

e-FILING REPORT COVER SHEET

REPORT NAME: Electric Company New Construction Budget for 2012

COMPANY NAME: Idaho Power Company

DOES REPORT CONTAIN CONFIDENTIAL INFORMATION? No Yes

If yes, please submit only the cover letter electronically. Submit confidential information as directed OAR 860-001-0070 or the terms of an applicable protective order.

If known, please select designation: RE (Electric) RG (Gas) RW (Water)
 RO (Other)

Report is required by: OAR 860-027-0015
 Statute Enter Statute; e.g., ORS 757.135
 Order Enter Commission Order No.; e.g., 95-1335
 Other Enter reason; e.g., at Request of Lee Sparling

Is this report associated with a specific docket/case? No Yes
If Yes, enter docket number: Enter docket number; e.g.; UM 1484

Key words: List applicable keywords for this report to facilitate electronic search

If known, please select the PUC Section to which the report should be directed:

- Corporate Analysis and Water Regulation
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- Electric Rates and Planning
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ELECTRIC COMPANY NEW CONSTRUCTION BUDGET FOR 2012

GENERAL INSTRUCTIONS

1. Each energy utility operating within the State of Oregon and having gross operating revenues of \$50,00 or more per year is required to file a New Construction Budget annually on or before December 31st and report information on new construction, extension, and new additions to property of the utility in accordance with Oregon Administrative Rule 860-027-0015.
2. The New Construction Budget Report should be completed and filed with the Public Utility Commission of Oregon Filing Center. Complete the e-Filing Report Cover Sheet found at http://egov.oregon.gov/PUC/eFiling/eReports/efiling_report_cover_sheet.docx. Email both the report and the cover sheet to PUC.FilingCenter@state.or.us, not later than December 31st of the year preceding that for which the budget is made.

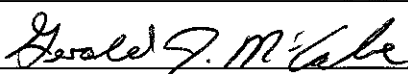
PROJECT NARRATIVE

For major projects (the three largest projects in terms of cost and all projects greater than \$10 million) a narrative supplying the following information is required:

1. Project Description: Include a brief technical specification of the project, ownership, if jointly owned, operating date, stage of construction, and other relevant information.
2. Need for the Project: Attach all prepared information documenting the need for the project, including the specific need the project is intended to fill. Economic comparisons with alternatives are to be attached. All the underlying assumptions of the economic analyses are to be specified.
3. Contingencies: Attach a listing of existing or potential future problems which might impact the final cost or successful completion and operation of the project, such as licensing problems, labor difficulties, litigation, etc.
4. Reconciliation with Prior Budget: Each successive year's budget can be expected to reflect differing estimates of project costs as the project progresses. For each major project, prepare a reconciliation with the prior budget's estimates and provide specific reasons for the changes.

In addition, please attach copies of prepared documentation or plans describing generation transmission, and general plant projects exceeding \$1,000,000 in total cost and for which construction will commence in the budget year. Information submitted should contain:

1. A Brief Project Description: Include the project function (e.g., production, transmission, distribution, general plant, thermal, hydro, or other), project identification.
2. Location: Include a starting and ending date.
3. Total budgeted cost.

FULL NAME OF ELECTRIC COMPANY Idaho Power Company			
ADDRESS: PO BOX OR STREET NUMBER 1221 W Idaho	CITY Boise	STATE Idaho	ZIP CODE 83702
CERTIFICATION: I CERTIFY THAT THE INFORMATION REPORTED IS TRUE AND COMPLETE TO THE BEST OF MY KNOWLEDGE.			
SIGNATURE Gerald McCabe		TITLE Corporate Budget Manager	DATE 3-01-12

INSTRUCTIONS

1. Report size of major production projects only, and percent ownership, scheduled operating dates, and expenditures required to complete project for major production, transmission, and general plant projects.
2. Major projects are defined as those projects having a total estimated cost to completion exceeding \$10 million.
3. Under "Distribution," report specific line item expenditures for the budget year only. All expenditures for distribution following the budget year should be aggregated for the year and only total distribution expenditures reported for the period.
4. Non-major project expenditures within each category should be aggregated and only the totals reported.
5. Report all expenditures in thousands of dollars.

