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LISA D. NORDSTROM
Lead Counsel
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April 15, 2016

VIA HAND DELIVERY

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

Re: Case No. IPC-E-16-08
2016-2017 Power Cost Adjustment – Idaho Power Company’s Application
and Testimony

Dear Ms. Jewell:

Enclosed for filing in the above matter please find an original and seven (7) copies of Idaho Power Company’s Application.

Also enclosed for filing are an original and eight (8) copies of the Direct Testimony of Matthew T. Larkin. One copy of the aforementioned testimony has been designated as the “Reporter’s Copy.” In addition, a disk containing a Word version of Mr. Larkin’s testimony is enclosed for the Reporter.

Lastly, four (4) copies each of Idaho Power Company’s press release and customer notice are also enclosed.

Very truly yours,

Lisa D. Nordstrom

LDN:csb
Enclosures

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UTILITIES COMMISSION

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-16-08
AUTHORITY TO IMPLEMENT POWER)	
COST ADJUSTMENT ("PCA") RATES)	APPLICATION
FOR ELECTRIC SERVICE FROM JUNE)	
1, 2016, THROUGH MAY 31, 2017.)	
_____)	

Idaho Power Company ("Idaho Power" or "Company"), in accordance with *Idaho Code* §§ 61-502 and 61-503 and RP 052, hereby respectfully makes application to the Idaho Public Utilities Commission ("Commission") for an order approving an update to Schedule 55 based on the quantification of the 2016-2017 Power Cost Adjustment ("PCA") to become effective June 1, 2016, for the period between June 1, 2016, through May 31, 2017. The PCA rates listed on the proposed Schedule 55 include revenue sharing of \$3,159,478 in accordance with the terms of the settlement stipulation approved by Order No. 33149 in Case No. IPC-E-14-14. The Company has included its

proposed rates and charges for electric service in the state of Idaho as Attachment 1 to this Application. If approved, the 2016-2017 PCA will result in an overall revenue increase of approximately \$17.3 million, or a 1.57 percent increase over current billed revenue.

In support of this Application, Idaho Power has filed the Direct Testimony of Revenue Requirement Manager Matthew T. Larkin, which details the calculation of the proposed 2016-2017 PCA rates and explains the factors that impact this year's PCA quantification.

I. BACKGROUND

1. Idaho Power is an Idaho corporation whose principal place of business is 1221 West Idaho Street, Boise, Idaho 83702.

2. Idaho Power is a public utility supplying retail electric service in southern Idaho and eastern Oregon. Idaho Power is subject to the jurisdiction of this Commission in Idaho and to the jurisdiction of the Public Utility Commission of Oregon. Idaho Power is also subject to the jurisdiction of the Federal Energy Regulatory Commission.

3. On March 29, 1993, by Order No. 24806 issued in Case No. IPC-E-92-25, the Commission approved the implementation of an annual power cost adjustment procedure in order to provide consistency and stability to rates. The PCA is a cost recovery mechanism that passes on both the benefits and costs of supplying energy to Idaho Power customers. Neither Idaho Power nor its shareholders receive any financial return from the PCA.

4. On January 9, 2009, by Order No. 30715 issued in Case No. IPC-E-08-19, the Commission approved certain changes to the PCA mechanism, including a 95 percent/5 percent sharing mechanism between customers and the Company. Order No. 30715 also approved changes to the Load Growth Adjustment Rate (“LGAR”), third-party transmission expense, the PCA forecast, and the power supply expense distribution.

5. On January 13, 2010, the Commission issued Order No. 30978 in Case No. IPC-E-09-30 approving the settlement stipulation filed in lieu of a general rate case. Through this stipulation, a revenue sharing mechanism was established to allow the Company to accelerate the amortization of Accumulated Deferred Investment Tax Credits (“ADITC”) if the Company’s actual Idaho jurisdictional year-end Return on Equity (“ROE”) fell below 9.5 percent in any fiscal year from 2009 through 2011. This mechanism also included a provision for revenue sharing if the Company’s actual Idaho jurisdictional year-end ROE exceeded 10.5 percent in any year over the same three-year period. Per the terms of the stipulation, 50 percent of the Idaho jurisdictional year-end ROE in excess of 10.5 percent was to be shared with customers in the form of a rate reduction.

