

McDowell & Rackner PC



WENDY L. MCINDOO
Direct (503) 595-3922
wendy@mcd-law.com

July 18, 2008

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket No. UE 195

Enclosed for filing in the above-referenced docket are an original and one copy of Idaho Power Company's Motion for Clarification.

A copy of this filing has been served on all parties to this proceeding as indicated on the attached certificate of service.

Very truly yours,

A handwritten signature in cursive script that reads "Wendy L. McIndoo".

Wendy L. McIndoo

cc: Service List

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in Docket UE 195 on the following named persons on the date indicated below by email addressed to said persons at his or her last-known address indicated below.

Lowrey R. Brown
Citizens' Utility Board of Oregon
lowrey@oregoncub.org

Jason Eisdorfer
Citizens' Utility Board of Oregon
jason@oregoncub.org

Robert Jenks
Citizens' Utility Board of Oregon
bob@oregoncub.org

Bill McNamee
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148
bill.mcnamee@state.or.us

Idaho Power Company

Karl Bokenkamp
kbokenkamp@idahopower.com

Lisa Nordstrom
lnordstrom@idahopower.com

John Gale
rgale@idahopower.com

Christa Bearry
cbearry@idahopower.com

Barton Kline
bkline@idahopower.com

Gregory Said
gsaid@idahopower.com

Mark Stokes
mstokes@idahopower.com

Michael Youngblood
myoungblood@idahopower.com

Don Reading
Ben Johnson Associates
6070 Hill Road
Boise ID 83703
dreading@mindspring.com

Robert Valdez
PO Box 2148
Salem, OR 97308-2148
bob.valdez@state.or.us

Peter J. Richardson
Richardson & O'Leary
PO Box 7218
Boise, ID 83707
Peter@richardsonandoleary.com


Stephanie S. Andrus
Department of Justice
Regulated Utility & Business Section
1162 Court St NE
Salem, OR 97301-4096
stephanie.andrus@state.or.us

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

Patrick Hager
Rages & Regulatory Affairs
Portland General Electric
121 SW Salmon St 1WTC1301
Portland, OR 97204
Pge.opuc.filings@pgn.com

Douglas Tingey
Portland General Electric
121 SW Salmon St 1WTC1301
Portland, OR 97204
Doug.tingey@pgn.com

DATED: July 18, 2008.



Wendy McIndoo
Legal Assistant

Attorney for Idaho Power Company

1
2
3
4
5
6
7

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UE 195

In The Matter of the Application of IDAHO
POWER COMPANY for Authority to
Implement a Power Cost Adjustment
Mechanism for Electric Service to
Customers in the State of Oregon.

MOTION FOR CLARIFICATION

Pursuant to OAR 860-013-0031, Idaho Power Company ("Idaho Power" or "Company") files this Motion for Clarification of Order No. 08-238 to the Public Utility Commission of Oregon ("Commission"). Idaho Power respectfully requests that the Commission clarify that the annual application requirement in the deferral statute, ORS 757.259, does not apply to the power cost adjustment mechanism approved by the Commission in Order No. 08-238. The power cost adjustment mechanism is not subject to the deferral statute by law because it is not a form of retroactive ratemaking. By its terms, the mechanism is subject only to the six percent cap on amortization of deferred amounts, not other aspects of the deferral statute. Therefore, the annual application requirement is inapplicable.

In the alternative, if the Commission finds that a request for deferred accounting is required prior to tracking actual costs for recovery under the power cost adjustment mechanism, Idaho Power requests that the Commission construe the Company's March 24, 2008 tariff filing proposing Schedules 55 and 56 as an application for deferred accounting.

Finally, if the Commission finds that Idaho Power Company was required to file an application for deferred accounting and the March 24, 2008 tariff filing did not constitute an application for deferred accounting, the Company requests that the Commission accept this pleading as an application for deferred accounting.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

I. BACKGROUND

In Idaho Power's last general rate case, the Commission identified two obstacles to the Company's timely recovery of power costs 1) the Company's unique reliance on hydroelectric generation to provide nearly one-half of its load and 2) Oregon's statutory limitation on deferrals.¹ Precipitation is highly variable, which results in highly variable power supply expenses for Idaho Power.² The impact of this variability is disproportionate and works against the Company: The magnitude of the increase in costs caused by poor hydro conditions is greater than the magnitude of the decrease in power costs caused by good hydro conditions.³ In addition, the Commission found that Oregon's deferral statute, ORS 757.259(8), which prohibits amortizations of deferred amounts with an overall average rate impact of over six percent, resulted in "exceedingly long delays" between when Idaho Power incurs power costs and their recovery.⁴ The Commission therefore directed the parties to explore whether regulatory mechanisms other than deferrals could effectively remedy the power cost issue and allow the Company timely recovery of power costs.⁵

On March 14, 2008, Idaho Power, the Citizens' Utility Board of Oregon ("CUB"), and Commission Staff entered into a stipulated agreement ("Stipulation") proposing a power cost adjustment mechanism for Idaho Power ("APCU/PCAM"). The Commission

¹ *Re Idaho Power Co. Application for Authority to Implement a Power Cost Adjustment Mechanism for Electric Service to Customers in the State of Oregon*, Docket UE 195, Order No. 08-238 at 4 (Apr. 4, 2008) [hereinafter "Order No. 08-238"].

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ *Re Idaho Power Co. Application for General Rate Increase in the Company's Oregon Annual Revenues of \$4,418,908, or 17.52 Percent Overall*, Docket UE 167, Order No. 05-871 at 7 (July 28, 2005).

1 approved the APCU/PCAM on April 28, 2008.⁶ The mechanism contains two parts:
2 (1) the APCU and (2) the PCAM.

3 The APCU consists of an automatic adjustment clause ("AAC") that implements a
4 rate that will allow the Company to recover forecasted power costs. The AAC is
5 calculated using an annual October Power Cost Update and a March Power Cost
6 Forecast to estimate the Company's net power supply expenses for April through March of
7 the year of the March Power Cost Forecast.⁷ The October and March calculations serve
8 as the basis for the APCU rate that will become effective on June 1 of that year
9 ("Combined Rate").⁸

10 The PCAM includes a true-up of the Company's power cost expenses. In
11 February of each year, beginning in 2009, the Company will file an Annual Power Supply
12 Expense True-up.⁹ The filing will calculate the difference between the actual net power
13 supply expenses incurred in the previous calendar year and the net power supply
14 expenses recovered in rates in that period.¹⁰ The difference will be added to the Annual
15 Power Supply Expense True-Up Balancing Account ("True-Up Balancing Account") at the
16 end of each calendar year.¹¹ The forecast sales for the upcoming April through March test
17 period and the amount in the True-Up Balancing Account is then used to calculate a per
18 MWh rate ("Annual Power Supply Expense True-Up Rate").¹² The calculation of the
19 Annual Power Supply Expense True-Up Rate is subject to two limits: 1) an earnings test
20

21 ⁶ Order No. 08-238.

22 ⁷ *Id.* at 3.

23 ⁸ *Id.* Appendix A at 7.

24 ⁹ *Id.*

25 ¹⁰ *Id.*

26 ¹¹ *Id.* Appendix A at 9.

¹² *Id.*

1 that excludes true-up amounts if the Company's earnings are within 100 basis points
2 above or below its authorized return on equity and 2) the Oregon law that caps
3 amortization of deferred amounts at six percent of the electric utility's gross revenues for
4 the preceding calendar year.¹³ The Combined Rate and the Annual Power Supply
5 Expense True-Up Rate are added together to produce the "Effective Rate Change."¹⁴

6 II. DISCUSSION

7 A. Statutory Scheme Governing Fuel Adjustment Clauses.

8 1. Prohibition on Retroactive Ratemaking and the Exception for 9 Deferrals.

10 Although the Oregon courts have not adopted a rule prohibiting retroactive
11 ratemaking,¹⁵ the Commission and the Oregon Attorney General have argued that such a
12 rule applies in Oregon.¹⁶ The rule against retroactive ratemaking prohibits utilities from
13 including past profits or losses in future rates.¹⁷ Theoretically, the Commission would
14 implicate the rule if, after determining just and reasonable rates on a prospective basis, it
15 revised its determination by including past profits or losses.¹⁸ In sum, current customers
16 cannot be required to cover costs incurred by previous customers.¹⁹

17 The Oregon Legislature has established an exception to the general rule against
18 retroactive ratemaking in the form of the deferral statute, ORS 757.259.²⁰ Pursuant to that

19 ¹³ *Id.* Appendix A at 9–10.

20 ¹⁴ *Id.* Appendix A at 10.

21 ¹⁵ *Dryer v. Portland Gen. Elec. Co.*, 341 Or. 262, 271 n.10 (2006).

22 ¹⁶ See, e.g., *Re Portland Gen. Elec. Co.*, Docket UE 165, Order No. 05-1261 (Dec. 21, 2005);
Or. Op. Atty. Gen. OP-6076, 1987 WL 278316 (Mar. 18, 1987) [hereinafter "AG Opinion"].

23 ¹⁷ AG Opinion, 1987 WL 278316 at *1.

24 ¹⁸ *Id.*

25 ¹⁹ *Re Portland Gen. Elec. Co.*, Docket UE 165, Order No. 05-1261 (Dec. 21, 2005).

26 ²⁰ *Re Open Investigation Related to Deferred Accounting*, Docket UM 1147, Order No. 05-
1070 (Oct. 5, 2005).