DESCRIPTION	SIZE	PERCENT OWNERSHIP %	SCHEDULED OPERATING DATE (MO / YR)	EXPENDITURES (B.Y. = BUDGET YEAR; B.Y.+ 1 = THE FIRST YEAR AFTER THE BUDGET YEAR, ETC.)						3 YEAR TOTAL	
				PRIOR TO B.Y.	B.Y.	B.Y. + 1	B.Y. + 2	B.Y. + 3	B.Y. + 4		REQUIRED TO COMPLETE
Major Production Projects:											
Hydro Plant Relicensing - This project represents relicensing efforts currently focused on the Hells Canyon Complex (HCC) and Swan Falls hydro projects. This estimate anticipates receiving the HCC license in 2014 and the Swan Falls license in 2012.	Na	100%	2014	135,079	3,923	3,381	1,459				143,842
Hydro Power Plant Early Mitigation and Mitigation/Compliance for Hells Canyon Complex - This project represents the capital expenditure estimates of complying with the terms of a new Hells Canyon Complex Federal Energy Regulatory Commission (FERC) license order. Early mitigation projects began in 2005, though receipt of the license is not expected until 2014.	Na	100%	Various	33,734	1,719	4,188	13,875				53,516
Langley Gulch Power Plant - The Langley Gulch Power Plant is a natural gas-fired combined cycle combustion turbine generating plant with a summer nameplate capacity of approximately 300 MW and a winter capacity of approximately 330 MW. Construction of the plant, substation, and transmission lines is in process. The plant is being constructed near New Plymouth, Idaho. Idaho Power estimates that the plant will be in service by July 1, 2012.	300	100%	07/2012	317,652	32,409	0	0				350,061
Brownlee Turbine Runner Replacement - This project is to replace the runners and refurbish the turbines for Brownlee Units 1 thru 4. Significant and increasing cavitation is occurring in the units and this project will address the long-term reliability concern. In addition the runners will improve generation efficiency. Finally, the aerating design of the new runners will provide for the anticipated dissolved oxygen requirements in the new Hells Canyon Complex license.	Na	100%	Various	0	372	4,089	4,535				8,996

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	64mw	100%	2017	494	1,000	4,986	14,970	21,450
<p>Shoshone Falls Powerhouse Expansion - The project is included in the 2011 Integrated Resource Plan (IRP). The project consists of building a new powerhouse, intake structure, penstock, gated dam, step-up station and substation. The powerhouse would include a single turbine-generator with a maximum output of 64 megawatts (MW), located adjacent to the existing powerhouse.</p>	Na	100%	2011+	15,199	511	2,642	1,076	19,428
<p>Hydro Power Plant Compliance for C. J. Strike, Mid-Snake, Shoshone Falls and Malad Licenses - This project represents the capital expenditure necessary for complying with the terms of Federal Energy Regulatory Commission (FERC) licenses granted in 2004 for the Company's Mid-Snake, C.J. Strike and Shoshone Falls hydro projects; and in 2005 for the Malad hydro project. Mitigation/Compliance includes work related to park enhancements; fish passage and fish stocking; measures to protect or enhance resident fish, white sturgeon and federally listed snail species; river and reservoir access and enhancements; creation of wetlands; protection of riparian and spring habitat; and land acquisition for wildlife.</p>	24mw	33.3%	2013	2,096	4,285	4,122	0	10,503
<p>Bridger - Unit 2 Turbine Upgrade (\$'s and MW shown are IPCo's share) - This project will upgrade the High Pressure and Intermediate Pressure turbine and both low pressure turbines on Unit 2 at the Jim Bridger plant for improved efficiencies. Hitachi was selected as the provider of the turbines. Total upgrade has the potential to provide an additional 6 megawatts of capacity (Idaho Power's share) per unit with no additional coal input.</p> <p>Bridger - Selective Catalytic Reduction - All Units (\$'s shown are IPCo's share) - This project will install Selective Catalytic Reduction (SCR) for the reduction of Nitrogen Oxides (NOx) at the Jim Bridger plant to comply with the Reasonable Progress phase of visibility improvement in the state of Wyoming. SCR is required to be installed and operational on unit 3 by 2015 and unit 4 by 2016. An equivalent technology will be required for NOx reductions on Unit 2 by 2021 and Unit 1 by 2022.</p>	Na	33.3%	various	250	4,894	22,315	40,974	68,433