6. On March 15, 2011, the Commission issued Order No. 32206 in Case No. GNR-E-10-03 adopting a revised LGAR methodology and changing the name of the methodology to the Load Change Adjustment Rate (“LCAR”).

7. On December 27, 2011, the Commission issued Order No. 32424 in Case No. IPC-E-11-22 approving the settlement stipulation filed on December 12, 2011, extending the revenue sharing mechanism through 2014 and modifying portions of the

previous accounting order. More specifically, Order No. 32424 approved modifications to the sharing portion of the mechanism, which allows for greater customer benefits. First, for actual year-end Idaho jurisdictional earnings greater than 10 percent ROE, up to and including 10.5 percent in any year from 2012 through 2014, the earnings will be shared equally between Idaho customers and the Company. The customer revenue sharing benefit will be in the form of a reduction to rates at the same time as the PCA becomes effective. This modification provides customers an additional 25 basis points of sharing potential. Second, Idaho earnings above a 10.5 percent ROE will also be shared, with customers receiving 75 percent of the earnings applied as an offset to the Company's pension balancing account.

8. On October 9, 2014, the Commission issued Order No. 33149 in Case No. IPC-E-14-14 approving the settlement stipulation filed on September 3, 2014, extending the revenue sharing mechanism through 2019 and modifying portions of the previous accounting order. More specifically, Order No. 33149 approved modifications to the sharing mechanism to reflect adjustments to the various sharing thresholds, as well as the method by which shared amounts would be provided to customers. First, for actual year-end Idaho jurisdictional earnings greater than 10 percent ROE, up to and including 10.5 percent in any year from 2015 through 2019, the earnings will be shared between customers and the Company on a 75 percent and 25 percent basis, respectively. The customer revenue sharing benefit will be in the form of a reduction to rates at the same time as the PCA becomes effective. Second, Idaho earnings above a 10.5 percent ROE will also be shared, with customers receiving 50 percent of the earnings in the form of a reduction to rates at the same time as the PCA becomes effective, as well as

25 percent of the earnings applied as an offset to the Company's pension balancing account, with the Company retaining the remaining 25 percent.

9. On May 28, 2015, the Commission issued Order No. 33307 in Case No. IPC-E-15-15 converting the LCAR to a Sales Based Adjustment ("SBA") rate, as well as modifying the PCA deferral balance's monthly interest calculation. Per Order No. 33307, the SBA rate will be calculated in the same manner as the LCAR, with the only modification being the replacement of the load-based megawatt-hour ("MWh") denominator with the corresponding sales-based MWh denominator. Second, the Order requires the Company to calculate monthly interest on the deferral balance by assigning annual base Net Power Supply Expense ("NPSE") to each month according to expected base rate revenue collection as set in the Company's last general rate case, Case No. IPC-E-11-08.

II. 2016-2017 PCA CALCULATION

10. The PCA is a rate mechanism that quantifies and tracks annual differences between actual NPSE and the normalized or "base level" of NPSE recovered in the Company's base rates for recovery or credit through an annual rate change on June 1. The PCA is also the rate mechanism used by the Company to provide direct revenue sharing benefits resulting from the revenue sharing mechanism approved in Order No. 33149.

11. The PCA mechanism utilizes a 12-month test period of April through March ("PCA Year") and is comprised of a forecast component and a true-up component ("True-Up"). The PCA forecast component is based on the Company's March Operating Plan and represents the difference between the NPSE forecast from

the March Operating Plan and the base level NPSE recovered in the Company's base rates. The True-Up includes a backward looking tracking of differences between the prior year's forecast and actual NPSE incurred by the Company during the prior PCA year. The PCA True-Up contains a second component that tracks the collection of the prior year's True-Up amount, referred to as the "True-Up of the True-Up."