1 statute, the Commission may authorize certain amounts for later incorporation in rates.²¹
2 One category of amounts eligible for deferral is “[i]dentifiable utility expenses or revenues,
3 the recovery or refund of which the commission finds should be deferred in order to
4 minimize the frequency of rate changes.”²² The Commission may authorize deferral of
5 such amounts beginning with the date of application.²³

6 Deferred amounts are subject to two notable limits. First, the Commission may
7 authorize a deferral only for a period of 12 months or less beginning on or after the date of
8 the deferral application.²⁴ This provision requires utilities to file an annual application for
9 deferral prior to deferring eligible amounts. Second, the Commission is limited in the
10 amount per year for which it may order amortization for electric utilities to six percent of
11 the utility’s gross revenues for the preceding year.²⁵ This limit means that a utility with
12 unusually high deferred costs, such as Idaho Power, must amortize those costs over a
13 long period of time.

14 **2. Automatic Adjustment Clauses.**

15 The Commission has the authority to authorize AACs. An AAC is a provision of a
16 rate schedule that provides for changes in rates without prior hearing, as would be
17 required in the absence of the AAC provision.²⁶ An AAC may reflect increases or
18 decreases to costs incurred by the utility, taxes paid to units of government, or revenues
19 earned by a utility.²⁷ An AAC is subject to review at least once every two years.²⁸

20 ²¹ ORS 757.259(2).

21 ²² ORS 757.259(2)(e).

22 ²³ ORS 757.259(4).

23 ²⁴ *Id.*

24 ²⁵ ORS 757.259(8).

25 ²⁶ ORS 757.210(1)(b).

26 ²⁷ ORS 757.210(1)(b).

²⁸ *Id.*

1 The statute authorizing AACs does not explicitly authorize retroactive effect. As
2 discussed above, ratemaking cannot be retroactive unless the legislature expressly
3 authorizes retroactive effect.²⁹ As a result, an AAC may be retroactive only if it is
4 implemented pursuant to a statutory exception to the rule against retroactive ratemaking.³⁰
5 If an AAC is implemented pursuant to the deferral statute, therefore, the annual application
6 and six percent cap applicable will be applicable to that AAC. If the AAC is implemented
7 pursuant to prospective ratemaking, however, the deferral requirements will not apply.

8 **3. Fuel Adjustment Clauses.**

9 The Commission has authorized power cost adjustment mechanisms for some
10 electric utilities and purchased gas adjustment mechanisms for gas utilities in Oregon.
11 These mechanisms are implemented through AACs. The Commission has not explicitly
12 discussed the degree to which these AACs, or portions of them, constitute retroactive
13 ratemaking and are therefore subject to the deferral statute. In a 1987 opinion on
14 retroactive ratemaking, the Oregon Attorney General addressed this issue. The opinion
15 discussed the difference between the type of fuel adjustment clause that would constitute
16 retroactive ratemaking—a cost of service tariff—and the type of clause that would not—a
17 fixed rate tariff.³¹

18 A cost of service tariff is a fuel adjustment clause that “is designed to recover all
19 past costs on a dollar-for-dollar basis.”³² This is a retroactive clause and must be
20 approved by the legislature to be valid.³³ A fixed rate tariff, by contrast, is a fuel
21

22 ²⁹ AG Opinion, 1987 WL 278316 at *1.

23 ³⁰ *Id.* at *14.

24 ³¹ *Id.* at *11–12.

25 ³² *Id.* at *11.

26 ³³ *Id.*

1 adjustment clause that uses fixed costs from a past period to estimate current expenses.³⁴
2 The previous period acts as a test period for setting fuel costs for the future.³⁵ This type of
3 clause operates prospectively in the same way that general rate cases that use a past test
4 year operate prospectively.³⁶ It therefore does not violate the rule against retroactive
5 ratemaking.³⁷

6 **B. The APCU/PCAM Does not Constitute Retroactive Ratemaking.**

7 **1. The APCU/PCAM is More Properly Classified as a Fixed Rate Fuel**
8 **Adjustment Clause.**

9 In the case of Idaho Power's APCU/PCAM, it is clear that the APCU portion of the
10 mechanism does not constitute retroactive ratemaking. The rate calculated under the
11 APCU portion is based solely on forecasts and therefore does not implicate retroactive
12 ratemaking.

13 Although the PCAM portion of the mechanism includes costs from the past as part
14 of its calculation, it is most appropriately interpreted as a fixed rate tariff and does not
15 constitute retroactive ratemaking. As described above, retroactive ratemaking is
16 implicated by a cost of service tariff that "is designed to recover all past costs on a dollar-
17 for-dollar basis."³⁸ In contrast, the PCAM uses historical costs as the first step in
18 determining the "true-up," and then applies deadbands and an earnings test to calculate
19 the final amount. Oregon law does not prohibit using historical costs to establish
20 prospective rates. As the Attorney General explained, fixed rate tariffs use costs from a
21

22 ³⁴ *Id.* at *12.

23 ³⁵ *Id.*

24 ³⁶ *Id.*

25 ³⁷ *Id.*

26 ³⁸ *Id.* at *11.

1 previous period to calculate fuel costs in the future.³⁹ The PCAM portion uses historical
2 information to set a prospective rate. The use of historical power costs in the PCAM is
3 similar to the use of historical information in a general rate case to set costs in the future.
4 It is not a transfer of past costs to future ratepayers, as would be prohibited under the
5 prohibition against retroactive ratemaking. As an AAC established under traditional,
6 prospective ratemaking principles, the APCU/PCAM is not subject to the deferral statute
7 as a matter of law.

8 **2. The Commission's Prior Orders Indicate That It Does Not View the**
9 **APCU/PCAM as a Deferral.**

10 In its orders, the Commission has indicated that it does not consider all power cost
11 adjustment AACs, and the APCU/PCAM in particular, to be deferrals. In Docket UE 1147,
12 the Commission noted that while deferred accounting appears to be one of the more
13 frequently used regulatory mechanisms for recovery of excess utility costs, there are a
14 number of regulatory mechanisms that can serve this purpose.⁴⁰ The Commission
15 encouraged parties to present "alternative mechanisms" to address excess power costs,
16 specifically to address the problem of hydro availability.⁴¹ The Commission stated that "a
17 properly structured PCA" might be an appropriate alternative to deferrals.⁴² This indicates
18 that the Commission does not view AACs as necessarily subject to the deferral statute.

19

20

21

22

23 ³⁹ *Id.* at *12.

24 ⁴⁰ *Re Open Investigation Related to Deferred Accounting*, Docket UM 1147, Order No. 05-
1070 (Oct. 5, 2005).

25 ⁴¹ *Id.*

26 ⁴² *Id.*

1 The Commission also implied Oregon law does not require that deferrals
2 implemented as AACs be subject to the deferral requirements in ORS 757.259.⁴³ In Order
3 No. 07-015, the Commission stated that:

4 While some may argue that deferrals under an ORS 757.210 automatic adjustment
5 clause are subject to ORS 757.269 requirements as a matter of law, we have
6 consistently applied the deferral authorization and amortization caps contained in
the deferred accounting statute to these types of deferrals.⁴⁴

7 This statement strongly suggests that the Commission does not view deferrals
8 under an AAC as subject to the deferral requirements as a matter of law. In this case, the
9 Commission should explicitly find that Oregon law does not apply the deferral
10 requirements to the type of AAC instituted in the APCU/PCAM.

11 With respect to Idaho Power's APCU/PCAM in particular, the Commission explicitly
12 identified the APCU/PCAM as an alternative regulatory mechanism to power cost
13 deferrals. In UE 167, the Commission noted that Idaho Power's system is uniquely reliant
14 on hydro and faces "extended amortization of its deferred costs" as a result of the
15 six percent cap.⁴⁵ The Commission therefore directed the parties to work together to
16 consider whether there is "a more effective regulatory mechanism" that would allow Idaho
17 Power to recover power costs.⁴⁶ The Commission then accepted the APCU/PCAM as the
18 solution to the problems the Commission identified in Docket UE 167. This acceptance
19 indicates that the Commission views the APCU/PCAM as an alternative to deferrals under
20 ORS 757.259.

21 _____
22 ⁴³ *Re Portland Gen. Elec. Co. Request for a General Rate Revision*, Docket UE 180, Order
No. 07-015 at 27 (Jan. 12, 2007).

23 ⁴⁴ *Id.*

24 ⁴⁵ *Re Idaho Power Co. Application for General Rate Increase in the Company's Oregon*
25 *Annual Revenues of \$4,418,908, or 17.52 Percent Overall*, Docket UE 167, Order No. 05-871 at 7
(July 28, 2005).

