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December 13, 2022

VIA ELECTRONIC MAIL

Jan Noriyuki, Secretary Idaho Public Utilities Commission 11331 West Chinden Blvd., Building 8 Suite 201-A Boise, Idaho 83714

Re: Case No. IPC-E-22-26

Idaho Power Company's Application to Update the Gas Forecast in the

Incremental Cost Integrated Resource Plan Avoided Cost Model

Dear Ms. Noriyuki:

Attached for electronic filing is Idaho Power Company's Reply Comments in the above-entitled matter. If you have any questions about the attached document, please do not hesitate to contact me.

Very truly yours,

Megan Goicoechea-Allen

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MGA:cld Enclosures MEGAN GOICOECHEA ALLEN (ISB No. 7623 DONOVAN E. WALKER (ISB No. 5921) Idaho Power Company 1221 West Idaho Street (83702) P.O. Box 70 Boise, Idaho 83707

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Attorneys for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IDAHO POWER COMPANY'S ANNUAL)	
COMPLIANCE FILING TO UPDATE THE)	CASE NO. IPC-E-22-26
LOAD AND GAS FORECASTS IN THE)	
INCREMENTAL COST INTEGRATED)	IDAHO POWER COMPANY'S
RESOURCE PLAN AVOIDED COST)	REPLY COMMENTS
MODEL.)	
)	

Idaho Power Company ("Idaho Power" or "Company"), in accordance with the Idaho Public Utilities Commission's ("Commission" or "IPUC") Notice of Modified Procedure, Order No. 35596, hereby respectfully submits the following Reply Comments in response to the Comments filed by Commission Staff ("Staff") on December 6, 2022.

I. INTRODUCTION

On October 14, 2022, Idaho Power filed its Annual Compliance Filing pursuant to Order Nos. 32697 and 32802 to update the load forecast, natural gas forecast, and long-term contract changes used in the Incremental Cost Integrated Resource Plan ("ICIRP") avoided cost methodology. On November 14, 2022, Idaho Power filed an Errata to the Annual Compliance Filing, to correct a labeling error reflected in the table and graph showing the annual load forecast. Staff filed Comments on December 6, 2022, in which it recommended, in pertinent part, that the Commission approve the Company's proposed

updates and also set forth a proposal for calculating Non-Premium and Premium Peak
Hour rates moving forward. Idaho Power now respectfully submits these Reply
Comments in support of Staff's recommendations and proposal.

II. STAFF RECOMMENDATIONS

Idaho Power appreciates Staff's detailed and thoughtful review of the Compliance Filing. The Company agrees with Staff's recommendations for approval of Idaho Power's proposed load forecast, natural gas forecast, Peak and Premium Peak Hours used to calculate and pay capacity payments to energy storage qualifying facilities, with an effective date of January 1, 2023, as well as its recommendation for the Company to continue to include contract updates in future annual filings.

Additionally, Idaho Power is supportive of Staff's proposed change to the method used to determine the twenty percent price differential between Non-Premium Peak and Premium Peak Hour rates. Idaho Power reviewed Staff's calculation methodology and agrees that it correctly determines the necessary rates.

Idaho Power also notes that the energy storage capacity compensation methodology used in the ICIRP methodology for capacity contribution was referenced by the Commission in its Orders from Case No. IPC-E-22-06. Staff and the Company have discussed capacity compensation methodology on several occasions as directed by the Commission in relation to IPC-E-22-06. Idaho Power remains open to the application of those discussions to the capacity methodologies applied to PURPA avoided cost pricing and will continue to work with Staff towards any modifications or changes that would make sense for customers in that context.

III. CONCLUSION

The Company appreciates and accepts Staff's recommendations noted above. Respectfully submitted this 13th day of December 2022.

MEGAN GOICOECHEA ALLEN Attorney for Idaho Power Company

Megan goicechea allen

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on the 13th day of December 2022, I served a true and correct copy of the within and foregoing Idaho Power's Reply Comments upon the following named parties by the method indicated below, and addressed to the following:

Michael Duval Idaho Public Utilities Commission P.O. Box 83720 11331 West Chinden Blvd, Bldg 8 Suite 201-A Boise ID 83714 Emailed to:

michael.duval@puc.idaho.gov

Christy Davenport, Legal Assistant