

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)

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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)

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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.