

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER)
COMPANY'S APPLICATION FOR) CASE NO. IPC-E-23-09
AUTHORITY TO IMPLEMENT FIXED COST)
ADJUSTMENT ("FCA") RATES FOR)
ELECTRIC SERVICE FROM June 1,)
2023 THROUGH MAY 31, 2024.)
_____)

IDAHO POWER COMPANY
DIRECT TESTIMONY
OF
PAWEL P. GORALSKI

1 Q. Please state your name and business address.

2 A. My name is Pawel ("Paul") P. Goralski. My
3 business address is 1221 West Idaho Street, Boise, Idaho
4 83702.

5 Q. By whom are you employed and in what capacity?

6 A. I am employed by Idaho Power Company ("Idaho
7 Power" or "Company") as a Regulatory Consultant in the
8 Regulatory Affairs Department.

9 Q. Please describe your educational background.

10 A. In May of 2007, I received a Bachelor of
11 Business Administration degree in Finance from Boise State
12 University in Boise, Idaho. I have also attended "The
13 Basics: Practical Regulatory Training for the Electric
14 Industry," an electric utility ratemaking course offered
15 through the New Mexico State University's Center for Public
16 Utilities, "Electric Utility Fundamentals and Insights," an
17 electric utility course offered by Western Energy
18 Institute, and "Electric Rates Advanced Course," an
19 electric utility ratemaking course offered through Edison
20 Electric Institute.

21 Q. Please describe your work experience with
22 Idaho Power.

23 A. In 2017, I was hired as a Regulatory Analyst
24 in the Company's Regulatory Affairs Department, and in 2020
25 I was promoted to my current position of Regulatory

1 Consultant. My primary responsibilities include supporting
2 the Company's class cost-of-service activities, developing
3 pricing for special contract customers and other large load
4 pricing analysis, supporting the Company's annual Fixed
5 Cost Adjustment ("FCA") calculation and serving as the
6 Company witness. I have also been its witness for the
7 Company's annual Demand-Side Management ("DSM") prudency
8 filings.

9 Q. What is the purpose of your testimony?

10 A. The purpose of my testimony is to describe the
11 Company's request to implement its annual FCA rates in
12 conformance with Idaho Public Utilities Commission
13 ("Commission") Order No. 32505 (Case No. IPC-E-11-19),
14 which approved the FCA as a permanent rate mechanism for
15 the Residential and Small General Service customers, and
16 Order No. 35273 (Case No. IPC-E-21-39), which approved
17 modification of the FCA to institute separate fixed cost
18 tracking for residential and small general service
19 customers added to the Company's system effective January
20 1, 2022.

21 Q. What is the Company requesting in this case?

22 A. The Company is seeking authority to collect
23 the 2022 FCA deferral balance of \$25,065,075 through its
24 proposed 2023-2024 FCA rates. If approved, the 2023 - 2024
25 FCA rates will result in a decrease to annual billed

1 revenue for the Residential and Small General Service
2 classes of \$9,976,903, or 1.56 percent, effective June 1,
3 2023.

4 Q. How is your testimony organized?

5 A. My testimony will discuss four areas related
6 to the FCA mechanism and Schedule 54, Fixed Cost
7 Adjustment. First, I will discuss the need for the FCA
8 itself. Second, I will discuss how the FCA modification
9 approved by Order No. 35273 was incorporated in the 2022
10 FCA deferral balance. Third I will provide an overview of
11 the FCA mechanics and how each component is determined, and
12 determination of the 2022 FCA deferral amount. Lastly, I
13 will discuss the calculation of the proposed FCA rates to
14 become effective June 1, 2023, remaining in effect until
15 May 31, 2024.

16 I. **BENEFIT OF FIXED COST ADJUSTMENT MECHANISM**

17 Q. Why is the FCA mechanism necessary?

18 A. The existing two-part rate design for
19 Residential and Small General Service customers collects a
20 significant portion of the classes' fixed costs through the
21 volumetric energy rate. The FCA is a true-up mechanism that
22 "decouples," or separates, billed energy sales from revenue
23 in order to remove the financial disincentive that exists
24 when the Company invests in DSM resources and activities.
25 Under the FCA, rates for Residential Service (Schedules 1,

1 3, 4, 5, and 6) and Small General Service (Schedule 7 and
2 8) customers are adjusted annually to recover or refund the
3 difference between the level of fixed cost recovery
4 authorized by the Commission in the Company's most recent
5 general rate case and the level of fixed cost recovery that
6 the Company received based upon the actual billed energy
7 sales during the previous calendar year.