12. With the exception of Public Utility Regulatory Policies Act of 1978 ("PURPA") expenses and demand response incentive costs, the PCA allows the Company to pass through to customers 95 percent of the annual differences in actual NPSE as compared to the base level NPSE, whether positive or negative.

13. The testimony and exhibits of Mr. Larkin describe and compute the standard PCA rate to be effective June 1, 2016, through May 31, 2017. The system-level forecast of NPSE for the 2016-2017 PCA Year is \$357,547,740, which is \$51,862,871 higher than the currently approved base level NPSE of \$305,684,869 and \$9,163,614 higher than last year's forecast amount of \$348,384,126. The primary factor contributing to this year's PCA forecast increase is costs associated with power purchase agreements under PURPA. PURPA costs have increased by approximately \$10 million over last year primarily because of the addition of new solar contracts. The 2016-2017 PCA forecast component that is expected to be collected from Idaho customers is \$47,764,680.

14. The True-Up deferral balance at the end of March 2016, with interest applied, was \$43,661,193. This charge to customers was largely driven by lower than forecast hydro generation, as well as lower than forecast market energy prices, which

result in lower surplus sales volumes. As a result, the Company experienced lower than expected surplus sales revenue, which serves to offset power supply expense.

15. In the True-Up of the True-Up, the Company over collected last year's PCA True-Up balance by \$5,073,137. The 2015-2016 combined PCA True-Up is an increase of \$4,058,357 over the 2014-2015 combined PCA True-Up.

16. The Company's PCA rate for the 2016-2017 PCA Year is detailed in Exhibit No. 2, column E, attached to Mr. Larkin's testimony. The uniform PCA rate is comprised of (1) the 0.3422 cents per kilowatt-hour ("kWh") adjustment for the 2016-2017 projected power cost of serving firm loads, under the current PCA methodology and 95 percent sharing, (2) the 0.3129 cents per kWh for the 2015-2016 True-Up portion of the PCA, and (3) the negative 0.0364 cents-per-kWh for the True-Up of the True-Up. The sum of these three components results in a 0.6187 cents-per-kWh charge for all rate classes.

17. The Company proposes the continued application of a PCA credit related to the Demand-Side Management Rider ("DSM Rider") in the amount of \$3,970,036 in order to maintain the revenue neutrality associated with the June 2014 update to the normalized level of NPSE included in base rates approved in Order No. 33000. This adjustment results in a uniform rate credit for all customer classes of (0.0284) cents per kWh.

III. REVENUE SHARING BENEFITS

18. The Company's earnings in each year from 2011 through 2014 resulted in revenue sharing with Idaho customers totaling \$118 million, either as a direct rate offset

in the PCA or as an offset to amounts that would have otherwise been collected in rates.

19. As described in greater detail in the direct testimony and exhibits of Mr. Larkin, the Company's 2015 Idaho jurisdictional year-end ROE was 10.13 percent. In accordance with the terms of the modified revenue sharing mechanism approved by Order No. 33149, Idaho customers will receive a total benefit of \$3,159,478 as a direct reduction to PCA rates effective June 1, 2016.

20. With the exception of the special contracts for Micron Technology, Inc., the U.S. Department of Energy, and the J.R. Simplot Company – Pocatello,¹ Idaho Power proposes to include the class-allocated revenue sharing benefits as an offset to the 2016-2017 PCA rates effective June 1, 2016, through May 31, 2017. Consistent with the methodology used to share 2011, 2012, 2013, and 2014 revenues, the Company proposes to provide the special contract customers a flat dollar-per-month credit in 12 equal portions to serve as an offset to monthly invoices billed for June 2016 through May 2017.

