

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 195

In the Matter of)	
)	
IDAHO POWER COMPANY)	ORDER
)	
Proposed Tariff for Electric Service.)	
Advice No. 07-10)	

DISPOSITION: TARIFF SHEETS SUSPENDED

On October 29, 2007, IDAHO POWER COMPANY filed tariff sheets in Advice No. 07-10 to be effective December 1, 2007. The terms of the proposed tariff sheets are set forth in the Staff Report dated November 13, 2007, attached as the Appendix to this order.

At its November 20, 2007, public meeting, the Public Utility Commission of Oregon found good and sufficient cause exists to investigate the propriety and reasonableness of the tariff sheets pursuant to ORS 757.210 and 757.215. The Commission ordered suspension of the advice pending that investigation.

IT IS ORDERED that Advice No. 07-10 filed by IDAHO POWER COMPANY is suspended for a period of time not to exceed six months from December 1, 2007, the effective date of the tariff sheets.

Made, entered, and effective NOV 29 2007.



BY THE COMMISSION:

Becky L. Bejer
Becky Bejer
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

ITEM NO. 3

PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: November 20, 2007

REGULAR CONSENT EFFECTIVE DATE December 1, 2007

DATE: November 13, 2007

TO: Public Utility Commission

FROM: Ed Durrenberger

THROUGH: Lee Sparling, Ed Busch and Bonnie Tatom

SUBJECT: IDAHO POWER COMPANY: (Docket No. UE 195/ Advice No. 07-10)
 Requests authorization to establish a Power Cost Adjustment Mechanism and approval of Schedule 55.

STAFF RECOMMENDATION:

I recommend that the Commission suspend Idaho Power Company's (Idaho Power or company) application to establish a Power Cost Adjustment Mechanism and the implementation of tariff Schedule 55 as requested in Advice No. 07-10.

DISCUSSION:

Idaho Power requested approval of an annual Power Cost Adjustment Mechanism (PCAM) on August 17, 2007, seeking to create an annual mechanism for updating net power costs in rates. The PCAM filing has been docketed UE 195 and is the subject of an ongoing investigation scheduled to be resolved on or before June 1, 2008. An integral part of the PCAM mechanism that the company is proposing is an annual update to base rates, the "Base Rate Update," to be filed each October.

The company has calculated a Base Rate Update using the methodology proposed for the PCAM which is the subject of the Advice No. 07-10 filing. In a supplemental filing dated October 29, 2007, Idaho Power filed tariffs for a base revenue increase of \$4.6 million, or 15.15 percent overall. The company proposes that the tariff go into effect on December 1, 2007.

Since the entire matter of the PCAM is not yet settled, it is inappropriate to make a determination on a Base Rate Update at this time. Consequently, Staff is requesting that the tariff filing in Advice No. 07-10 be suspended for up to 6 months pending

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investigation and a resolution of UE 195, at which time the method and value of any Base Rate Update will be determined.

PROPOSED COMMISSION MOTION:

Idaho Power's application for revised tariff schedules in UE 195/ Advice No. 07-10, with a proposed effective date of December 1, 2007, be suspended for up to six months pending further investigation and resolution of UE 195, the Idaho Power PCAM.

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