BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AUTHORITY TO IMPLEMENT THE POWER COST ADJUSTMENT RATE FOR ELECTRIC SERVICE TO CUSTOMERS IN THE STATE OF IDAHO FOR THE PERIOD MAY 16, 1995 THROUGH MAY 15, 1996. | )))))))) | CASE NO. IPC-E-95-2NOTICE OF APPLICATION NOTICE OF HEARING |

YOU ARE HEREBY NOTIFIED that on April 14, 1995, Idaho Power Company (Idaho Power; Company) filed an Application with the Commission for approval of tariffs implementing a power cost adjustment (PCA) at the rate of 0.0834¢/kwh for the period May `6, 1995 through May 15, 1996.

The Company’s Application is made pursuant to Commission Order No. 24806 issued in Case No. IPC-E-92-25 in which the Commission approved a PCA for Idaho Power to adjust customers’ rates for variations in the Company’s power supply costs.

NOTE TO MYSELF: THIS IS TARIFF NO. 101.  The adjustment requested by Idaho Power consists of:  [1] 90% of the difference between the projected power cost and the Commission’s approved base power cost for Idaho Power and [2] the true-up of the 1994/1995 power costs.  The Company states that the projected power costs was computed in compliance with Commission Order No. 24806 by inserting the National Weather Service Northwest River Forecast Centers projection of 4.9 million acre feet of April through July Brownlee stream flow run off into the Commission adopted equation for projecting PCA costs.  The resulting projected power cost of $71,839,740, Idaho Power contends, equates to a cost of 0.5168¢ per kWh.  This 0.5168¢ per kWh is 0.0074¢ per kWh higher than the Commission’s approved base of 0.5094¢ per kWh.  By Commission Order 25880 Idaho Power is authorized to adjust rates by 90% of the 0.0074¢ per kWh difference or 0.0067¢ per kWh.

The true-up component of the PCA is based upon the difference between the previous projected power cost and the power cost actually incurred adjusted to eliminate the effects of load changes and also adjusted to reflect the Commission authorized cost sharing percentage.  In addition, the true-up also includes 100% of the difference between the base qualifying facility (QF) purchase expense and the QF purchase expense actually incurred.  The Commission authorized cost sharing percentage with 60% for the months of April 1994 through January 1995.  The Company states that February and March of 1995 were computed based upon 90% of the difference pursuant to Commission Order No. 25880.  According to Idaho Power, these computations produce a true-up of 0.0767¢ per kWh based upon an undercollection by the Company of $10,664,407 during the April 1994 through March 1995 PCA accounting period.  NOTE TO MYSELF:  ORDER NO. 24880 WAS ISSUED IN THE 94-5 GENERAL RATE CASE.

The difference between the projected power cost and the base power cost and the true-up combine to produce a PCA for the period May 16, 1995 through May 15, 1996 of 0.0834¢ per kWh.  The change in the PCA to 0.0834¢ per kWh from the existing 0.1149¢ per kWh currently in effect results in a decrease to existing rates of 0.615¢ per kWh.

YOU ARE FURTHER NOTIFIED that because Idaho Power’s filing does not constitute a request for a general rate increase, the Company is not required to file a Notice of Intent to file a general rate case pursuant to Rule 122 of the Commission’s Rules of Procedure, IDAPA 31.01.01.  NOTE TO MYSELF:  IS A HEARING REQUIRED IN THIS CASE?

YOU ARE FURTHER NOTIFIED that the Application together with 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.

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 that 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 31.01.01000 et seq.

DATED at Boise, Idaho this                  day of  April 1995.

                                                                 Myrna J. Walters

Commission Secretary

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