IV. PROPOSED 2016-2017 PCA RATE INCREASE

21. The 2016-2017 total PCA amount (including a \$3.2 million revenue sharing rate credit and a \$4.0 million DSM Rider adjustment), as measured from the currently approved base level NPSE, is \$79.2 million. This represents an increase in total billed revenue of \$17.3 million, an increase of 1.57 percent.

¹ Although the Commission approved a special contract for J.R. Simplot Company's Caldwell facility in Case No. IPC-E-15-13 to become effective the month its energy consumption exceeds 20 megawatts, the facility's consumption has not exceeded this threshold to date. Consequently, J.R. Simplot Company's Caldwell facility will receive 2015 revenue sharing benefits as a Schedule 19 customer.

22. Attachment 1 to this Application is a copy of Idaho Power's proposed new IPUC No. 29, Tariff No. 101, in both clean and legislative formats, which contains the tariff sheets specifying the proposed rates for providing retail electric service to its customers in the state of Idaho.

23. Attachment 2 to this Application contains a summary of revenue impact showing the effect to each customer class and special contract customer of applying the Company's proposed rates that collect \$17.3 million more from June 2016 through May 2017 than the PCA rates currently in effect.

V. MODIFIED PROCEDURE

24. Idaho Power believes that a technical hearing is not necessary to consider the issues presented herein and respectfully requests that this Application be processed under Modified Procedure; i.e., by written submissions rather than by hearing. RP 201, *et seq.* If, however, the Commission determines that a technical hearing is required, the Company stands ready to present its testimony and support the Application in such hearing.

VI. COMMUNICATIONS AND SERVICE OF PLEADINGS

25. In conformance with RP 125, this Application will be brought to the attention of Idaho Power's customers by means of a press release to media in the Company's service area and a customer notice distributed in customers' bills, both of which accompany this filing. The customer notice will be distributed over the course of the Company's billing cycle, with the last notice being sent on May 20, 2016. The Company has also prominently displayed its intent to file the PCA on its website since March 15, 2016. Upon filing, this web graphic will link directly to the PCA press release

and bill insert. Idaho Power will also keep its Application, testimony, and exhibits open for public inspection at its offices throughout the state of Idaho. Idaho Power asserts that this notice procedure satisfies the Rules of Procedure of this Commission; however, the Company will, in the alternative, bring the Application to the attention of its affected customers through any other means directed by this Commission.

26. Communications and service of pleadings with reference to this Application should be sent to the following:

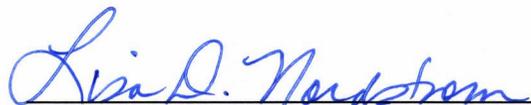
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VII. REQUEST FOR RELIEF

27. Idaho Power respectfully requests that the Commission issue an order approving an update to Schedule 55 based on the quantification of the 2016-2017 PCA, resulting in an overall increase to current billed revenue of approximately \$17.3 million to become effective June 1, 2016, as detailed in Attachment 2.

DATED at Boise, Idaho, this 15th day of April 2016.



LISA D. NORDSTROM
Attorney for Idaho Power Company

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-16-08

IDAHO POWER COMPANY

ATTACHMENT 1

**PROPOSED TARIFF
(clean and legislative formats)**

CLEAN FORMAT

SCHEDULE 55
POWER COST ADJUSTMENT

APPLICABILITY

This schedule is applicable to the electric energy delivered to all Idaho retail Customers served under the Company's schedules and Special Contracts. These loads are referred to as "firm" load for purposes of this schedule.

BASE POWER COST

The Base Power Cost of the Company's rates is computed by dividing the sum of the Company's power cost components by firm kWh sales. The power cost components are segmented into three categories: Category 1, Category 2 and Category 3. Category 1 power costs include the sum of fuel expense and purchased power expense (excluding purchases from cogeneration and small power producers), less the sum of off-system surplus sales revenue and revenue from market-based special contract pricing. Category 2 power costs include purchased power expense from cogeneration and small power producers. Category 3 power costs include demand response incentive payments. The Base Power Cost is 2.0907 cents per kWh, which is comprised of Category 1 power costs of 1.0963 cents per kWh, Category 2 power costs of 0.9138 cents per kWh and Category 3 power costs of 0.0806 cents per kWh.