26 ⁴⁶ *Id.*

1 **C. The Stipulation Applies Only to the Provision of the Deferral Statute Related**
2 **to the Six Percent Cap.**

3 When drafting the Stipulation, Idaho Power was informed by previous Commission
4 orders indicating that the Commission did not view a fuel cost adjustment such as the one
5 negotiated by the parties as subject to the deferral statute. In the process of compromise,
6 however, Idaho Power agreed that the six percent limit on amortization of certain
7 expenses should apply to the Stipulation. The parties therefore applied the deferral
8 statute to a provision of the Stipulation in order to limit the amount of the Annual Power
9 Supply Expense True-Up Rate. Paragraph 26 of the Stipulation states that:

10 The Effective Rate Change equals the Combined Rate (the sum of the updated
11 October Update Rate, filed for in October, and the March Forecast Rate
12 Adjustment, filed for in March) plus or minus the Annual Power Supply Expense
13 True-up Rate (subject to the provisions of the Earnings Test and Oregon law
14 regarding deferrals).⁴⁷

15 Although the Stipulation does not clarify that the only provision of the deferral
16 statute that is applicable to this paragraph is the six percent cap, the most reasonable
17 reading of this paragraph dictates this result. The paragraph relates only to the calculation
18 of the Annual Power Supply Expense True-up Rate, not filing or other requirements of the
19 deferral statute. In addition, the parenthetical that includes the reference to the statute
20 also references the Earnings Test in the Stipulation, which serves as a cap on the rate. It
21 is reasonable to read the clause relating to the Oregon deferral law as constituting another
22 cap on the rate. Given the limited application of the paragraph that references the deferral
23 statute, the most reasonable reading of the phrase is to limit the Annual Power Supply
24 Expense True-up Rate using the six percent cap.

25 ⁴⁷ *Re Idaho Power Co. Application for Authority to Implement a Power Cost Adjustment*
26 *Mechanism for Electric Service to Customers in the State of Oregon*, Docket UE 195, Order No. 08-
238, Appendix A at 10 (Apr. 4, 2008).

1 **D. If Idaho Power's PCAM Is Subject to the Deferral Statute, the Company's**
2 **Tariff Filings Should be Construed as an Application for Deferral.**

3 On March 24, 2008, the Idaho Power filed Advice No. 08-01 proposing
4 Schedule 55: Annual Power Cost Update, and Schedule 56: Power Cost Adjustment.
5 That filing contained all the information required for applications for deferrals pursuant to
6 OAR 860-027-0300(3). In the event that the Commission finds that a deferral application
7 is required to implement the APCU/PCAM, Idaho Power requests that the Commission
8 accept its Advice No. 08-01, attached hereto as Attachment A, as its application for
9 deferred accounting for actual net power supply expenses.

10 The Commission has liberally construed pleadings in the past.⁴⁸ Such treatment is
11 especially appropriate in this case. The Commission's statements in Order No. 08-238
12 can reasonably be interpreted as holding that the APCU/PCAM in this case is a different
13 regulatory mechanism from deferred accounting. Under that interpretation, a deferral
14 application would not be required. In addition, Idaho Power acted in good faith to take the
15 appropriate actions under applicable rules and statutes to implement the APCU/PCAM.
16 For these reasons, Idaho Power respectfully requests that the Commission construe its
17 March 24, 2008 tariff filing as an application for deferred accounting.

18 The information required by OAR 860-027-0300(3) in applications for deferred
19 accounting can be found in Advice No. 08-01 in the following form:

- 20 a. A description of the utility expense or revenue requirement for which deferred
21 accounting is requested is found on Original Sheet No. 56-1. The purpose of
22 Schedule 56 is to recognize the difference between actual net power supply
23

24 _____
25 ⁴⁸ See, e.g., *Re PacifiCorp Filing of Tariffs Establishing Automatic Adjustment Clauses Under*
26 *the Terms of SB 408*, Docket UE 177, Order No. 08-002 at 1 (Jan. 3, 2008) (construing a motion to
modify an order as a petition to amend an order).

- 1 expenses incurred in the preceding calendar year and the net power supply
2 expenses recovered by the Company in the same period.
- 3 b. The reason for which deferred accounting is being requested is found on
4 Original Sheet No. 56-1—to true-up the difference between forecasted net
5 power supply expenses recovered under Schedule 55 and actual net power
6 supply expenses. Idaho Power did not reference the authorizing section of
7 ORS 757.259 in the filing because it does not believe that the APCU/PCAM is
8 subject to that statute. To the extent the statute is relevant, however, Idaho
9 Power cites ORS 757.259(2), which allows the Commission, upon application
10 of a utility, to authorize deferral of certain expenses for later inclusion in rates.
- 11 c. The account proposed for recording the amounts to be deferred is the Annual
12 Power Supply Expense True-Up Balancing Account. This information is found
13 on Original Sheet No. 56-1.
- 14 d. Idaho Power will not know the amount to be deferred until after the close of the
15 calendar year. Given that this is the first year the APCU/PCAM has been in
16 place, Idaho Power cannot provide the Commission with previous years'
17 deferral amounts.
- 18 e. Advice No. 08-01 did not include a Notice of Application served upon all
19 persons who were parties in the utility's last general rate case. The required
20 notice is attached hereto as Attachment B. However, the Company did file a
21 Notice of Proposed Rate Change in both the Baker City Herald and the Argus
22 Observer on April 8, 2008. The relevant Affidavits of Publication were filed with
23 the Commission on April 30, 2008 and are attached hereto as Attachment B.

24
25
26

1 **E. If Idaho Power's PCAM Is Subject to the Deferral Statute and the Commission**
2 **Does Not Accept the Tariff Filing as an Application for Deferral, this Filing**
3 **Should be Accepted as Such.**

4 Finally, if the Commission finds that the Company's PCAM is subject to the deferral
5 statute and that the Company's previous filing cannot be construed as an application for
6 deferral, Idaho Power requests that the Commission accept this pleading as an application
7 for deferral. The following information is provided pursuant to OAR 860-027-0300(3):

8 a. Idaho Power is a public utility in the state of Oregon and is subject to the
9 jurisdiction of the Commission with regard to its rates, services, and accounting
10 practices. Idaho Power also provides retail electricity service in the state of
11 Idaho.

12 b. This application is filed pursuant to ORS 757.259(2), which allows the
13 Commission, upon application of a utility, to authorize deferral of certain
14 expenses for later inclusion in rates.

15 c. In Order No. 08-238 in this docket, the Commission approved a Stipulation
16 between Idaho Power, Commission Staff, and the Citizens' Utility Board that
17 established a power cost adjustment mechanism. The power cost adjustment
18 mechanism is described above and set forth in Attachment A to this pleading.
19 The Stipulation was the result of the Commission's direction in Docket UE 167
20 for the parties to work together to establish a more effective regulatory
21 mechanism than power cost deferrals for Idaho Power to recover its allowable
22 power costs.⁴⁹

23 d. Idaho Power proposes that it record amounts to be deferred in the Company's
24 Annual Power Supply Expense True-Up Balancing Account.

25 ⁴⁹ *Re Idaho Power Co. Application for General Rate Increase in the Company's Oregon*
26 *Annual Revenues of \$4,418,908, or 17.52 Percent Overall, Docket UE 167, Order No. 05-871 at 7*
(July 28, 2005).

1 e. Idaho Power is unable to estimate the amounts to be recorded until after the
2 close of the calendar year. Idaho Power requests that in accordance with ORS
3 757.259(4) and Order No. 08-263 in Docket UM 1147, the Company be
4 allowed to accrue interest on the unamortized balance at a rate equal to its
5 authorized rate of return.

6 f. The Notice of Application for Deferred Accounting is attached hereto as
7 Attachment C. Idaho Power has served the Notice of Application and a copy of
8 the Application on all parties to Docket UE 167.

9 **III. CONCLUSION**

10 Idaho Power respectfully requests that the Commission clarify that the annual
11 application requirement in the deferral statute, ORS 757.259, does not apply to the power
12 cost adjustment mechanism approved by the Commission in Order No. 08-238. In the
13 alternative, Idaho Power requests that the Commission construe its March 24, 2008 filing
14 as an application for deferral. Finally, if the Commission does not grant either of these two
15 requests, the Company requests that the Commission accept this pleading as its
16 application for deferral.

17

18 Dated: July 18, 2008.

McDOWELL & RACKNER PC

19



20

Lisa Rackner
Amie Jamieson

21

22

IDAHO POWER COMPANY

23

Barton L. Kline
Senior Attorney
PO Box 70
Boise, ID 83707

24

25

Attorneys for Idaho Power Company

26

ATTACHMENT A

McDowell & Rackner PC



March 24, 2008

VIA ELECTRONIC FILING

Public Utility Commission of Oregon
Attn: Filing Center
550 Capitol Street NE, Ste 215
Salem, OR 97308-2148

Re: Advice No. 08-01
Schedules 1, 7, 9, 15, 19, 24, 40, 41, 42, 55, and 56

Dear Sir or Madam:

In accordance with the requirements of OAR 860-029-0080(3), enclosed for filing are an original and four copies of Idaho Power Company's (Idaho Power) Annual Power Cost Update tariff sheets, proposed Schedule 55, and Power Cost Adjustment Mechanism tariff sheets, proposed Schedule 56. In addition, Idaho Power files the following revised tariff sheets:

Proposed

First Revised Sheet No. 1-2
First Revised Sheet No. 7-1
First Revised Sheet No. 7-2
First Revised Sheet No. 9-2
First Revised Sheet No. 9-3
First Revised Sheet No. 9-4
First Revised Sheet No. 15-2
First Revised Sheet No. 19-3
First Revised Sheet No. 19-4
First Revised Sheet No. 19-5
First Revised Sheet No. 24-3
First Revised Sheet No. 40-1
First Revised Sheet No. 40-2
Second Revised Sheet No. 41-2
Second Revised Sheet No. 41-3
First Revised Sheet No. 42-1

Cancel

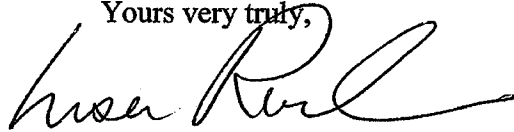
Original Sheet No. 1-2
Original Sheet No. 7-1
Original Sheet No. 7-2
Original Sheet No. 9-2
Original Sheet No. 9-3
Original Sheet No. 9-4
Original Sheet No. 15-2
Original Sheet No. 19-3
Original Sheet No. 19-4
Original Sheet No. 19-5
Original Sheet No. 24-3
Original Sheet No. 40-1
Original Sheet No. 40-2
First Revised Sheet No. 41-2
First Revised Sheet No. 41-3
Original Sheet No. 42-1

Public Utility Commission of Oregon
March 24, 2008
Page 2

This filing is intended to supercede Idaho Power's Advice No. 07-10 filed on October 29, 2007; the Company asks that Advice No. 07-10 be permanently suspended.

