

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-16-23
AUTHORITY TO INCREASE RATES FOR)	
ELECTRIC SERVICE DUE TO REVISED)	
DEPRECIATION RATES FOR ELECTRIC)	
PLANT-IN-SERVICE)	
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IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-16-24
AUTHORITY TO INCREASE RATES FOR)	
ELECTRIC SERVICE TO RECOVER COSTS)	NOTICE OF
ASSOCIATED WITH THE NORTH VALMY)	MODIFIED PROCEDURE
PLANT)	
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)	ORDER NO. 33690

On October 21, 2016, Idaho Power Company filed an Application asking the Commission to adopt revised depreciation rates for its electric plant-in-service and correspondingly adjust Idaho jurisdictional base rates. Application (Case No. IPC-E-16-23) at 1. The proposed adjustment in this Application is an overall rate *increase* of 0.59%. Errata to Application (Case No. IPC-E-16-23). The Company concurrently filed an Application requesting Commission authorization to “(1) accelerate the depreciation schedule for the North Valmy power plant (“Valmy”) to allow the plant to be fully depreciated by December 31, 2025; (2) establish a balancing account to track the incremental costs and benefits associated with the accelerated Valmy end-of-life date, and (3) adjust customer rates to recover the associated incremental annual levelized revenue requirement of \$28.50 million with an effective date of June 1, 2017.” Application (Case No. IPC-E-16-24) at 1. The result of this Application is an overall *increase* of 2.51%. Errata to Application (Case No. IPC-E-16-24).

With the filings, the Company intends to facilitate a single rate change for customers, and asked the Commission to enter final Orders in both matters by April 1, 2017, to allow it to incorporate any associated rate impacts in its April 14, 2017, Power Cost Adjustment filing (as indicated below, the Company and parties reached agreement on an alternate schedule).

The Commission issued Orders providing notice of the Applications, setting a deadline for interventions, and directing the parties to confer about a schedule for the cases. Order Nos. 33650, 33652. The Commission granted timely-filed motions to intervene in both

cases from the Idaho Irrigation Pumpers Association, Inc.; Micron Technology, Inc.; and the U.S. Department of Energy and the Federal Executive Agencies. Order Nos. 33659, 33660, 33670, 33671, 33673 and 33674. The Commission also granted intervention to Idaho Conservation League and Sierra Club in the North Valmy case, and to the Industrial Customers of Idaho Power (ICIP) in the depreciation rates case. Order Nos. 33672 and 33676.

PARTIES' PROPOSED SCHEDULE

The parties to the cases conferred informally and agreed to the following schedule under Modified Procedure:

- February 2, 2017 Parties' meeting to discuss negotiated solutions (specific time for discussion in each case to be determined by the parties)
- April 20, 2017 Deadline for parties' comments
- May 4, 2017 Deadline for parties' cross-answering comments
- May 18, 2017 Deadline for Company reply comments

Staff also proposes to hold a public workshop regarding the North Valmy case for the Company's customers at a date and time to be determined later.

The Commission finds it reasonable to adopt the parties' proposed schedule and Staff's proposal to hold a public workshop in the North Valmy case.

NOTICE OF MODIFIED PROCEDURE

YOU ARE HEREBY 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 **by no later than Thursday, April 20, 2017**. IDAPA 31.01.01.202.02. All comments must contain a statement of reasons supporting the comment. 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 Company at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Lisa Nordstrom
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, ID 83707

E-mail: lnordstrom@idahopower.com
dockets@idahopower.com

Matt Larkin
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, ID 83707
E-mail: mlarkin@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 address listed above.

YOU ARE FURTHER NOTIFIED that **parties** in this matter may file cross-answering comments with the Commission **by no later than Thursday, May 4, 2017**.

YOU ARE FURTHER NOTIFIED that the Company may file reply comments, if necessary, **by no later than Thursday, May 18, 2017**.

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 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* § 61-503. 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.*


YOU ARE FURTHER NOTIFIED that Commission Staff will hold a public workshop regarding the North Valmy case (Case No. IPC-E-16-24) for customers of Idaho Power Company at a date, time and location to be determined. The Commission Secretary will issue a separate notice of the workshop providing the date, time and location. At the workshop, Commission Staff will summarize the Company's Application and how the Commission generally evaluates and decides a case. Staff will not take any position on the merits of the Application, because Staff will still be evaluating it when the workshop occurs. After the workshop, Commission Staff will file written comments or testimony to address the merits of the case. Staff's remarks will take into consideration any concerns that may have been raised at the workshop.

ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Parties and persons interested in submitting comments must do so by April 20, 2017. Parties must submit any cross-answering comments by May 4, 2017. The Company must file a reply, if any, by May 18, 2017.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this
day of January 2017.

17th



PAUL KJELLANDER, PRESIDENT




KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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