(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF THE WASHINGTON WATER POWER COMPANY FOR AN ORDER APPROVING INCREASED RATES AND CHARGES FOR ELECTRIC SERVICE IN THE STATE OF IDAHO. | )  )  )  )  )  )  ) | CASE NO. WWP-E-98-11  NOTICE OF APPLICATION  NOTICE OF INTERVENTION DEADLINE |

YOU ARE HEREBY NOTIFIED that on December 18, 1998, the Idaho Public Utilities Commission (Commission) received an Application from The Washington Water Power Company  (Water Power; Company; WWP) in Case No. WWP-E-98-11 requesting approval of increased rates and charges for electric service in the state of Idaho.  Water Power is a public utility primarily engaged in the generation, transmission and distribution of electric power and the distribution of natural gas.  Water Power serves approximately 100,000 customers in northern Idaho in an area which ranges from Grangeville, Idaho in the south to Sandpoint, Idaho in the north.

The overall increase in annual revenue requested for its Idaho electric jurisdiction is $14,223,000, an increase of 11.56%.  The amount of the actual percentage increase varies by class of customer and by usage.  The requested revenue change in percentage, in total and by major customer class is as follows:

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| Residential Schedule 1  General Service Schedule 11  Large General Service Schedule 21  Extra Large General Service Schedule 25  Pumping Service Schedule 31  LightingSchedules 41-49 | 15.4%  7.5%  10.7%  16.4%  9.6%  13.0% |

It is noted that the Company’s proposed rate increase will also affect those customers acquired from PacifiCorp (Clark Fork, Hope, East Hope, Old Town, Priest River and Sandpoint), whose four year rate transition period expires in January 1999 when they are transferred to the Company’s comparable rate schedules.  Reference Case No. WWP-E-94-1.

The Company’s requested revenue increase is predicated on a 9.446% rate of return, including a 12.00% return on equity.  The Company states that for its proposed test year 1997, its rate of return in Idaho, on a pro forma basis, was 6.904%, significantly below its authorized rate of return of 10.95%.  Water Power alleges that the rates in its present tariff are no longer reasonable or adequate and do not allow it to earn a fair and reasonable return on investment.  The Company in its Application has requested a Commission Order approving revised rates and charges for a proposed effective date of January 22, 1999.

The Company reports that its last general rate case in Idaho was in 1986 (ref. Case No. U-1008-256, Order No. 20905).  Since that time, Water Power’s overall electric rates in Idaho have been modified with the implementation of a 1.5% surcharge to fund energy efficiency improvements in March 1995 and a Power Cost Adjustment (PCA) mechanism implemented in 1989 that has resulted in several temporary adjustments, both surcharges and rebates.

Water Power states that since its last general rate case in 1986 the Company in Idaho has experienced a significant growth in customers and an associated increase in distribution and plant expenses.  As also contributing to its present need for additional revenue, the Company cites changes in net power supply costs, updated depreciation rates, and costs associated the with relicensing of certain of its hydroelectric gene­rating facilities.

YOU ARE FURTHER NOTIFIED that the Commission in Order No. 27852 has suspended the Company  proposed effective date for a period of thirty (30) days plus five (5) months from January 22, 1999, or until such time as the Commission may issue an order accepting, rejecting or modifying the Application in this matter.

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in Case No. WWP-E-98-11 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 of Procedure 72 and 73 of the Commission's Rules of Procedure, IDAPA 31.01.01.072 and -.073.  Persons intending to participate at the hearing must file a Petition to Intervene on or before Friday, January 22, 1999.

YOU ARE FURTHER NOTIFIED that persons desiring to present their views without parties’ rights of participation and cross-examination are not required to intervene and may present their comments without prior notification to the Commission or to other parties.

YOU ARE FURTHER NOTIFIED that discovery is available in Case No. WWP-E-98-11 pursuant to the Commission’s Rules of Procedure, IDAPA 31.01.01.221-234.

YOU ARE FURTHER NOTIFIED that the Company’s Application together with supporting testimony, exhibits and workpapers in Case No. WWP-E-98-11 can be reviewed at the Commission’s office in Boise, Idaho and at the Company’s Idaho offices during regular business hours.

YOU ARE FURTHER NOTIFIED that the Commission may determine Water Power’s revenue requirement in an amount other than proposed by the Company and/or the spread or allocation or relative increase or decrease in any rate or charge may be other than that proposed by the Company.  In particular, the Commission may consolidate existing rate groups, create additional rate groups, consolidate multi-block rate structures, create multi-block rate structures, or otherwise change the relative or absolute relationships among customers of Water Power.  The rates of all customers of Water Power in the state of Idaho, including those governed by special contract, are at issue and subject to change in this proceeding.

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 31.01.01.000 et seq.

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act.  Persons needing the help of a sign language interpreter or other assistance of the kind that the Commission is obligated to provide under the Americans with Disabilities Act in order to participate in or to understand the testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing.  The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION

PO BOX 83720

BOISE, IDAHO  83720-0074

(208) 334-0338  (TELEPHONE)

(208) 334-3151  (TEXT TELEPHONE)

(208) 334-3762  (FAX)

DATED at Boise, Idaho this                  day of December 1998.

Myrna J. Walters

Commission Secretary

vld/N:WWP-E-98-11.sw

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

December 30, 1998