Please note that all tariff sheets are filed to comply with the Stipulation filed with the Commission in Docket UE 195 on March 14, 2008. All tariff sheets have an effective date of June 1, 2008.

Yours very truly,

A handwritten signature in black ink, appearing to read "Lisa Rackner", written in a cursive style.

Lisa F. Rackner

cc: UE 195 Service List

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in UE 195 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below.

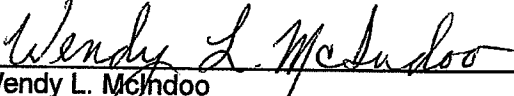
Stephanie S. Andrus
Department of Justice
Regulated Utility & Business Section
1162 Court St NE
Salem, OR 97301-4096
stephanie.andrus@state.or.us

Lowrey R. Brown
Citizens' Utility Board of Oregon
lowrey@oregoncub.org

Bob Jenks
Citizens' Utility Board of Oregon
bob@oregoncub.org

Jason Eisdorfer
Citizens' Utility Board of Oregon
jason@oregoncub.org

DATED: March 24, 2008.



Wendy L. McDoo
Legal Assistant

SCHEDULE 1
RESIDENTIAL SERVICE
(Continued)

RESIDENTIAL SPACE HEATING

All space heating equipment to be served by the Company's system shall be single phase equipment approved by Underwriters' Laboratories, Inc., and the equipment and its installation shall conform to all National, State and Municipal Codes and to the following:

Individual resistance-type units for space heating larger than 1,650 watts shall be designed to operate at 240 or 208 volts, and no single unit shall be larger than 6 kW. Heating units of two kW or larger shall be controlled by approved thermostatic devices. When a group of heating units, with a total capacity of more than 6 kW, is to be actuated by a single thermostat, the controlling switch shall be so designed that not more than 6 kW can be switched on or off at any one time. Supplemental resistance-type heaters, that may be used with a heat exchanger, shall comply with the specifications listed above for such units.

MONTHLY CHARGE

The Monthly Charge is the sum of the Service Charge, the Energy Charge, and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Exactions), and Schedule 98 (Residential and Small Farm Energy Credit). (N)
(N)

Service Charge, per month	\$5.25
Energy Charge, per kWh	
0-300 kWh	3.7647¢
Over 300 kWh	4.7063¢
Power Supply Adjustment, per kWh	0.4116¢

(D)

PAYMENT

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

Advice No. 08-01

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

**SCHEDULE 7
SMALL GENERAL SERVICE**

AVAILABILITY

Service under this schedule is available at points on the Company's interconnected system within the State of Oregon where existing facilities of adequate capacity and desired phase and voltage are adjacent to the Premises to be served and additional investment by the Company for transmission, substation, or terminal facilities is not necessary to supply the desired service.

APPLICABILITY

Service under this schedule is applicable to Electric Service supplied to a Customer at one Point of Delivery and measured through one meter. This schedule is applicable to Customers whose metered energy usage is 3,000 kWh, or less, per Billing Period for ten or more Billing Periods during the most recent 12 consecutive Billing Periods and whose Demand has not exceeded 30 kW more than once during the most recent 12 consecutive Billing Periods. When the Customer's Billing Period is less than 27 days or greater than 33 days, the energy usage will be prorated to 30 days for purposes of determining eligibility under this schedule. Customers whose metered energy usage exceeds 3,000 kWh per Billing Period on an actual or prorated basis three times during the most recent 12 consecutive Billing Periods or whose Demand has exceeded 30 kW more than once during the most recent 12 consecutive Billing Periods are not eligible for service under this schedule and will be automatically transferred to the applicable schedule effective with the next Billing Period. New customers may initially be placed on this schedule based on estimated usage.

This schedule is also applicable to non-profit or tax supported ball fields, fairgrounds or rodeo grounds with high demands and intermittent use exceeding 3,000 kWh per month. This schedule is not applicable to standby service, service for resale, or shared service, or to individual or multiple family dwellings, or agricultural irrigation service after October 31, 2005.

TYPE OF SERVICE

The type of service provided under this schedule is single- and/or three-phase, at approximately 60 cycles and at the standard service voltage available at the Premises to be served.

SUMMER NON-SUMMER SEASONS

The summer season begins on June 1 of each year and ends on August 31 of each year. The non-summer season begins on September 1 of each year and ends on May 31 of each year.

MONTHLY CHARGE

The Monthly Charge is the sum of the Service Charge, the Energy Charge, and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Exactions), and Schedule 98 (Residential and Small Farm Energy Credit). (N)

	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month		
Single-Phase Service	\$ 6.55	\$ 6.55
Three-Phase Service	13.10	13.10

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 7
SMALL GENERAL SERVICE
(Continued)

MONTHLY CHARGE (Continued)

	<u>Summer</u>	<u>Non-Summer</u>
Energy Charge, per kWh		
0-300 kWh	4.4549¢	4.4549¢
Over 300 kWh	4.9449¢	4.4549¢
Power Supply Adjustment, per kWh	0.4116¢	0.4116¢

PAYMENT

(D)

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

SCHEDULE 9
LARGE GENERAL SERVICE
(Continued)

FACILITIES BEYOND THE POINT OF DELIVERY

At the option of the Company, transformers and other facilities installed beyond the Point of Delivery to provide Primary or Transmission Service may be owned, operated, and maintained by the Company in consideration of the Customer paying a Facilities Charge to the Company.

Company-owned Facilities Beyond the Point of Delivery will be set forth in a Distribution Facilities Investment Report provided to the Customer. As the company's investment in Facilities Beyond the Point of Delivery changes in order to provide the Customer's service requirements, the Company shall notify the Customer of the additions and/or deletions of facilities by forwarding to the Customer a revised Distribution Facilities Investment Report.

In the event the Customer requests the Company to remove or reinstall or change Company-owned Facilities Beyond the Point of Delivery, the Customer shall pay to the Company the "non-salvable cost" of such removal, reinstallation or change. Non-salvable cost as used herein is comprised of the total original costs of materials, labor and overheads of the facilities, less the difference between the salvable cost of material removed and removal labor cost including appropriate overhead costs.

POWER FACTOR

Where the Customer's Power Factor is less than 85 percent, as determined by measurement under actual load conditions, the Company may adjust the kW measured to determine the Billing Demand by multiplying the measured kW by 85 percent and dividing by the actual Power Factor. Effective September 1, 2005, where the Customer's Power Factor is less than 90 percent, as determined by measurement under actual load conditions, the Company may adjust the kW measured to determine the Billing Demand by multiplying the measured kW by 90 percent and dividing by the actual Power Factor.

SUMMER AND NON-SUMMER SEASONS

The summer season begins on June 1 of each year and ends on August 31 of each year. The non-summer season begins on September 1 of each year and ends on May 31 of each year.

MONTHLY CHARGE

The Monthly Charge is the sum of the Service Charge, the Energy Charge, and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Exactions), and Schedule 98 (Residential and Small Farm Energy Credit). (N)

<u>SECONDARY SERVICE</u>	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month		
Single Phase Service	\$ 8.50	\$ 8.50
Three Phase Service	15.00	15.00
Basic Charge, per kW of		
Basic Load Capacity	\$ 0.38	\$ 0.38

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 9
LARGE GENERAL SERVICE
 (Continued)

<u>SECONDARY SERVICE</u> (Continued)	<u>Summer</u>	<u>Non-Summer</u>
Demand Charge, per kW of Billing Demand	\$ 4.51	\$ 4.12
Energy Charge, per kWh	3.2306¢	2.9232¢
Power Supply Adjustment, per kWh	0.4116¢	0.4116¢
<u>Facilities Charge</u> None		
		(D)
<u>PRIMARY SERVICE</u>	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month	\$125.00	\$125.00
Basic Charge, per kW of Basic Load Capacity	\$ 0.78	\$ 0.78
Demand Charge, per kW of Billing Demand	\$ 4.26	\$ 3.86
Energy Charge, per kWh	2.2917¢	2.0646¢
Power Supply Adjustment	0.4116¢	0.4116¢
<u>Facilities Charge</u> The Company's investment in Company-owned Facilities Beyond the Point of Delivery times 1.7 percent.		
		(D)
<u>TRANSMISSION SERVICE</u>	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month	\$125.00	\$125.00
Basic Charge, per kW of Basic Load Capacity	\$ 0.41	\$ 0.41
Demand Charge, per kW of Billing Demand	\$ 4.12	\$ 3.74

Issued by IDAHO POWER COMPANY
 By John R. Gale, Vice President, Regulatory Affairs
 1221 West Idaho Street, Boise, Idaho

Advice No. 08-01

OREGON
 Issued: March 24, 2008
 Effective with Service
 rendered on and after:
 June 1, 2008

SCHEDULE 9
LARGE GENERAL SERVICE
 (Continued)

TRANSMISSION SERVICE (Continued)

	<u>Summer</u>	<u>Non-Summer</u>
Energy Charge, per kWh	2.2406¢	2.0186¢
Power Supply Adjustment	0.4116¢	0.4116¢

Facilities Charge

The Company's investment in Company-owned Facilities Beyond the Point of Delivery times 1.7 percent.