8 Q. What level of incremental annual energy
9 efficiency savings was achieved in 2022?

10 A. Idaho Power achieved 169,889 megawatt-hours
11 ("MWh") of savings system-wide, which is enough energy to
12 power approximately 14,900 average homes a year in Idaho
13 Power's service area and exceeded the economic technical
14 achievable potential energy efficiency target set in the
15 Company's 2021 Integrated Resource Plan for the year 2022.
16 These energy savings are more particularly described in the
17 2022 DSM Annual Report filed in Case No. IPC-E-23-10.

18 Q. Do claimed incremental DSM savings encompass
19 the entirety of energy savings customers experience from
20 Idaho Power's DSM efforts?

21 A. No. First, it is important to recognize that
22 savings claimed in any given year continue to recur in
23 subsequent years through the life of the DSM measure. For
24 example, a measure installed in 2019 with a five-year
25 measure life continues to provide energy savings in 2022,

1 though those savings are not included in the 2022 claimed
2 savings reported in the Company's 2022 DSM Annual Report.
3 Thus, the full impact of the Company's DSM efforts is
4 better represented by the cumulative impact of historical
5 claimed savings whose measure life extends through 2022.

6 Second, the Company promotes significant customer
7 educational, outreach and awareness activities, promotion
8 of codes and standards, and marketing efforts that are not
9 quantified or claimed as part of Idaho Power's annual DSM
10 savings but are likely to result in energy savings
11 experienced by the customer and accruing to Idaho Power's
12 electric system over time.

13 Q. Has the FCA mechanism been effective at
14 removing the financial disincentive that would otherwise be
15 associated with Idaho Power pursuing all cost-effective
16 energy efficiency?

17 A. Yes. The FCA has been and continues to be an
18 effective mechanism that has positioned the Company to
19 continue to support energy efficiency resources while
20 maintaining a reasonable opportunity to recover its fixed
21 cost of serving residential and small commercial customers.

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1 **II. 2022 FCA DEFERRAL INCLUSIVE OF COMMISSION-APPROVED**
2 **MODIFICATION**

3 Q. Does determination of the 2022 FCA deferral
4 amount include the modification approved by the Commission
5 in Case No. IPC-E-21-39?

6 A. Yes. As part of determining the 2022 FCA
7 deferral, customers added to Idaho Power’s system starting
8 January 1, 2022, are considered “new” and have separate,
9 reduced fixed cost tracking, while the 2021 FCA customer
10 count constitutes the level of “existing” customers whose
11 fixed costs are tracked with then-existing FCA components.
12 These new and existing FCA components are described in more
13 detail later in my testimony.

14 Q. How was the existing customer count determined
15 in the calculation of the 2022 FCA deferral?

16 A. Consistent with the method approved by the
17 Commission in Order No. 35273, the existing customer count
18 was set at the 2021 average number of customers. This
19 existing customer count will remain at that level until new
20 rates go into effect following the Company’s next general
21 rate case.

22 Q. How was the new customer count determined in
23 the calculation of the 2022 FCA deferral?

24 A. Because the FCA is an annual mechanism based
25 on average customers for the entire year, new customers

1 were determined as the difference between 2021 average
2 customers and 2022 average customers. This method captures
3 customers added starting January 1, 2022 through December
4 31, 2022 to determine the annual average incremental or
5 "new" customer count.

6 Q. Is there a difference in FCA rates to recover
7 the FCA deferral between existing and new customers?

8 A. No. While determination of the 2022 FCA
9 deferral includes separate, and reduced fixed cost tracking
10 for new customers, the 2022 FCA deferral is recovered
11 through a single FCA rate applicable to all Residential
12 customers, new and existing, and a single FCA rate
13 applicable to all Small General Service customers.