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Non-Major Production Projects							
Total Production Projects							
<p>Major Transmission Projects: Due to FERC Standards of Conduct, IPC has presented its major and non-major transmission projects in total, and without year by year amounts for the projects discussed below.</p> <p>Boardman to Hemingway (permitting) - The B2H line, a proposed 300-mile, 500-kV transmission project between a station near Boardman, Oregon and the Hemingway station near Boise, Idaho, will provide transmission service to meet needs identified in the 2011 Integrated Resource Plan (IRP) and other requests pursuant to Idaho Power's Open Access Transmission Tariff (OATT). In January 2012, Idaho Power entered into a joint funding agreement with PacifiCorp and BPA to jointly pursue the permitting of the project. Idaho Power's estimated share of the cost of the permitting phase of the project, after reflecting the terms of the joint funding agreement, is \$11 million, including AFUDC. Total cost estimates for the project are approximately \$820 million, including AFUDC. The preferred portfolio in the 2011 IRP provides for a 2016 in-service date for the transmission line. However, the actual completion date of the project is subject to siting, permitting, regulatory approvals, individual participant's in-service requirements, the terms of any resulting joint construction agreements, and other conditions.</p> <p>Gateway West (permitting) - Idaho Power and PacifiCorp are pursuing the joint development of the Gateway West project. In January 2012, Idaho Power and PacifiCorp entered a new joint funding agreement for permitting the project. Idaho Power's estimated cost for the permitting phase of the Gateway West project is approximately \$24 million, including AFUDC. As of the date of this report, Idaho Power estimates the total cost for its share of the project (including both permitting and construction) to be between \$150 million and \$300 million, including AFUDC. Timing of the construction of each segment of the project is subject to siting, permitting, regulatory approvals, individual participant's in-service requirements, the terms of any resulting joint construction agreements,</p>							
		58,735	63,356	61,664			
		107,848	109,079	138,553			

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and other conditions.	Year	Budget	Actual	Variance	Budget	Actual	Variance
Non-Major Transmission Projects							
Total Transmission Projects		37,238	44,425	43,758			
Distribution (See Instruction 3):							
Station Equipment		5,366					
Poles, Towers, and Fixtures		6,324					
Overhead Conductors and Devices		3,386					
Underground Conductors and Devices		11,047					
Underground Conduit		1,326					
Line Transformers		11,865					
Services		4,021					
Meters		3,106					
Street Lighting and Signal Systems		121					
Other		1,137					
Total Distribution		47,699	51,511	58,822			
Major General Plant Projects:							
Enterprise Data Center and Consolidated 24x7 Operations Facilities - This project provides for a consolidated data center and 24x7 operation center including call center, dispatch, mobile and EMS personnel. The new data center, along with the current data center, will provide primary and back-up sites as indicated by Information Technology (IT) industry risk standards and as recommended by three different outside consultants.	2013	4,636	16,788	1,130	0		22,554
Non-Major General Plant Projects							
Total General Plant Projects		23,512	26,957	20,858			
Total General Plant Budget		40,300	28,087	20,858			
Total New Construction Budget		233,085	233,102	261,991			

