Commission to process the case by Modified Procedure.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the FCA enables Idaho Power to separate its fixed-cost revenues from its volumetric energy sales. It lets the Company recover its fixed costs of delivering energy—as established in its most recent general rate case—even when energy sales and revenue have decreased because of energy efficiency and demand reduction efforts. The FCA allows the Company to surcharge or credit customers when the Company's fixed-cost recovery per customer increases or decreases from the Commission-established base. The FCA rates are identified in tariff Schedule 54 and apply to the residential and small general service customer classes.

YOU ARE FURTHER NOTIFIED that the FCA 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 with this Application, the Company says the 2013 FCA balance is \$14,339,006.18 for the residential class and \$573,436.34 for the small general services class, for a total amount to be recovered of \$14,912,442.52. The proposed FCA deferral balance is an incremental increase above the FCA balance currently collected in customers' rates. Accordingly, the Company proposes to increase FCA rates by 1.17% for the residential class and 1.20% for the small general service class, for an overall change of 1.18%. The increase equates to a new FCA rate of 0.2913 cents-per-kWh for the residential class and 0.3709 cents-per-kWh for the small general service class.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies 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 testimonies are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to "Electric Cases," and then click on the case number as shown on the front of this document.

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. 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.*

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 through .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 must file a written comment in support or opposition with the Commission **by May 8, 2014**. The comment must contain a statement of reasons supporting the comment. The Company must file reply comments (if any) by **May 15, 2014**.

YOU ARE FURTHER NOTIFIED that persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant 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
dockets@idahopower.com

Zachary L. Harris
Greg Said
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: zharris@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 "Case Comment or Question Form" under the "Consumers" tab, and complete the form using the case number as it appears on the front of this document. These comments must also be sent to the Company 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.

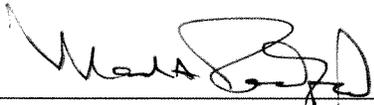
ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Interested persons shall have until May 8, 2014, to file written comments, and the Company shall have until May 15, 2014, to file a reply.

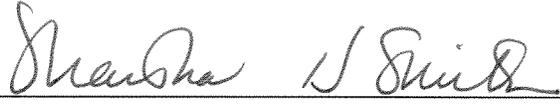
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 31ST
day of March 2014.



PAUL KJELLANDER, PRESIDENT



MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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