(D)

PAYMENT

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

SCHEDULE 15
DUSK TO DAWN CUSTOMER LIGHTING
 (Continued)

MONTHLY CHARGES

The Monthly Charge is the sum of the per Unit Charge and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), and Schedule 95 (Adjustment for Municipal Exactions). (N)

1. Monthly per unit charge on existing facilities:

AREA LIGHTING

<u>High Pressure Sodium Vapor</u>	<u>Average Lumens</u>	<u>Monthly Base Rate</u>	<u>Power Supply Adjustment</u>
100 Watt	8,550	\$ 9.27	\$ 0.14
200 Watt	19,800	\$15.03	\$ 0.28
400 Watt	45,000	\$24.02	\$ 0.56

FLOOD LIGHTING

<u>High Pressure Sodium Vapor</u>	<u>Average Lumens</u>	<u>Monthly Base Rate</u>	<u>Power Supply Adjustment</u>
200 Watt	19,800	\$18.31	\$ 0.28
400 Watt	45,000	27.32	0.56
<u>Metal Halide</u>			
400 Watt	28,800	\$30.58	\$ 0.56
1,000 Watt	88,000	55.87	1.41

2. For New Facilities Installed Before August 8, 2005. The Monthly Charge for New Facilities installed, prior to August 8, 2005 such as overhead secondary conductor, poles, anchors, etc., shall be 1.75 percent of the estimated installed cost thereof.

3. For New Facilities Installed On or After August 8, 2005: The non-refundable charge for New Facilities to be installed, such as underground service, overhead secondary conductor, poles, anchors, etc., shall be equal to the work order cost.

PAYMENT

The monthly bill for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

Issued by IDAHO POWER COMPANY
 By John R. Gale, Vice President, Regulatory Affairs
 1221 West Idaho Street, Boise, Idaho

Advice No. 08-01

OREGON
 Issued: March 24, 2008
 Effective with Service
 rendered on and after:
 June 1, 2008

SCHEDULE 19
LARGE POWER SERVICE
(Continued)

POWER FACTOR ADJUSTMENT

Where the Customer's Power Factor is less than 85 percent, as determined by measurement under actual load conditions, the Company may adjust the kW measured to determine the Billing Demand by multiplying the measured kW by 85 percent and dividing by the actual Power Factor. Effective September 1, 2005, where the Customer's Power Factor is less than 90 percent, as determined by measurement under actual load conditions, the Company may adjust the kW measured to determine the Billing Demand by multiplying the measured kW by 90 percent and dividing by the actual Power Factor.

TEMPORARY SUSPENSION

When a Customer has properly invoked Rule G, Temporary Suspension of Demand, the Basic Load Capacity, the Billing Demand, and the On-Peak Billing Demand shall be prorated based on the period of such suspension in accordance with Rule G. In the event the Customer's metered demand is less than 1,000 kW during the period of such suspension, the Basic Load Capacity and Billing Demand will be set equal to 1,000 kW for purposes of determining the Customer's monthly Minimum Charge.

MONTHLY CHARGE

The Monthly Charge is the sum of the Service Charge, the Energy Charge, and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Exactions), and Schedule 98 (Residential and Small Farm Energy Credit). (N)

<u>SECONDARY SERVICE</u>	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month	\$125.00	\$125.00
Basic Charge, per kW of Basic Load Capacity	\$ 0.38	\$0.38
Demand Charge, per kW of Billing Demand	\$ 4.01	\$ 3.96
On-Peak Demand Charge, per kW of On-Peak Billing Demand	\$ 0.36	n/a
Energy Charge, per kWh		
On-Peak	3.3657¢	n/a
Mid-Peak	3.1978¢	3.1187¢
Off-Peak	2.9805¢	2.7836¢
Power Supply Adjustment*, per kWh	0.4116¢	0.4116¢

* A Customer who prepays the Power Supply Adjustment amount pursuant to ORS 757.259(11) shall not be subject to the Power Supply Adjustment rates.

Facilities Charge

None

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

Advice No. 08-01

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 19
LARGE POWER SERVICE
 (Continued)

MONTHLY CHARGE (Continued)

(D)

<u>PRIMARY SERVICE</u>	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month	\$125.00	\$125.00
Basic Charge, per kW of Basic Load Capacity	\$ 0.78	\$ 0.78
Demand Charge, per kW of Billing Demand	\$ 3.90	\$ 3.86
On-Peak Demand Charge, per kW of On-Peak Billing Demand	\$ 0.36	n/a
Energy Charge, per kWh		
On-Peak	2.4567¢	n/a
Mid-Peak	2.2175¢	2.0530¢
Off-Peak	2.0667¢	1.9587¢
Power Supply Adjustment*, per kWh	0.4116¢	0.4116¢

* A Customer who prepays the Power Supply Adjustment amount pursuant to ORS 757.259(11) shall not be subject to the Power Supply Adjustment rates.

Facilities Charge

The Company's investment in Company-owned Facilities Beyond the Point of Delivery times 1.7 percent.

(D)

SCHEDULE 19
LARGE POWER SERVICE
(Continued)

MONTHLY CHARGE (Continued)

<u>TRANSMISSION SERVICE</u>	<u>Summer</u>	<u>Non-Summer</u>
Service Charge, per month	\$125.00	\$125.00
Basic Charge, per kW of Basic Load Capacity	\$ 0.41	\$ 0.41
Demand Charge, per kW of Billing Demand	\$ 3.52	\$ 3.76
On-Peak Demand Charge, per kW of On-Peak Demand	\$ 0.36	n/a
Energy Charge, per kWh		
On-Peak	2.4131¢	n/a
Mid-Peak	2.1780¢	2.0092¢
Off-Peak	2.0300¢	1.9169¢
Power Supply Adjustment*, per kWh	0.4116¢	0.4116¢

* A Customer who prepays the Power Supply Adjustment amount pursuant to ORS 757.259(11) shall not be subject to the Power Supply Adjustment rates.

Facilities Charge

The Company's investment in Company-owned Facilities Beyond the Point of Delivery times 1.7 percent.

(D)

PAYMENT

The monthly bill for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

SCHEDULE 24
AGRICULTURAL IRRIGATION SERVICE
 (Continued)

MONTHLY CHARGE

The Monthly Charge is the sum of the Service Charge, the Energy Charge, and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), Schedule 95 (Adjustment for Municipal Exactions), and Schedule 98 (Residential and Small Farm Energy Credit). (N)

<u>SECONDARY SERVICE</u>	<u>In-Season</u>	<u>Out-of-Season</u>
Service Charge, per month	\$12.00	\$ 3.00
Demand Charge, per kW of Billing Demand	\$ 4.55	\$0.80
Energy Charge, per kWh	2.8375¢	2.8375¢
Power Supply Adjustment, per kWh	0.4116¢	0.4116¢

Facilities Charge

None

(D)

<u>TRANSMISSION SERVICE</u>	<u>In-Season</u>	<u>Out-of-Season</u>
Service Charge, per month	\$102.00	\$ 3.00
Demand Charge, per kW of Billing Demand	\$ 4.30	\$ 0.76
Energy Charge, per kWh	2.6969¢	2.6969¢
Power Supply Adjustment, per kWh	0.4116¢	0.4116¢

Facilities Charge

The Company's investment in Company-owned Facilities Beyond the Point of Delivery times 1.7 percent.

(D)

SCHEDULE 40
UNMETERED GENERAL SERVICE

AVAILABILITY

Service under this schedule is available at points on the Company's interconnected system within the State of Oregon where existing secondary distribution facilities of adequate capacity, phase and voltage are available adjacent to the Customer's Premises and the only investment required by the Company is an overhead service drop.

APPLICABILITY

Service under this schedule applies to Electric Service for the Customer's single- or multiple-unit loads up to 1,800 watts per unit where the size of the load and period of operation are fixed and, as a result, actual usage can be accurately determined. Service may include, but is not limited to, street and highway lighting, security lighting, telephone booths and CATV power supplies which serve line amplifiers. Equipment or loads constructed or operated in such a way as to allow for the potential or actual variation in energy use are not eligible for service under this schedule. Facilities to supply service under this schedule shall be installed so that service cannot be extended to the Customer's loads served under other schedules. Service under this schedule is not applicable to shared or temporary service, or to the Customer's loads on Premises which have metered service.

SPECIAL TERMS AND CONDITIONS

The Customer shall pay for all Company investment, except the overhead service drop, required to provide service requested by the Customer. The Customer is responsible for installing, owning and maintaining all equipment, including necessary underground circuitry and related facilities to connect with the Company's facilities at the Company designated Point of Delivery. If the Customer's equipment is not properly maintained, service to the specific equipment will be terminated.

