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IDAHO PUBLIC  
UTILITIES COMMISSION

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION FILED BY )  
IDAHO POWER COMPANY FOR APPROVAL )  
OF MODIFICATIONS TO THE SECURITY )  
PROVISIONS REQUIRED TO BE INCLUDED )  
IN POWER PURCHASE AGREEMENTS )  
BETWEEN ELECTRIC UTILITIES )  
(IDAHO POWER, AVISTA CORPORATION )  
DBA AVISTA UTILITIES, AND PACIFICORP )  
DBA UTAH POWER & LIGHT COMPANY) )  
AND PURPA QUALIFYING FACILITIES (QFs) )  
\_\_\_\_\_ )

CASE NOS. IPC-E-03-16  
AVU-E-03-9  
PAC-E-03-13

PACIFICORP'S  
COMMENTS IN SUPPORT  
OF THE PETITION OF  
IDAHO POWER  
COMPANY

COMES NOW PacifiCorp ("PacifiCorp" or the "Company") and, pursuant to RP 61, hereby provides comments in support of the petition filed November 5, 2003, by Idaho Power Company ("Idaho Power") with the Idaho Public Utilities Commission (the "Commission") for issuance of an Order authorizing Idaho Power to accept modified insurance and lien rights as satisfactory risk mitigation measures in agreements between Idaho Power and co-generators and small power producers ("CSPPs") that contain levelized rates (the "Petition").

## I

PacifiCorp is a retail electrical utility with service territories in the States of California, Idaho, Oregon, Utah, Washington and Wyoming. PacifiCorp is under contract with some 13 separate CSPPs located in Idaho, as well as with numerous other CSPPs located throughout its other service territories. Although all but one of PacifiCorp's contracts with CSPPs located in Idaho were entered into prior to the effective date of Commission Order 21692, as these contracts terminate the Company will be faced with many of the same issues addressed in the Petition.

## II

The focus of the Petition is narrow. It does not address all of the myriad issues that must be dealt with in the context of analyzing whether a contract with a particular CSPP adequately protects the interests of the Company and of its ratepayers. Accordingly, PacifiCorp's Comments are not intended, and should not be considered, a comprehensive statement of position on the issue of what security measures may be appropriate in a particular contract. The Company expressly reserves the right to address specific terms in its negotiations with CSPPs and with the Commission in future proceedings associated with such contracts.

### III

Subject to the foregoing, the Company generally supports the position taken by Idaho Power in the Petition. However, the Company feels that in order to adequately protect its interests and those of its shareholders without unduly burdening CSPPs desiring to enter into contracts for the sale of power, it is important to add the following classes of insurance coverage to those set out in the Petition and its Exhibits: First, Automotive Liability coverage with limits of \$1 Million/incident; and Second, Worker's Compensation coverage with limits of \$1 Million/incident.

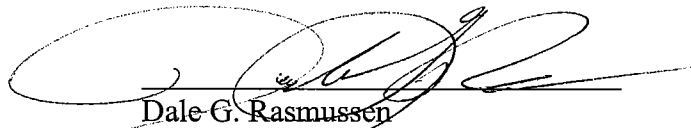
### IV

Service of pleadings, exhibits, orders and other documents relating to this proceeding should be served on the following:

Dale G. Rasmussen,  
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Respectfully submitted this 15<sup>th</sup> day of January, 2004



Dale G. Rasmussen  
Attorney for PacifiCorp

CERTIFICATE OF SERVICE  
Docket Nos. PAC-E-03-13, IPC-E-03-16, AVU-E-03-9

I hereby certify that I have this day caused the foregoing document to be served on the following parties via US Mail.

H. Douglas Young  
Avista Corp.  
PO Box 3727  
Spokane, WA 99220-3727

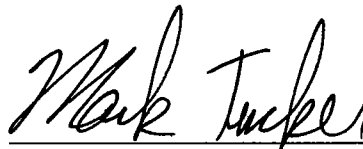
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Mark Widmer  
PacifiCorp  
825 NE Multnomah  
Portland, OR 97232

Dated this 15th day of January, 2004.

A handwritten signature in black ink, appearing to read "Mark Tucker", written over a horizontal line.

Mark Tucker  
Regulatory Filing Coordinator