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January 5, 2017

**VIA ELECTRONIC FILING**

Attention: Filing Center  
Public Utility Commission of Oregon  
201 High Street SE, Suite 100  
P.O. Box 1088  
Salem, Oregon 97308-1088

Re: Docket No. UE 314  
2017 Annual Power Cost Update ("APCU") – **Corrected** Page 10 of the  
Direct Testimony of Nicole A. Blackwell

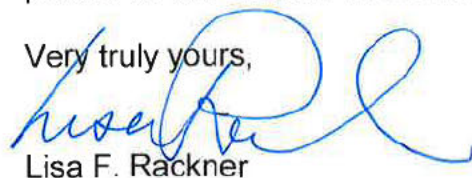
Dear Filing Center:

Attached for filing is Idaho Power Company's replacement page 10 to the Testimony of Nicole A. Blackwell. This replacement page corrects an error made on line 8 where the word "median" was used rather than the word "average". This section of Ms. Blackwell's testimony describes the natural gas pricing forecast for the 2017 APCU. As filed, line 8 states that the median natural gas price was selected for the pricing forecast which is incorrect. For the 2017 APCU, the average natural gas price was selected for the pricing forecast.

In order to reflect this change, attached is an electronic copy of **corrected** page 10 of Ms. Blackwell's testimony. A redlined copy of page 10 is also attached for reference and the Commission's convenience.

If you have any questions regarding the enclosed corrected page or this matter, please do not hesitate to contact me.

Very truly yours,



Lisa F. Rackner

LFR:  
Enclosures

1 therefore is no longer relevant. Additionally, NGX began posting the same  
2 settlements for the Henry Hub forward price curve as NYMEX. Since NYMEX owns  
3 the Henry Hub futures contract, the Company has determined it to be the most valid  
4 exchange to use for a market-based forecast for Henry Hub pricing. Including NGX  
5 in the forecast methodology would double weight the NYMEX data and skew the  
6 forecast gas price. Therefore, NGX was also removed from the forecast.

7 For the 2017 APCU, NYMEX, EIA and Moody's forecast data were included  
8 in the methodology and the average price was selected to determine a normalized  
9 gas price. In future filings, the Company will continue to monitor the NWPC  
10 forecast, and will consider including it in the gas price forecast determination if it has  
11 been appropriately updated.

12 PURPA Expense

13 **Q. Please describe any changes to PURPA generation since last year's October**  
14 **Update.**

15 A. Last year's October Update included 361 average megawatts ("aMW") of available  
16 PURPA generation, whereas PURPA generation included in the 2017 October  
17 Update is 352 aMW, a decrease of 9 aMW since last year's October Update.

18 **Q. What is driving the changes in PURPA generation since last year's October**  
19 **Update?**

20 A. The decrease in PURPA generation is primarily due to the termination of an Energy  
21 Sales Agreement between Idaho Power and Pocatello Solar 1, LLC. Termination of  
22 the project resulted in a decrease in forecast PURPA generation of 6.2 aMW.

23 **Q. How has the annual PURPA expense changed from last year's October**  
24 **Update?**

25 A. The annual PURPA expense has increased from \$208.9 million to \$218.1 million, an  
26 increase of \$9.2 million. Updated PURPA contract values drove the increase in

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