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Salt Lake City, Utah 84111

June 16, 2011

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IDAHO PUBLIC
UTILITIES COMMISSION

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

Attention: Jean D. Jewell
Commission Secretary
Kristine A. Sasser
Deputy Attorney General

**Re: CASE NO. GNR-E-11-02:
IN THE MATTER OF THE ANNUAL REVISION AND UPDATED
CALCULATION OF THE ADJUSTABLE PORTION OF THE AVOIDED COST
RATE(S) FOR EXISTING PURPA CONTRACTS FOR AVISTA
CORPORATION DBA AVISTA UTILITIES, FOR IDAHO POWER COMPANY
AND FOR PACIFICORP DBA ROCKY MOUNTAIN POWER.**

And

**CASE NO. PAC-E-11-14:
IN THE MATTER OF THE ANNUAL REVISION OF QF VARIABLE ENERGY
PRICES IN ACCORDANCE WITH TERMS OF THE 1992 AMENDMENTS TO
POWER PURCHASE AGREEMENTS BETWEEN IDAHO QFS AND
PACIFICORP.**

Dear Ms. Sasser,

Thank you for your letter and worksheets dated June 3, 2011 in which you provided the 2011/2012 updated prices for the adjustable portion of the avoided costs rates under the present avoided cost methodology. Your letter also provided an update to the adjustable rate portion of avoided costs for QF contracts using variable costs associated with Colstrip and for PacifiCorp contracts with 1992 amendments.

PacifiCorp has reviewed these proposed updated prices and agrees that the prices have been updated correctly. The Company accepts the new schedules as accurate.

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Any informal inquiries related to this application should be directed to:

Ted Weston
Rocky Mountain Power
201 South Main Street, Suite 2300
Salt Lake City, UT 84111
Email: ted.weston@pacificorp.com
Phone: 801-220-2963

Sincerely,


Jeffrey K. Larsen
Vice President, Regulation