PROJECTED POWER COST

The Projected Power Cost is the Company estimate, expressed in cents per kWh, of the Category 1, Category 2 and Category 3 power cost components for the forecasted time period beginning April 1 each year and ending the following March 31. The Projected Power Cost is 2.4435 cents per kWh, which is comprised of Category 1 power costs of 1.3066 cents per kWh, Category 2 power costs of 1.0839 cents per kWh and Category 3 power costs of 0.0530 cents per kWh.

TRUE-UP AND TRUE-UP OF THE TRUE-UP

The True-up is based upon the difference between the previous Projected Power Cost and the power costs actually incurred. The True-up of the True-up is the difference between the previous year's approved True-Up revenues and actual revenues collected. The total True-up is 0.2765 cents per kWh.

EARNINGS SHARING

Order Nos. 30978 and 32424 directed the Company to share a portion of its earnings above a certain threshold with customers through the annual Power Cost Adjustment. The following rate schedules will receive a rate reduction benefit associated with the Company's 2014 earnings in the form of a cents per kWh rate. The Company's Special Contract customers will receive rate reduction benefits associated with the Company's 2014 earnings in the form of a monthly credit for each month of the rate effective period.

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	(0.0280)
3	Master Metered Mobile Home Park	(0.0267)
5	Residential – Time-of-Day Pilot Plan	(0.0269)
7	Small General Service	(0.0355)
9S	Large General Service – Secondary	(0.0210)
9P	Large General Service – Primary	(0.0183)

SCHEDULE 55
POWER COST ADJUSTMENT
(Continued)

EARNINGS SHARING (Continued)

9T	Large General Service – Transmission	(0.0198)
15	Dusk to Dawn Lighting	(0.0610)
19S	Large Power Service – Secondary	(0.0182)
19P	Large Power Service – Primary	(0.0161)
19T	Large Power Service – Transmission	(0.0154)
24	Agricultural Irrigation Service	(0.0229)
40	Unmetered General Service	(0.0251)
41	Street Lighting	(0.0389)
42	Traffic Control Lighting	(0.0178)
	<u>Monthly Credit</u>	
26	Micron	(\$5,729.44)
29	Simplot	(\$2,162.14)
30	DOE	(\$2,290.34)

TRANSFER OF DEMAND SIDE MANAGEMENT (“DSM”) RIDER FUNDS

The following rate schedules will receive a rate reduction benefit associated with the transfer of DSM Rider funds in the form of a cents per kWh.

Schedule	Description	¢ per kWh
1	Residential Service	(0.0284)
3	Master Metered Mobile Home Park	(0.0284)
5	Residential – Time-of-Day Pilot Plan	(0.0284)
7	Small General Service	(0.0284)
9S	Large General Service – Secondary	(0.0284)
9P	Large General Service – Primary	(0.0284)
9T	Large General Service – Transmission	(0.0284)
15	Dusk to Dawn Lighting	(0.0284)
19S	Large Power Service – Secondary	(0.0284)
19P	Large Power Service – Primary	(0.0284)
19T	Large Power Service – Transmission	(0.0284)
24	Agricultural Irrigation Service	(0.0284)
40	Unmetered General Service	(0.0284)
41	Street Lighting	(0.0284)
42	Traffic Control Lighting	(0.0284)
26	Micron	(0.0284)
29	Simplot	(0.0284)
30	DOE	(0.0284)

SCHEDULE 55
POWER COST ADJUSTMENT
(Continued)

POWER COST ADJUSTMENT

The Power Cost Adjustment is the sum of: 1) 95 percent of the difference between the Projected Power Costs in Category 1 and the Base Power Costs in Category 1; 2) 100 percent of the difference between the Projected Power Costs in Category 2 and the Base Power Costs in Category 2; 3) 100 percent of the difference between the Projected Power Costs in Category 3 and the Base Power Costs in Category 3; 4) the True-ups; 5) Earnings Sharing; and 6) the transfer of DSM Rider funds.