14 **III. FCA DETERMINATION FOR CALENDAR YEAR 2022**

15 Q. Please describe the FCA mechanism components
16 and calculation.

17 A. For both the Residential and Small General
18 Service classes, the FCA mechanism is the same. The formula
19 used to determine the FCA amount is:

20
$$\text{FCA} = (\text{CUST} \times \text{FCC}) - (\text{ACTUAL} \times \text{FCE})$$

21 Where:

22 FCA = Fixed Cost Adjustment;

23 CUST = Average Number of Customers, by class;

24 FCC = Fixed Cost per Customer rate, by class;

1 ACTUAL = Actual Billed kilowatt-hours ("kWh")

2 Energy Sales, by class; and

3 FCE = Fixed Cost per Energy rate, by class.

4 The FCA amount is the difference between the Company's
5 level of "authorized fixed cost recovery" (CUST X FCC) and
6 the level of "actual fixed cost recovery" (ACTUAL X FCE).

7 The FCC and FCE are bifurcated for new and existing
8 customers, with new customer components labeled as "FCC-
9 Dist" and "FCE-Dist."

10 Q. What is the difference in fixed cost tracking
11 between new and existing customers, and what is the basis
12 for those costs?

13 A. For both new and existing customers, the basis
14 for fixed cost tracking is the same, the Company's most
15 recent general rate case. Existing customer FCC and FCE
16 remain unchanged and represent fixed costs associated with
17 the Company's generation-, transmission-, and distribution-
18 related system components. Starting with the 2022 deferral,
19 for new customers only the distribution-related system cost
20 components are tracked by the FCA. Table 1 lists the FCA
21 cost components for new and existing customers.

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1 **Table 1. FCA Components – Existing and New Customers**

	Residential	Small General Service
FCC (per <i>Existing Customer</i>)	\$650.63	\$360.57
FCC-Dist. (per <i>New Customer</i>)	\$317.72	\$256.29
FCE (per kWh <i>Existing Customer</i>)	\$0.051602	\$0.068633
FCE-Dist. (per kWh <i>New Customer</i>)	\$0.025199	\$0.048783

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3 Q. Can the FCA deferral balance be either
4 positive or negative?

5 A. Yes. A positive FCA indicates the Company's
6 authorized level of fixed cost recovery is greater than the
7 level of fixed costs recovered through the energy rate,
8 which occurs when energy use per customer ("UPC") has
9 decreased from when the FCA components were established. In
10 a similar fashion, a negative FCA indicates the Company's
11 authorized fixed cost recovery amount is less than the
12 fixed costs determined to have been recovered through the
13 energy rate and results in a refund to customers.

14 Q. Did the underlying cost basis for the FCC and
15 FCE rates used to determine the 2022 FCA deferral balance
16 change from prior years?

17 A. No. All customers included in the 2022 FCA
18 calculation use costs from the Company's most recent
19 general rate case, Case No. IPC-E-11-08, to establish the
20 FCC and FCE, and they can be found in the Company's tariff
21 under Schedule 54, Fixed Cost Adjustment. FCC-Dist and FCE-
22 Dist rates are based on the same underlying general rate

1 case data, but only represent distribution system costs as
2 previously noted, and were established as part of the FCA
3 modification filing, IPC-E-21-39.

4 Q. How is the authorized level of fixed cost
5 recovery derived?

6 A. The authorized level of fixed cost recovery is
7 the product of the applicable FCC and the average number of
8 customers, by new and existing customer, and by class. The
9 Company uses a prorated customer count based on the number
10 of active utility service agreements at the end of each
11 month. This approach applies the same methodology that was
12 used to determine customer counts in the Company's most
13 recent general rate case. The annual average customer count
14 is derived by calculating the average of the 12 monthly
15 prorated customer counts.

16 Q. How is the actual level of fixed cost recovery
17 determined?

18 A. In compliance with Order No. 33295, the actual
19 level of fixed cost recovery is the product of the
20 applicable FCE and the actual billed energy sales for the
21 calendar year, measured in kWh.

22 Q. How are billed energy sales allocated between
23 existing and new customers?

24 A. For each customer group, Residential and Small
25 General Service, total billed energy sales are divided by

1 average customer count to determine the UPC for the
2 customer group. The count of existing and new customers is
3 multiplied by the respective customer group UPC to allocate
4 the share of total billed energy sales on a pro rata basis
5 between existing and new customers.

