



May 30, 2007

VIA ELECTRONIC FILING AND U.S. MAIL

Ms. Vikie Bailey-Goggins, Administrator
Regulatory Operations Division
Public Utility Commission of Oregon
Attn: Filing Center
550 Capitol Street NE
P.O. Box 2148
Salem, OR 97308-2148

RE: Advice No. 07-05
Fourth Revised Sheet No. 98-1, Schedule 98
Residential and Small Farm Energy Credit

Dear Ms. Bailey-Goggins:

On May 24, 2007, Idaho Power submitted Fifth Revised Sheet No. 98-1 requesting the credit provided to our eligible customers under the Residential Exchange Program be reduced to \$0.000000 per kWh effective with meter readings on and after May 30, 2007. After discussions with Commission Staff it has been agreed that the effective date should be revised to apply to meter readings on and after June 1, 2007. Please substitute the Fifth Revised Sheet No. 98-1 herewith transmitted for that submitted on May 24. A less than statutory notice (LSN) application was submitted with the original filing on May 24 to allow the Company's request to become effective with less than 30 days' notice.

If you have questions, please feel free to contact Maggie Brilz at 208-388-2848, Phil Obenchain at 208-388-2713, or myself at 208-388-2682..

Sincerely,

A handwritten signature in black ink that reads "Barton L. Kline".

Barton L. Kline

Enclosures

c: Bonnie Tatom, OPUC
Marc Hellman, OPUC
Phil Obenchain
Ric Gale
Maggie Brilz

SCHEDULE 98
RESIDENTIAL AND SMALL FARM
ENERGY CREDIT

APPLICABILITY

This schedule is applicable to the qualifying electric energy delivered to residential Customers taking service under Schedule 1, qualifying long-term care facilities taking service under Schedule 7 or Schedule 9 who are not providing full medical care to residents and where the average patient stay is 30 days or longer, and to agricultural Customers operating a water pumping or water delivery system used to irrigate agricultural crops or livestock pasturage under Schedule 24.

The Residential and Small Farm Energy Credit ("Credit") is the result of the Settlement Agreement between the Company and BPA dated October 31, 2000. The Settlement Agreement provides for the determination of benefits during the period October 1, 2001 through September 30, 2011. The Credit under this schedule is effective October 26, 2001. This schedule shall expire when the benefits derived from the Settlement Agreement for the period October 1, 2001 through September 30, 2011 have been credited to customers as provided for under this schedule.

QUALIFYING ELECTRIC ENERGY

All kWh of energy delivered during the Billing Period to residential Customers taking service under Schedule 1 and qualifying long-term care facilities taking service under Schedule 7 or Schedule 9, as described above, qualifies for the Credit under this schedule. The kWh of energy delivered during the Billing Period to applicable agricultural Customers taking service under Schedule 24 which qualifies for the Credit under this schedule is limited to either the agricultural Customer's actual metered energy or 222,000 kWh, whichever is less. Agricultural Customers will be identified by tax identification number or Social Security Number for purposes of determining qualifying electric energy under this schedule.

CREDIT ADJUSTMENT

An energy credit factor for residential Customers and qualifying long-term care facilities will be computed every twelve months. The energy credit factor is determined by dividing the sum of monthly benefit derived from the Settlement Agreement for each month of the twelve-month rate period by the sum of the projected monthly kWh of energy consumption by residential Customers and qualifying long-term care facilities. The current computation of the energy credit factor is \$0.000000/kWh. A Credit equal to the current factor times the qualifying (R) kWh of electric energy for the Billing Period will be included on each Customer billing.

An energy credit factor for applicable agricultural Customers will be computed on an annual basis by dividing the annual benefit derived from the Settlement Agreement by the qualifying kWh of electric energy billed to applicable agricultural Customers for the October through September Billing Periods. A Credit equal to the credit adjustment factor times the qualifying kWh of electric energy billed to each applicable agricultural Customer during the October through September Billing Periods will be issued to each applicable agricultural Customer in December of each year.