The monthly Power Cost Adjustment rates applied to the Energy rate of all metered schedules and Special Contracts are shown below. The rates below do not include the monthly Earnings Sharing credits for each of the Special Contract customers (Schedules 26, 29, and 30). The monthly Power Cost Adjustment applied to the per unit charges of the nonmetered schedules is the monthly estimated usage times the cents per kWh rates shown below.

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	0.5623
3	Mastered Metered Mobile Home Park	0.5636
5	Residential – Time-of-Day Pilot Plan	0.5633
7	Small General Service	0.5548
9S	Large General Service – Secondary	0.5693
9P	Large General Service – Primary	0.5720
9T	Large General Service – Transmission	0.5704
15	Dusk to Dawn Lighting	0.5292
19S	Large Power Service – Secondary	0.5721
19P	Large Power Service – Primary	0.5742
19T	Large Power Service – Transmission	0.5749
24	Agricultural Irrigation Service	0.5674
40	Unmetered General Service	0.5651
41	Street Lighting	0.5514
42	Traffic Control Lighting	0.5725
26	Micron	0.5903
29	Simplot	0.5903
30	DOE	0.5903

EXPIRATION

The Power Cost Adjustment included on this schedule will expire May 31, 2017.

LEGISLATIVE FORMAT

SCHEDULE 55
POWER COST ADJUSTMENT

APPLICABILITY

This schedule is applicable to the electric energy delivered to all Idaho retail Customers served under the Company's schedules and Special Contracts. These loads are referred to as "firm" load for purposes of this schedule.

BASE POWER COST

The Base Power Cost of the Company's rates is computed by dividing the sum of the Company's power cost components by firm kWh sales. The power cost components are segmented into three categories: Category 1, Category 2 and Category 3. Category 1 power costs include the sum of fuel expense and purchased power expense (excluding purchases from cogeneration and small power producers), less the sum of off-system surplus sales revenue and revenue from market-based special contract pricing. Category 2 power costs include purchased power expense from cogeneration and small power producers. Category 3 power costs include demand response incentive payments. The Base Power Cost is 2.40520907 cents per kWh, which is comprised of Category 1 power costs of 1.40490963 cents per kWh, Category 2 power costs of 0.9293138 cents per kWh and Category 3 power costs of 0.08096 cents per kWh.

PROJECTED POWER COST

The Projected Power Cost is the Company estimate, expressed in cents per kWh, of the Category 1, Category 2 and Category 3 power cost components for the forecasted time period beginning April 1 each year and ending the following March 31. The Projected Power Cost is 2.39774435 cents per kWh, which is comprised of Category 1 power costs of 1.3228066 cents per kWh, Category 2 power costs of 1.0479839 cents per kWh and Category 3 power costs of 0.05730 cents per kWh.

TRUE-UP AND TRUE-UP OF THE TRUE-UP

The True-up is based upon the difference between the previous Projected Power Cost and the power costs actually incurred. The True-up of the True-up is the difference between the previous year's approved True-Up revenues and actual revenues collected. The total True-up is 0.2483765 cents per kWh.

EARNINGS SHARING

Order Nos. 30978 and 32424 directed the Company to share a portion of its earnings above a certain threshold with customers through the annual Power Cost Adjustment. The following rate schedules will receive a rate reduction benefit associated with the Company's 2014 earnings in the form of a cents per kWh rate. The Company's Special Contract customers will receive rate reduction benefits associated with the Company's 2014 earnings in the form of a monthly credit for each month of the rate effective period.

