

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF ROCKY MOUNTAIN POWER FOR) **CASE NO. PAC-E-12-03**
AUTHORITY TO INCREASE RATES)
THROUGH THE ENERGY COST) **NOTICE OF APPLICATION**
ADJUSTMENT MECHANISM (ECAM))
) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **NOTICE OF**
) **INTERVENTION DEADLINE**
)
) **ORDER NO. 32460**

On February 1, 2012, PacifiCorp dba Rocky Mountain Power (“RMP” or “Company”) submitted its annual Energy Cost Adjustment Mechanism (“ECAM”) filing in accordance with *Idaho Code* §§ 61-502 and 61-503, and Rule of Procedure 52. RMP proposes an effective date of April 1, 2012 for its Application.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on September 29, 2009, the Commission issued Order No. 30904 approving the implementation and submission of an annual ECAM filing by the Company. The costs included in the ECAM are net power costs (“NPC”), as defined in the Company’s general rate cases and modeled by the Company’s GRID model. Base and actual NPC are booked into specific FERC accounts. The ECAM process allows the Company to credit or collect the difference between the actual NPC incurred to serve its Idaho customers and the NPC collected through rates. RMP defers the difference into an ECAM balancing account.

YOU ARE FURTHER NOTIFIED that the ECAM includes five additional components: the Load Growth Adjustment Rate (“LGAR”) or Load Change Adjustment Rate (“LCAR”), a credit for SO2 allowance sales, an adjustment for the treatment of coal stripping costs, a renewable resource adder for the renewable resources that are not yet in rate base and a true-up of renewable energy credit (“REC”) revenues, as authorized by the Commission in Order No. 32196. The ECAM includes a 90% (customers)/10% (Company) “sharing band” wherein

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customers pay/receive the increase/decrease in actual NPC compared to base NPC and RMP incurs/retains the remaining 10%.

YOU ARE FURTHER NOTIFIED that RMP is requesting a Commission Order approving the recovery of power costs deferred by the Company for the period of December 1, 2010 through November 30, 2011.

YOU ARE FURTHER NOTIFIED that RMP is requesting Commission approval to add approximately \$18.1 million to the ECAM deferral balancing account.

YOU ARE FURTHER NOTIFIED that RMP also proposes to adjust Schedule 94 to collect approximately \$13.0 million over the period beginning April 1, 2012 through March 31, 2013, representing an increase of \$2.6 million over Schedule 94 rates currently in effect as approved in Order No. 32216 of Case No. PAC-E-11-07.

YOU ARE FURTHER NOTIFIED that RMP's Application states that, effective January 1, 2011, Monsanto and Agrium's loads are included in the calculation of the ECAM balances in this ECAM filing. Pursuant to a stipulation approved by the Commission in Order No. 32432, PAC-E-11-12, the Company will amortize and collect Monsanto and Agrium's share of the Commission-approved 2011 ECAM balances over a three-year period.

YOU ARE FURTHER NOTIFIED that RMP does not request a change in the ECAM surcharge rate to recover the full \$24.1 million currently residing in the ECAM deferral balancing account. RMP believes that approximately \$3.0 million of the balance will be recovered through Schedule 94 rates from December 1, 2011 to March 31, 2012.

YOU ARE FURTHER NOTIFIED that the Company intends to address the remaining balance in future ECAM filings. RMP projects that any increase in the collection rate this year would be followed by a decrease in the rate next year. RMP has issued a press release sent to local media organizations and messages in customer bills over the course of a billing cycle.

YOU ARE FURTHER NOTIFIED that RMP has attached a copy of the direct testimony, including exhibits, of Gregory N. Duvall, Director of Net Power Costs, and William R. Griffith, Director of Pricing, Cost of Service & Regulatory Operations, in support of its Application.

YOU ARE FURTHER NOTIFIED that RMP has requested that this matter be processed through Modified Procedure.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Company's filing in Case No. PAC-E-12-03 and finds 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. 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 concerning RMP's ECAM Application may file a written comment in support or opposition with the Commission. 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 RMP's ECAM Application shall be filed with the Commission **no later than Tuesday, March 13, 2012**. Written comments concerning this filing should be mailed to the Commission and the Company at the addresses written 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

Ted Weston
Idaho Regulatory Affairs Manager
Rocky Mountain Power
201 S. Main, Suite 2300
Salt Lake City, UT 84111
E-mail: ted.weston@pacificorp.com

Yvonne R. Hogle
Senior Counsel
Rocky Mountain Power
201 S. Main, Suite 2300
Salt Lake City, UT 84111
E-mail: Yvonne.hogle@pacificorp.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 "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this

document. These comments must also be sent to Rocky Mountain at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that RMP's ECAM Application can be viewed at www.puc.idaho.gov by clicking on "File Room" and "Electric Cases," or it can be viewed during regular business hours at the Idaho Public Utilities Commission, 472 West Washington St., Boise, Idaho and Rocky Mountain Power Headquarters, 201 S. Main, Salt Lake City, UT 84111.

YOU ARE FURTHER NOTIFIED that the Idaho Public Utilities Commission has jurisdiction over the Company, its filing and the issues pertaining to this case pursuant to Title 61 of the Idaho Code.

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.*

NOTICE OF INTERVENTION DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in Case No. PAC-E-12-03 for the purpose of becoming a party, i.e., to present evidence, to acquire rights of cross-examination, to participate in settlement or negotiation conferences, and to make and argue motions must file a Petition to Intervene with the Commission pursuant to Rules 72 and 73 of the Commission's Rules of Procedure, IDAPA 31.01.01.072 and .073. Persons desiring to acquire intervenor rights of participation **must file a Petition to Intervene on or before Tuesday, February 28, 2012.** Persons desiring intervenor status shall also provide the Commission Secretary with their electronic mail address to facilitate future communications in this matter.

ORDER

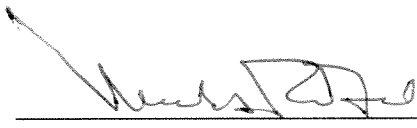
IT IS HEREBY ORDERED that persons interested in submitting written comments regarding RMP's ECAM Application should do so **no later than March 13, 2012.**

IT IS FURTHER ORDERED that persons desiring to intervene in this case for the purpose of presenting evidence or cross-examination at hearing shall file a Petition to Intervene with the Commission **no later than February 28, 2012.**

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15th
day of February 2012.



PAUL KJELLANDER, PRESIDENT

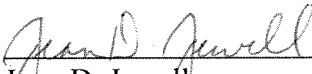


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

O:PAC-E-12-03_np