(text box: 1)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, 1998 THROUGH MAY 15, 1999. | )))))))) | CASE NO. IPC-E-98-5NOTICE OF APPLICATIONNOTICE OF MODIFIED             PROCEDURE  |

YOU ARE HEREBY NOTIFIED that on April 15, 1998, the Idaho Power Company (Idaho Power; Company) filed an Application for authority to implement the Power Cost Adjustment (PCA) rate for electric service to customers in the state of Idaho for the period May 16, 1998 through May 15, 1999.

In its Application, Idaho Power states that, in compliance with Commission Order No. 24806, the PCA for the period May 16, 1998 through May 15, 1999, consists of (1) 90% of the difference between the projected power cost and the Commission’s approved base power cost and (2) the true-up of the 1997/1998 power costs.  The projected power cost was computed in compliance with Order No. 24806 by inserting the National Weather Service Northwest River Forecast Center’s projection of 4.78 million acre feet of April through July Brownlee stream flow runoff into the Commission adopted equation for projecting PCA expenses.  The resulting projected power cost of $75,646,728 equates to a cost of 0.5442¢ per kWh.  This 0.5442¢ is 0.0509¢ per kWh higher than the Commission’s approved base of 0.4933¢.  By Commission Order No. 25880, the Company is authorized to adjust rates by 90% of the 0.0509¢ per kWh difference, or 0.0458¢ per kWh.

The true-up component of the PCA is 0.1439¢ per kWh resulting entirely from increased expenses associated with QF purchases.  The difference between the projected power cost and the base power cost and the true-up combined to produce a PCA for the period May 16, 1998 through May 15, 1999, of 0.1897¢ per kWh.  The change in the PCA to 0.1897¢ from the existing -0.1552¢ currently in effect results in an increase to existing rates of 0.3449¢ per kWh.

YOU ARE FURTHER NOTIFIED that Idaho Power has proposed an effective date of May 16, 1998, for the change in rates attributable to the PCA.  The Commission has elected to process the Company’s Application under Modified Procedure, as indicated below, and will accept comments on Idaho Power’s Application through Friday, May 8, 1998.

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.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission no later than May 8, 1998.  The comment 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 shall be mailed to the Commission and the Applicant at the addresses reflected below:

COMMISSION SECRETARYIDAHO POWER COMPANY

IDAHO PUBLIC UTILITIES COMMISSIONLARRY D. RIPLEY

PO BOX 83720GREGORY W. SAID

BOISE, IDAHO  83720-0074PO BOX 70

BOISE, ID 83707

Street Address for Express Mail:

472 W WASHINGTON ST

BOISE, IDAHO  83702-5983

These comments should contain the case caption and case number shown on the first page of this document.

YOU ARE FURTHER NOTIFIED that if no written comments 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.

DATED at Boise, Idaho this                  day of April 1998.

Myrna J. Walters

Commission Secretary

vld/N:IPC-E-98-5.bp

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

April 22, 1998