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	(0.0713280)
3	Master Metered Mobile Home Park	(0.0679267)
5	Residential – Time-of-Day Pilot Plan	(0.0684269)
7	Small General Service	(0.0897355)
9S	Large General Service – Secondary	(0.0534210)
9P	Large General Service – Primary	(0.0463183)

SCHEDULE 55
POWER COST ADJUSTMENT
 (Continued)

EARNINGS SHARING (Continued)

9T	Large General Service – Transmission	(0.0484198)
15	Dusk to Dawn Lighting	(0.15600610)
19S	Large Power Service – Secondary	(0.0463182)
19P	Large Power Service – Primary	(0.0410161)
19T	Large Power Service – Transmission	(0.0394154)
24	Agricultural Irrigation Service	(0.0578229)
40	Unmetered General Service	(0.0639251)
41	Street Lighting	(0.10220389)
42	Traffic Control Lighting	(0.0452178)
<u>Monthly Credit</u>		
26	Micron	(\$14,629,275,729.44)
29	Simplot	(\$ 5,656,112,162.14)
30	DOE	(\$ 6,528,592,290.34)

TRANSFER OF DEMAND SIDE MANAGEMENT (“DSM”) RIDER FUNDS

The following rate schedules will receive a rate reduction benefit associated with the transfer of DSM Rider funds in the form of a cents per kWh.

Schedule	Description	¢ per kWh
1	Residential Service	(0.02864)
3	Master Metered Mobile Home Park	(0.02864)
5	Residential – Time-of-Day Pilot Plan	(0.02864)
7	Small General Service	(0.02864)
9S	Large General Service – Secondary	(0.02864)
9P	Large General Service – Primary	(0.02864)
9T	Large General Service – Transmission	(0.02864)
15	Dusk to Dawn Lighting	(0.02864)
19S	Large Power Service – Secondary	(0.02864)
19P	Large Power Service – Primary	(0.02864)
19T	Large Power Service – Transmission	(0.02864)
24	Agricultural Irrigation Service	(0.02864)
40	Unmetered General Service	(0.02864)
41	Street Lighting	(0.02864)
42	Traffic Control Lighting	(0.02864)
26	Micron	(0.02864)
29	Simplot	(0.02864)
30	DOE	(0.02864)

SCHEDULE 55
POWER COST ADJUSTMENT
(Continued)

POWER COST ADJUSTMENT

The Power Cost Adjustment is the sum of: 1) 95 percent of the difference between the Projected Power Costs in Category 1 and the Base Power Costs in Category 1; 2) 100 percent of the difference between the Projected Power Costs in Category 2 and the Base Power Costs in Category 2; 3) 100 percent of the difference between the Projected Power Costs in Category 3 and the Base Power Costs in Category 3; 4) the True-ups; 5) Earnings Sharing; and 6) the transfer of DSM Rider funds.

The monthly Power Cost Adjustment rates applied to the Energy rate of all metered schedules and Special Contracts are shown below. The rates below do not include the monthly Earnings Sharing credits for each of the Special Contract customers (Schedules 26, 29, and 30). The monthly Power Cost Adjustment applied to the per unit charges of the nonmetered schedules is the monthly estimated usage times the cents per kWh rates shown below.

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	0. 4300 <u>5623</u>
3	Mastered Metered Mobile Home Park	0. 4333 <u>5636</u>
5	Residential – Time-of-Day Pilot Plan	0. 4329 <u>5633</u>
7	Small General Service	0. 4116 <u>5548</u>
9S	Large General Service – Secondary	0. 4479 <u>5693</u>
9P	Large General Service – Primary	0. 4549 <u>5720</u>
9T	Large General Service – Transmission	0. 4529 <u>5704</u>
15	Dusk to Dawn Lighting	0. 3452 <u>5292</u>
19S	Large Power Service – Secondary	0. 4550 <u>5721</u>
19P	Large Power Service – Primary	0. 4602 <u>5742</u>
19T	Large Power Service – Transmission	0. 4619 <u>5749</u>
24	Agricultural Irrigation Service	0. 4435 <u>5674</u>
40	Unmetered General Service	0. 4373 <u>5651</u>
41	Street Lighting	0. 3990 <u>5514</u>
42	Traffic Control Lighting	0. 4560 <u>5725</u>
26	Micron	0. 5012 <u>903</u>
29	Simplot	0. 5012 <u>903</u>
30	DOE	0. 5012 <u>903</u>

EXPIRATION

The Power Cost Adjustment included on this schedule will expire May 31, 201~~6~~7.