Energy used by CATV power supplies which serve line amplifiers will be determined by the power supply manufacturer's nameplate input rating assuming continuous operation.

The Customer is responsible for notifying the Company of any changes or additions to the equipment or loads being served under this schedule. Failure to notify the Company of such changes or additions will result in the termination of service under this schedule and the requirement that service be provided under one of the Company's metered service schedules.

If the Customer modifies existing equipment being served under this schedule in a way that allows for the potential or actual variation in energy usage or installs additional equipment that allows for the potential or actual variation in energy usage, service under this schedule will be terminated and the Customer will be required to receive service under one of the Company's metered service schedules.

The Company is only responsible for supplying energy to the Point of Delivery and, at its expense, may check energy consumption at any time.

MONTHLY CHARGE

The average monthly kWh of energy usage shall be estimated by the Company, based on the Customer's electric equipment and one-twelfth of the annual hours of operation thereof. Since the service provided is unmetered, failure of the Customer's equipment will not be reason for a reduction in the Monthly Charge. The Monthly Charge shall be computed at the following rate and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), and Schedule 95 (Adjustment for Municipal Exactions). (N)
|
(N)

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 40
UNMETERED GENERAL SERVICEMONTHLY CHARGE (Continued)

Energy Charge, per kWh	5.2410¢
Power Supply Adjustment, per kWh	0.4116¢
Minimum Charge, per month	\$ 1.50

(D)

PAYMENT

The monthly bill for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

**SCHEDULE 41
STREET LIGHTING
SERVICE
(Continued)**

ACCELERATED REPLACEMENT OF EXISTING FIXTURES (Continued)

1. The actual labor, time, and mileage costs incurred by the Company for the removal of the existing street lighting fixtures.

2. \$65.00 per fixture removed from service.

The total charges identified in 1 and 2 above must be paid prior to the beginning of the fixture replacement and are non-refundable. The accelerated replacement will be performed by the Company during the regularly scheduled working hours of the Company and on the Company's schedule.

MONTHLY CHARGES

The Monthly Charge is the sum of the Monthly Lamp or Base Rate and the Power Supply Adjustment at the following rates, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), and Schedule 95 (Adjustment for Municipal Exactions). (N)

Non-Metered Service, per lamp

High Pressure Sodium Vapor	Average Lumens	Monthly Base Rate	Power Supply Adjustment
70 Watt	5,540	\$ 6.63	\$ 0.10
100 Watt	8,550	\$ 6.58	\$ 0.14
200 Watt	19,800	\$ 8.04	\$ 0.28
250 Watt	24,750	\$ 8.94	\$ 0.35
400 Watt	45,000	\$11.26	\$ 0.56

Metered Service

Lamp Charge, per lamp

High Pressure Sodium Vapor	
70 Watt	\$ 5.45
100 Watt	5.22
200 Watt	5.32
250 Watt	5.50
400 Watt	5.78

Meter Charge, per meter 8.00

Energy Charge, per kWh 4.0000¢

Power Supply Adjustment 0.4116¢

ADDITIONAL MONTHLY RATE

For Company-owned poles required to be used for street lighting only:

Wood pole	\$1.90 per pole
Steel pole	\$7.39 per pole

Facilities Charges. Customers assessed a monthly facilities charge prior to August 8, 2005 for the installation of underground circuits will continue to be assessed a monthly facilities charge equal to 1.75 percent of the estimated cost difference between overhead and underground circuits.

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 41
STREET LIGHTING
SERVICE
(Continued)

"B" - CUSTOMER-OWNED SYSTEM

The Customer's lighting system, including posts or standards, fixtures, initial installation of lamps and underground cables with suitable terminals for connection to the Company's distribution system, is installed and owned by the Customer.

Service supplied by the Company includes operation of the system, energy, lamp renewals, cleaning of glassware, and replacement of defective photocells which are standard to the Company-owned street light units. Service does not include the labor or material cost of replacing cables, standards, broken glassware or fixtures, or painting or refinishing of metal poles.

Customer-owned systems constructed, operated, or modified in such a way as to allow for the potential or actual variation in energy usage, such as through, but not limited to, the use of wired outlets or useable plug-ins, are required to be metered in order to record actual energy usage.

MONTHLY CHARGES

Non-Metered Service, per lamp

<u>High Pressure Sodium Vapor</u>	<u>Average Lumens</u>	<u>Monthly Base Rate</u>	<u>Power Supply Adjustment</u>
70 Watt	5,540	\$3.51	\$0.10
100 Watt	8,550	\$3.68	\$0.14
200 Watt	19,800	\$5.15	\$0.28
250 Watt	24,750	\$6.04	\$0.35
400 Watt	45,000	\$8.36	\$0.56

Metered Service

Lamp Charge, per lamp

<u>High Pressure Sodium Vapor</u>	
70 Watt	\$ 2.55
100 Watt	2.32
200 Watt	2.43
250 Watt	2.60
400 Watt	2.88

Meter Charge, per meter \$ 8.00

Energy Charge, per kWh 4.0000¢

Power Supply Adjustment, per kWh 0.4116¢

PAYMENT

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 42
TRAFFIC CONTROL SIGNAL
LIGHTING SERVICE

APPLICABILITY

Service under this schedule is applicable to Electric Service required for the operation of traffic control signal lights within the State of Oregon. Traffic control signal lamps are mounted on posts or standards by means of brackets, mast arms, or cable.

CHARACTER OF SERVICE

The traffic control signal fixtures, including posts or standards, brackets, mast arm, cable, lamps, control mechanisms, fixtures, service cable, and conduit to the point of, and with suitable terminals for, connection to the Company's underground or overhead distribution system, are installed, owned, maintained and operated by the Customer. Service is limited to the supply of energy only for the operation of traffic control signal lights.

The installation of a meter to record actual energy consumption is required for all new traffic control signal lighting systems installed on or after August 8, 2005. For traffic control signal lighting systems installed prior to August 8, 2005 a meter may be installed to record actual usage upon the mutual consent of the Customer and the Company.

MONTHLY CHARGES

The monthly kWh of energy usage shall be either the amount estimated by the Company based on the number and size of lamps burning simultaneously in each signal and the average number of hours per day the signal is operated, or the actual meter reading as applicable, and may also include charges as set forth in Schedule 55 (Annual Power Cost Update), Schedule 91 (Energy Efficiency Rider), and Schedule 95 (Adjustment for Municipal Exactions). (N)

Energy Charge, per kWh	3.8500¢
Power Supply Adjustment, per kWh	0.4116¢

PAYMENT

The monthly bill rendered for service supplied hereunder is payable upon receipt, and becomes past due 15 days from the date on which rendered.

Issued by IDAHO POWER COMPANY
By John R. Gale, Vice President, Regulatory Affairs
1221 West Idaho Street, Boise, Idaho

Advice No. 08-01

OREGON
Issued: March 24, 2008
Effective with Service
rendered on and after:
June 1, 2008

SCHEDULE 55
ANNUAL POWER COST UPDATE

PURPOSE

The purpose of this adjustment schedule is to define procedures for annual rate revisions due to changes in the Company's projected Net Power Supply Expense. This schedule is an "automatic adjustment clause" as defined in ORS 757.210(1). The Annual Power Cost Update (APCU) will be comprised of two components: an October Power Cost Update ("October Update") and a March Power Cost Forecast ("March Forecast").

APPLICABILITY

This schedule is applicable to all electric energy delivered to Customers served under Schedules 1, 7, 9, 15, 19, 24, 40, 41 and 42.

NET POWER SUPPLY EXPENSE

Net Power Supply Expense (NPSE) includes the amounts booked to FERC Accounts 501 (Fuel-Coal), 547 (Fuel-Gas), 555 (Purchased Power), and 447 (Sales for Resale).

RATES

This adjustment rate is subject to increases or decreases, which may be made without prior hearing, to reflect increases or decreases, or both, in NPSE.

APCU – OCTOBER UPDATE

The October Update filing, which will be based on a test period of the following April through March ("April through March Test Period"), will reflect a normalized look, on a system-wide basis, at the Company's NPSE. A normalized look means the October Update will incorporate data reflecting normal loads and average costs associated with multiple stream flow conditions.

The following variables are updated for each October Update:

- Fuel prices and transportation costs;
- Wheeling expenses;
- Planned outages and forced outage rates;
- Heat rates;
- Forecast of Normalized Sales and Normalized Load determined in accordance with the methodology employed in the most recently acknowledged Integrated Resource Plan ("IRP");
- Contracts for wholesale power and power purchases and sales;
- PURPA contract expenses;
- The Oregon state allocation factor; and
- The average forward electric price curve calculated from the previous October through September daily Mid-Columbia heavy load and light load forward price curves for the period April through March immediately following the April through March Test Period, adjusted for inflation back one year.

SCHEDULE 55
ANNUAL POWER COST UPDATE
(Continued)

APCU – OCTOBER UPDATE (Continued)

The output of the Company's power supply model will be used to determine the net power supply average dispatch for normal loads and an average of stream flow conditions. The volume of purchased power and surplus sales determined from the output of the Company's power supply model normalized run will be re-priced using the average forward price curve modified in the following manner:

Purchased Power

- Heavy Load – 3.9% above average Mid-C HL prices
- Light Load – 7.1% above average Mid-C LL prices

Surplus Sales

- Heavy Load – 3.6% below average Mid-C HL prices
- Light Load – 6.6% below average Mid-C LL prices

The October Update Rate for power supply expense will be the Base Power Costs divided by Normalized Sales. Base Power Costs are the total power supply expense dollars determined by the procedures described above.

