

CUSTOMER NOTICES

Annual energy cost adjustment

Price decrease proposed for Idaho customers

BOISE, Idaho, Monday, Feb. 1, 2015—Rocky Mountain Power's annual energy cost adjustment for 2016 proposes a 0.7 percent overall decrease for residential, commercial and irrigation customers, with a larger decrease for two large industrial customers. Typical residential customers using 800 kilowatt-hours would see a decrease of 58 cents on their monthly bills.

The energy cost adjustment mechanism is designed to track the difference between the company's actual expenses for fuel and other costs to provide electricity to customers, and the amount collected from customers through current prices. Pending commission approval, the adjustment would take effect April 1, 2016.

"The decrease results primarily from lower natural gas prices, which also reduces the cost of electricity the company purchases to help serve the needs of customers," said Tim Solomon, Rocky Mountain Power's regional business manager in Rexburg. "When the cost of providing electricity goes down, we're pleased to be able to reflect that on customer bills. The last time the cost-adjustment mechanism resulted in a decrease for most Idaho customers was 2014."

The company's proposal requests that the Idaho Public Utilities Commission approve deferral of the 2015 energy related costs of \$16.7 million and decrease by \$9 million the revenues collected through the energy cost adjustment mechanism, Schedule 94.

The proposal would have the following impacts on prices:

- Residential customers – 0.6 percent decrease
- Residential schedule 36, optional time-of-day service – 0.7 percent decrease
- General Service schedule 6 – 0.9 percent decrease
- General Service schedule 9 – 1.0 percent decrease
- Irrigation customers – 0.8 percent decrease
- Commercial or industrial heating schedule 19 – 0.8 percent decrease
- General Service schedule 23 – 0.7 percent decrease
- General Service schedule 35 – 1.0 percent decrease
- Public Street Lighting – 0.3 percent decrease
- Industrial customer, tariff schedule 400 – 7.1 percent decrease
- Industrial customer, schedule 401 – 7.3 percent decrease

The public will have an opportunity to comment on the proposal during the coming months as the commission studies the company's request. The commission must approve the proposed changes before they can take effect. A copy of the company's application is available for public review on the commission's website, and at the commission offices. Customers may also subscribe to the

commission's RSS feed to receive periodic updates via email. The request also is available at the company's offices in Rexburg, Preston, Shelley and Montpelier as noted below:

Idaho Public Utilities Commission

www.puc.idaho.gov
472 W. Washington
Boise, ID 83702

Rocky Mountain Power offices

- Rexburg – 25 East Main
- Preston – 509 S. 2nd East
- Shelley – 852 E. 1400 North
- Montpelier – 24852 U.S. Hwy 89

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Annual energy cost adjustment

Proposed price reduction

Rocky Mountain Power requests recovery of power costs.

On February 1, 2016, Rocky Mountain Power asked the Idaho Public Utilities Commission to approve the 2015 energy cost adjustment deferral of \$16.7 million to the energy balancing account and decrease the energy cost adjustment rider by \$9.0 million. Under Rocky Mountain Power's proposal, all customer classes will see a reduction to their rates from this energy cost adjustment. The proposed adjustment will allow Rocky Mountain Power to continue to provide safe, reliable electric service to its customers.

The energy cost adjustment mechanism is designed to track the difference between the company's actual costs to provide electricity to Idaho customers and the amount collected from customers through current prices. Pending commission approval, the decrease would take effect April 1, 2016.

The proposal would decrease the average residential customer's monthly bill by \$0.58. The following is a summary of the percentage impacts by customer class:

- Residential Schedule 1 – 0.6% decrease
- Residential Schedule 36 – 0.7% decrease
- General Service Schedule 6 – 0.9% decrease
- General Service Schedule 9 – 1.0% decrease
- Irrigation Service Schedule 10 – 0.8% decrease
- Commercial & Industrial Heating Schedule 19 – 0.8% decrease

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- General Service Schedule 23 – 0.7% decrease
- General Service Schedule 35 – 1.0% decrease
- Public Street Lighting – 0.3% decrease
- Tariff Contract 400 – 7.1% decrease
- Tariff Contract 401 – 7.3% decrease

The public can comment on the proposed rate change as the commission reviews the application. The commission must approve the proposed changes before they can take effect. A copy of the application is available for public review at the commission offices in Boise and on the commission's homepage at www.puc.idaho.gov. Customers may file written comments regarding the application with the commission or subscribe to the commission's RSS feed to receive periodic updates via email about the case. Copies of the proposal also are available for review at the company's offices in Rexburg, Preston, Shelley and Montpelier.

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For more information about your rates and rate schedule, go to **rockymountainpower.net/rates**.