OTHER PROJECTS EXCEEDING \$1 MILLION TOTAL COST

BUDGET YEAR 2012

Project / Program	In Service Date	B.Y. Cost	B.Y. + 1	B.Y. + 2	3 Year Total	Description
GENERATION Solar Demonstration Project	2012	\$ 4,200	\$ -	\$ -	\$ 4,200	The construction of a 500-kilowatt (kW) to 1-megawatt solar photovoltaic (PV) demonstration project is outlined in the 2011 IRP. As the costs for solar PV generation continue to decline, solar PV resources will become more prevalent and it will be important for the company to understand this potentially game-changing technology. To further the company's understanding of solar PV technologies, a portion of the facility (or facilities if two 500-kW projects are constructed—one in Oregon and the other in Idaho) would be devoted to testing new technologies including panels and inverters.
Niagara Springs Hatchery Renovation	2013	\$ 5,835	\$ 3,491	\$ -	\$ 9,326	The renovation of the Niagara Springs Hatchery will be required as a condition of the Hells Canyon Complex (HCC) license renewal. The Hatchery Program is part of the existing license for mitigation of the loss of anadromous fish upstream of the HCC. The Niagara Springs hatchery, built in the 1960's, has significant aging infrastructure problems throughout most of its components. It was anticipated that the renovation would be made after the new HCC license was issued; however, many items are becoming critical to address and should be viewed as necessary for continued hatchery operation under the current license.
Gas Plant Critical Spare Parts Replacement Program	Various	\$ 3,245	\$ 4,029	\$ 5,052	\$ 12,326	This program is for the purchase of critical spare parts for the Danskin, Bennett Mountain and Langley Gulch power plants. Spare parts included in this program are critical, large dollar items with long lead times that would significantly impact the plant's ability to operate if unavailable. The program also includes parts that are likely to require replacement during a unit's combustion turbine or hot gas path inspections. Inspections are mandatory based on hours of operation and number of starts. Examples of items included in the critical spare parts program are support housings, blades and vanes, ring segments and transition seals.
Bridger - Unit 4 SO2 and PM Emission Control Upgrades	2012	\$ 2,083	\$ -	\$ -	\$ 2,083	This project will install additional pollution control equipment at Jim Bridger Unit 4 to comply with the Regional Haze-Best Available Retrofit Technology ruling from the state of Wyoming. This scrubber was upgraded in 2008 which changed the condition of the flue gas passing through the stack. This new "wet stack" condition will require an upgrade or replacement of the existing stack liner. This project will be a continuation of the 2008 project that will complete the requirements for the scrubber upgrade.

TRANSMISSION

Project / Program	In Service Date	B.Y. Cost	B.Y. + 1	B.Y. + 2	3 Year Total	Description
DISTRIBUTION Underground Residential Distribution Cable Refurbishment and Replacement Ongoing Program	various	\$ 5,612	\$ 9,272	\$ 9,272	\$ 24,156	This program involves refurbishment (injection) or replacement of direct-buried underground residential distribution cables across Idaho Power's service territory. Refurbishment of underground cables is accomplished by injecting the cable with a fluid that extends the life of direct-buried cables by repairing damage in the cable insulation. The cost of cable injection is less than one third the cost of cable replacement. The percentage of cables that can be successfully refurbished has been declining, leading to a need to replace more underground cables. The underground cable replacement program is designed to replace pre-1989, unjacketed, direct-buried cables. The budget is part of a long-term plan to address the backlog of cable replacements needed, as well as the continuing increase of cables identified for replacement.
Wood Crossarm and Pin Replacement Program Ongoing Program	various	2,440	3,660	1,830	\$ 7,930	This program is for the annual replacement of deteriorated wood crossarms and wood pins with new crossarms and steel pins. The wood crossarms and pins that will be replaced are on the 12.5-kilovolt (kV) to 34.5-kV distribution system and the 46-kV to 69-kV sub-transmission system.
GENERAL PLANT						
None						

None