APCU – MARCH FORECAST

The March Forecast filing will reflect the Company's estimate of expected power supply expenses for April through March Test Period, allowing for the most recent updates to the following variables:

- Fuel prices and transportation costs;
- Wheeling expenses;
- Planned outages and forced outage rates;
- Heat rates;
- Forecast of Normalized Sales and Normalized Loads, updated only for known significant changes since the October Annual Power Cost Update filing;
- Forecast hydro generation from stream flow conditions using the most recent water supply forecast from the Northwest River Forecast Center in Portland, Oregon, and current reservoir levels;
- Contracts for wholesale power and power purchases and sales;
- PURPA contract expenses;
- The Oregon state allocation factor; and
- The most recent monthly forward price curve, as of the date of the filing, for the April through March Test Period.

The output of a single water condition run of the Company's power supply model for the April through March Test Period, with updated stream flow conditions and reservoir levels, will be used to determine the March Forecast of NPSE. The volume of purchased power and surplus sales will be re-priced using the most recent monthly forward price curve, with heavy load and light load mid-Columbia prices modified in the following manner:

Purchased Power

- Heavy Load – 3.9% above average Mid-C HL prices
- Light Load – 7.1% above average Mid-C LL prices

SCHEDULE 55
ANNUAL POWER COST UPDATE
 (Continued)

APCU – MARCH FORECAST (Continued)Surplus Sales

- Heavy Load – 3.6% below average Mid-C HL prices
- Light Load – 6.6% below average Mid-C LL prices

The March Forecast Rate for power supply expense will be the Forecast Power Costs determined by the procedures described above, divided by the Forecast Normalized Sales

CHANGES IN NET POWER SUPPLY EXPENSE

Changes in NPSE are defined as the projected per unit change in NPSE from the per unit NPSE used to develop the Energy Charge for the applicable rate schedules. Unit NPSE are defined as the total NPSE divided by Normalized Sales for the April through March Test Period.

FILING AND EFFECTIVE DATE

In October of each year, the Company will file its October Update with an effective date of June 1 of the following year.

In March of each year the Company will file its March Forecast with an effective date of June 1 following the filing.

RATE ADJUSTMENT

The Sales Adjusted Forecast Power Cost Change is the March Forecast Rate less the October Update Rate, the result multiplied by the Forecast Sales.

The Forecast Change Allowed is 95% of the Sales Adjusted Forecast Power Cost Change.

The March Forecast Rate Adjustment is the Forecast Change Allowed divided by Forecast Sales.

The Combined Rate is the sum of the October Update Rate and the March Forecast Rate Adjustment.

The rate adjustment is the difference between the Combined Rate and the current base rate. The rate adjustment is applied to each of the schedules on an equal cents per kWh basis.

ADJUSTMENT RATES

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	0.6750
7	Small General Service	0.6750
9	Large Power Service	0.6750
15	Dusk to Dawn Lighting	0.6750
19	Large Power Service	0.6750
24	Irrigation Service	0.6750
40	Unmetered General Service	0.6750
41	Municipal Street Lighting	0.6750
42	Traffic control Lighting	0.6750

Issued By IDAHO POWER COMPANY
 By John R. Gale, Vice President, Regulatory Affairs
 1221 West Idaho Street, Boise, Idaho

Advice No. 08-01

OREGON
 Issued: March 24, 2008
 Effective with service
 rendered on and after:
 June 1, 2008

SCHEDULE 56
POWER COST ADJUSTMENT MECHANISM

PURPOSE

To recognize in rates part of the difference between actual net power supply expenses incurred for the preceding January through December period and the net power supply expenses recovered through Schedule 55 for that same period. This schedule is an "automatic adjustment clause" as defined in ORS 757.210.

APPLICABILITY

This schedule is applicable to all electric energy delivered to Customers served under Schedules 1, 7, 9, 15, 19, 24, 40, 41 and 42.

ANNUAL POWER COST ADJUSTMENT (PCA)

Subject to the Earnings Test, the PCA is 90% of the amount that the Oregon Allocated Power Cost Deviation is above or below the Power Supply Expense Deadband.

ANNUAL POWER SUPPLY EXPENSE TRUE-UP BALANCING ACCOUNT (TRUE-UP BALANCING ACCOUNT)

The True-Up Balancing Account is a Company account where the PCA will be added at the end of each 12-month period ending December, along with 50 percent of the annual interest calculated at the Company's authorized cost of capital. Interest will accrue on the True-Up Balancing Account at the Commission-authorized rate for deferred accounts.

EARNINGS TEST

Before any PCA amount is approved for inclusion in the True-Up Balancing Account for subsequent recovery or refund in rates, the Commission will apply an Earnings Test.

If the Company's earnings are within plus or minus 100 basis points of its authorized ROE, as measured from an Oregon Results of Operations report for the twelve months ended December 31 of the previous year, excluding amounts that would be added to the True-Up Balancing Account, no PCA amounts will be added to the True-Up Balancing Account for that year.

If the Company's current earnings are more than 100 basis points below its authorized ROE (Oregon basis), the Company will be allowed to add the PCA amount to the True-Up Balancing Account, up to an earnings level that is 100 basis points less than its authorized ROE.

If the Company's earnings are more than 100 basis points above its authorized ROE (Oregon basis), it will be required to include the PCA amount in the True-Up Balancing Account as a credit, down to the authorized ROE plus 100 basis points threshold.

DEFINITIONS

Actual Net Power Supply Expenses (Actual NPSE)

Actual NPSE is determined on a system-wide basis and includes the amounts booked to FERC Accounts 501 (Fuel-Coal), 547 (Fuel-Gas), 555 (Purchased Power), and 447 (Sales for Resale).

SCHEDULE 56
POWER COST ADJUSTMENT MECHANISM
(Continued)

DEFINITIONS (Continued)Actual Sales

Actual Sales is the amount of energy required to meet customer demand, as measured at the customers' meters.

Actual Unit Cost

The Actual Unit Cost for net power supply expenses incurred is the total Actual NPSE incurred divided by Actual Sales.

Combined Rate

The Combined Rate is the sum of the October Update Rate and the March Forecast Rate Adjustment, as determined by the Annual Power Cost Update, Schedule 55.

Normalized Sales

Normalized Sales is a forecast of the amount of energy required to meet customer demand, as measured at the customers' meters, determined in accordance with the methodology employed in the Company's most recently acknowledged Integrated Resource Plan ("IRP").

Oregon Allocated Power Cost Deviation

The Oregon Allocated Power Cost Deviation is the annual deviation between the Combined Rate and the Actual Unit Cost times the Actual Sales, multiplied by the current Oregon allocation factor.

Power Supply Expense Deadband

A Power Supply Expense Deadband (Deadband) based upon the Company's authorized ROE from its last general rate case and using the rate base measured on an Oregon basis from the most recent Oregon Results of Operations report (Oregon basis), is applied to the Oregon Allocated Power Cost Deviation as follows:

1. A positive deviation (Actual NPSE greater than those recovered through the Combined Rate) constitutes an excess power supply expense. This expense is first reduced by a deadband that is the dollar equivalent of 250 basis points of ROE (Oregon basis).
2. A negative deviation (Actual NPSE less than those recovered through the Combined Rate) is a power supply expense savings. This savings is reduced by a deadband that is the dollar equivalent of 125 basis points of ROE (Oregon basis).

SCHEDULE 56
POWER COST ADJUSTMENT MECHANISM
 (Continued)

ANNUAL POWER SUPPLY EXPENSE TRUE-UP

The Annual Power Supply Expense True-Up is a unit cost rate calculated as the excess power supply expense or savings in the True-Up Balancing Account, divided by the forecast of Normalized Sales for the upcoming April through March period, divided by the Oregon allocation factor.

TIME OF FILING

In February of each year, beginning in February of 2009, the Company will file the Annual Power Supply Expense True-Up which will implement the Power Cost Adjustment Mechanism. This filing will calculate the deviation between actual net power supply expenses incurred for the preceding January through December period and the net power supply expenses recovered through the Combined Rate for that same period. For the purposes of the true-up, power costs are first calculated on a total system basis and then allocated to Oregon based on the allocation factor.

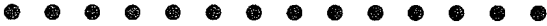
TRUE-UP RATES

The True-Up Rates (Annual Power Supply Expense True-Up) will be determined on an equal cents per kWh basis. The True-Up Rates are:

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	0.0000
7	Small General Service	0.0000
9	Large Power Service	0.0000
15	Dusk to Dawn Lighting	0.0000
19	Large Power Service	0.0000
24	Irrigation Service	0.0000
40	Unmetered General Service	0.0000
41	Municipal Street Lighting	0.0000
42	Traffic control Lighting	0.0000

ATTACHMENT B

McDowell & Rackner PC



WENDY L. MCINDOO
Direct (503) 595-3922
wendy@mcd-law.com

April 30, 2008

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: Docket No. UE 195

Enclosed for filing in the above-referenced docket are an original and one copy of Idaho Power Company's Affidavits of Publication for the Baker City Herald and the Argus Observer.

A copy of this filing has been served on all parties to this proceeding as indicated on the attached certificate of service.

Very truly yours,

A handwritten signature in cursive script that reads "Wendy L. McIndoo".