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-16-08**

IDAHO POWER COMPANY

**ATTACHMENT 2
REVENUE IMPACT SUMMARY**

Idaho Power Company
 Calculation of Revenue Impact 2016 - 2017
 State of Idaho
 PCA
 Filed April 15, 2016

Summary of Revenue Impact
 Current Billed Revenue to Proposed Billed Revenue

Line No	Tariff Description	Rate Sch. No.	Average Number of Customers ⁽¹⁾	Normalized Energy (kWh) ⁽¹⁾	Current Billed Revenue	Mills Per kWh	Total Adjustments to Billed Revenue	Proposed Total Billed Revenue	Mills Per kWh	Percent Change Billed to Revenue
<u>Uniform Tariff Rates:</u>										
1	Residential Service	1	429,310	4,985,427,763	\$489,737,127	98.23	\$6,599,939	\$496,337,066	99.56	1.35%
2	Master Metered Mobile Home Park	3	22	5,059,520	\$476,363	94.15	\$6,590	\$482,954	95.45	1.38%
3	Residential Service Energy Watch	4	0	0	\$0	0.00	\$0	\$0	0.00	N/A
4	Residential Service Time-of-Day	5	1,335	23,944,320	\$2,271,577	94.87	\$31,255	\$2,302,832	96.17	1.38%
5	Small General Service	7	27,894	130,654,397	\$16,110,728	123.31	\$187,167	\$16,297,894	124.74	1.16%
6	Large General Service	9	34,643	3,806,172,174	\$271,932,984	71.45	\$4,602,523	\$276,535,507	72.65	1.69%
7	Dusk to Dawn Lighting	15	0	6,361,595	\$1,280,706	201.32	\$11,707	\$1,292,412	203.16	0.91%
8	Large Power Service	19	110	2,224,117,036	\$126,269,727	56.77	\$2,534,446	\$128,804,173	57.91	2.01%
9	Agricultural Irrigation Service	24	18,225	1,865,104,107	\$146,676,903	78.64	\$2,312,057	\$148,988,960	79.88	1.58%
10	Unmetered General Service	40	1,346	11,414,394	\$979,536	85.82	\$14,591	\$994,128	87.09	1.49%
11	Street Lighting	41	1,674	27,412,831	\$3,566,355	130.10	\$41,765	\$3,608,121	131.62	1.17%
12	Traffic Control Lighting	42	547	2,811,020	\$174,817	62.19	\$3,274	\$178,092	63.35	1.87%
13	Total Uniform Tariffs		515,106	13,088,479,157	\$1,059,476,824	80.95	\$16,345,315	\$1,075,822,140	82.20	1.54%
<u>Special Contracts:</u>										
14	Micron	26	1	473,329,675	\$24,487,522	51.73	\$528,311	\$25,015,833	52.85	2.16%
15	J R Simplot	29	1	192,166,897	\$9,307,187	48.43	\$213,058	\$9,520,245	49.54	2.29%
16	DOE	30	1	201,844,932	\$9,844,014	48.77	\$230,508	\$10,074,621	49.91	2.34%
17	Total Special Contracts		3	867,341,504	\$43,638,723	50.31	\$971,977	\$44,610,700	51.43	2.23%
18	Total Idaho Retail Sales		515,109	13,955,820,661	\$1,103,115,547	79.04	\$17,317,292	\$1,120,432,839	80.28	1.57%

⁽¹⁾ June 1, 2016, through May 31, 2017, forecasted test year.