Wendy L. McIndoo

cc: Service List

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in UE 195 on the following named person(s) on the date indicated below by email and first-class mail addressed to said person(s) at his or her last-known address(es) indicated below.

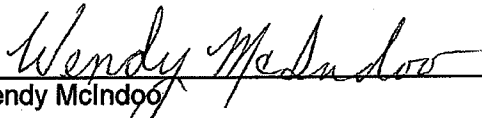
Stephanie S. Andrus
Department of Justice
Regulated Utility & Business Section
1162 Court St NE
Salem, OR 97301-4096
stephanie.andrus@state.or.us

Lowrey R. Brown
Citizens' Utility Board of Oregon
lowrey@oregoncub.org

Bob Jenks
Citizens' Utility Board of Oregon
bob@oregoncub.org

Jason Eisdorfer
Citizens' Utility Board of Oregon
jason@oregoncub.org

DATED: April 30, 2008.



Wendy McIndoo
Legal Assistant

Baker City Herald

www.bakercityherald.com

541-523-3673 - 1915 First St. - Baker City, Oregon 97814 - fax: 541-523-6426

Affidavit of Publication

STATE OF OREGON, COUNTY OF BAKER

I, **Rachel Looney**, a citizen of the United States and a resident of the county aforesaid; I am over the age of eighteen years, and not party to or interested in the below-entitled matter. I am the principal clerk of the printer of the Baker City Herald a daily newspaper of general circulation, published in the aforesaid county and state as defined by ORS 193.010 and ORS 193.020, that

Acct. Name: Idaho Power

Ticket No.: 56618

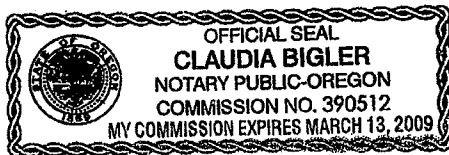
Legal Description: Notice of Proposed Rate Change

a printed copy of which is hereto affixed was published in each regular and entire issue of the said newspaper and not in any supplement thereof on the following dates, to wit:

April 8, 2008

I certify (or declare) under penalty of perjury that the foregoing is true and correct.

Dated at Baker City, Oregon, this 11 day of April, 2008.



Rachel Looney

Claudia Bigler

Notary Public of Oregon



Notice Of Proposed Rate Change

On March 24, 2008, Idaho Power filed with the Public Utility Commission of Oregon the second part of its three-part Power Cost Adjustment mechanism for its customers in Oregon.

The Power Cost Adjustment mechanism would affect the electricity rates paid by Oregon customers in the following ways:

1. Provides for an annual adjustment associated with normal power supply costs;
2. Provides for an annual adjustment associated with anticipated actual power supply costs;
3. Provides for an annual true-up adjustment reflecting the difference between actual and projected power supply costs.

The company has now filed the second element of this Power Cost Adjustment mechanism reflecting the company's forecast of actual power costs for the coming year. If approved this change would result in an overall 15.69 percent increase (\$4.8 million) in rates. The proposed rate change is expected to take effect on June 1, 2008. If approved it would result in a monthly change for the average residential customer using 1,200 kilowatt-hours of electricity, from \$63.84 to \$71.94 or a difference of \$8.10. This represents a 12.69 percent increase for the average residential customer.

Idaho Power's request is a continuation of the proposal filed on August 17, 2007 and updated on October 29, 2007. It is only a proposal and has not been approved by the Public Utility Commission of Oregon. This notice is intended to provide the company's Oregon customers knowledge of the proposed change and its impacts. The calculations and statements contained within this notice are not binding on the Public Utility Commission of Oregon.

Copies of testimony and exhibits are located on the company's Web site www.idahopower.com/about_us/regulatoryinfo/filings.asp, at the company's Payette Operations Center and at the Idaho Power Corporate Headquarters.

For more information contact:

Idaho Power
Payette Operations Center
1550 South Main Street
Payette ID 83661

Idaho Power Corporate Headquarters
PO Box 70
Boise ID 83707
1-800-488-6151

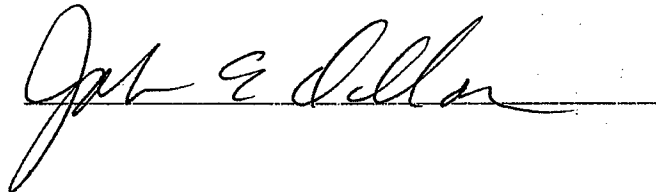
Public Utility Commission of Oregon
550 Capitol St. NE #215
PO Box 2148
Salem OR 97308-2148
1-800-522-2404
puc.commission@state.or.us

04-11-08 P03:25 IN

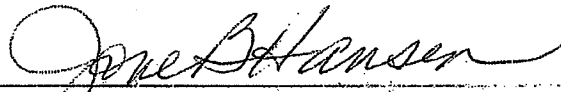
AFFIDAVIT OF PUBLICATION

IDAHO POWER

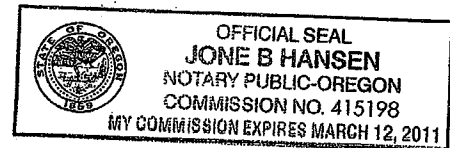
I, John E. Dillon, being first duly sworn, depose and say that I am the Advertising Director of the Argus Observer, a newspaper of general circulation as defined by Sections 1-509, 1-510, Oregon Code, printed and published at the City of Ontario in the County of Malheur, the state of Oregon; that 1 insertion of the above named ad did run in said newspaper on date of April 8, A.D. 2008.



Subscribed and sworn to before me this 8th day of April, A.D. 2008.



Notary Public for the State of Oregon



My commission expires March 12, 2011
Malheur County
State of Oregon

in Thompson's case, whether there are any other victims, and whether others participated in the alleged conspiracies.

Check out the Argus Observer every day for your Oregon news or go to www.argusobserver.com



Notice Of Proposed Rate Change

On March 24, 2008, Idaho Power filed with the Public Utility Commission of Oregon the second part of its three-part Power Cost Adjustment mechanism for its customers in Oregon.

The Power Cost Adjustment mechanism would affect the electricity rates paid by Oregon customers in the following ways:

1. Provides for an annual adjustment associated with normal power supply costs;
2. Provides for an annual adjustment associated with anticipated actual power supply costs;
3. Provides for an annual true-up adjustment reflecting the difference between actual and projected power supply costs.

The company has now filed the second element of this Power Cost Adjustment mechanism reflecting the company's forecast of actual power costs for the coming year. If approved this change would result in an overall 15.69 percent increase (\$4.8 million) in rates. The proposed rate change is expected to take effect on June 1, 2008. If approved it would result in a monthly change for the average residential customer using 1,200 kilowatt-hours of electricity, from \$63.84 to \$71.94 or a difference of \$8.10. This represents a 12.69 percent increase for the average residential customer.

Idaho Power's request is a continuation of the proposal filed on August 17, 2007 and updated on October 29, 2007. It is only a proposal and has not been approved by the Public Utility Commission of Oregon. This notice is intended to provide the company's Oregon customers knowledge of the proposed change and its impacts. The calculations and statements contained within this notice are not binding on the Public Utility Commission of Oregon.

Copies of testimony and exhibits are located on the company's Web site www.idahopower.com/aboutus/regulatoryinfo/filings.asp, at the company's Payette Operations Center and at the Idaho Power Corporate Headquarters.

For more information contact:

Idaho Power
Payette Operations Center
1550 South Main Street
Payette ID 83661

Idaho Power Corporate Headquarters
PO Box 70
Boise ID 83707
1-800-488-6151

Public Utility Commission of Oregon
550 Capitol St. NE #215
PO Box 2148
Salem OR 97308-2148
1-800-522-2404
puc.commission@state.or.us

ATTACHMENT C

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM _____

In The Matter of the Application of IDAHO
POWER COMPANY for a Deferred
Accounting Order for Excess Power Costs

**NOTICE OF APPLICATION
FOR DEFERRED ACCOUNTING**

On July 18, 2008, Idaho Power Company ("Idaho Power" or the "Company") filed a Motion for Clarification ("Motion") with the Public Utility Commission of Oregon (the "Commission"). Depending on the outcome of the Motion, that filing may constitute an application for authorization to use deferred accounting ("Application"). Pursuant to ORS 757.259, Idaho Power proposed to defer for later recovery the excess power costs incurred by the Company beginning on June 1, 2008.

The granting of this Application will not authorize a change in rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

Interested persons can obtain a copy of the Application by contacting:

Lisa Rackner
McDowell & Rackner PC
520 SW 6th Ave, Suite 830
Portland OR 97204
Telephone: 503-595-3922

////
////
////
////
////
////
////

1 Any person may submit to the Commission written comment on the Application, in
2 accordance with procedures prescribed by the Commission. The deadline for comments
3 on the Application is August 12, 2008.

4

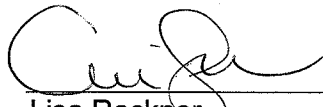
5 Dated: July 18, 2008.

6

MCDOWELL & RACKNER PC

7

8



9

Lisa Rackner
Amie Jamieson

10

IDAHO POWER COMPANY

11

Barton L. Kline
Senior Attorney
PO Box 70
Boise, ID 83707

12

13

14

Attorneys for Idaho Power Company

15

16

17

18

19

20

21

22

23

24

25

26