6 Q. Does the Company compute a monthly FCA
7 deferral balance?

8 A. Yes. Since 2009, the Company has reported the
9 estimated monthly FCA deferral balance in the monthly FCA
10 Report provided to the Commission. Exhibit No. 1 is a copy
11 of the monthly FCA Report for calendar year 2022 with year-
12 end information.

13 Although the FCA is an annual mechanism that is
14 ultimately calculated and determined using customer counts
15 and billed energy sales data for the entire calendar year,
16 a monthly FCA deferral balance is estimated and recorded in
17 the Company's accounting records to maintain compliance
18 with Generally Accepted Accounting Principles. This
19 estimated monthly FCA deferral balance is provided to the
20 Commission in the monthly FCA Report.

21 Q. Is it possible for the reported monthly FCA
22 deferral balance estimate to differ from the annual amount?

23 A. Yes. Because the monthly FCA deferral balance
24 is computed using monthly customer counts while the annual
25 FCA deferral balance is computed using the average customer

1 count for the year, the sum of the monthly calculations may
2 differ from the annual calculation.

3 Q. How is the reported monthly estimate adjusted
4 to align with the authorized annual amount?

5 A. At year-end, once the annual FCA amount is
6 determined, an adjustment is made to the sum of the
7 previously recorded 12 monthly estimates to align with the
8 annual FCA deferral balance. Because the annual customer
9 count is the average of the 12 monthly customer counts, it
10 is not available until year-end.

11 Q. What adjustment was made to the 2022 monthly
12 estimates to translate to the Company's single year-end
13 2022 FCA deferral balance?

14 A. To align with the annual FCA amount to be
15 recorded in the Company's 2022 financial records, an upward
16 adjustment of \$134,280 was made for the Residential
17 customer classes, reflected as the sum of lines 6 and 11,
18 column O of Exhibit No. 1. A downward adjustment of \$249
19 was made for the Small General Service customer classes,
20 reflected as the sum of lines 25 and 30, column O of
21 Exhibit No. 1. The total upward adjustment for both
22 customer classes is \$134,031.

23 Q. What is the total amount of the FCA, not
24 including interest?

1 A. As shown in Exhibit No. 2, the total amount of
2 the FCA for the Residential and Small General Service
3 customer classes, not including interest, is \$24,715,199.
4 The calculation of the FCA uses the average annual customer
5 count and the annual billed sales amount, which are
6 included in Exhibit No. 3. The calculated FCA deferral
7 balance for the Residential customer classes, not including
8 interest, is \$23,740,357. An amount of \$23,740,356 is found
9 in Exhibit No. 1 when summing lines 6 and 11, column P.
10 The \$1 difference between Exhibit No. 1 and Exhibit No. 2
11 is due to rounding.

12 The calculated FCA deferral balance for the Small
13 General Service customer classes, not including interest,
14 is \$974,842. An amount of \$974,841 is found in Exhibit No.
15 1 when summing lines 25 and 30, column P, with the
16 difference between Exhibit No. 1 and Exhibit No. 2 also due
17 to rounding.

18 Q. What is the total amount of the 2022 FCA,
19 including interest, the Company is requesting to implement
20 in rates on June 1, 2023?

21 A. The total amount of the 2022 FCA the Company
22 is requesting to begin recovering in rates on June 1, 2023,
23 is \$25,065,075.31, reflected on line 42, column V, of
24 Exhibit No. 4. The FCA for the Residential classes is
25 \$24,076,901.44 reflected on line 20, column V, of Exhibit

1 No. 4. The FCA for the Small General Service classes is
2 \$988,173.87 reflected on line 39, column V, of Exhibit No.
3 4. Exhibit No. 4 and Exhibit No. 1 both contain the same
4 information as the FCA Report sent to the Commission each
5 month; however, Exhibit No. 4 calculates interest from
6 January 2022 through May 2023 while Exhibit No. 1 shows
7 that information only for the 2022 calendar year.

8 Q. What is the significance of these numbers with
9 respect to the Company's recovery of its fixed costs?

10 A. Because the Residential and Small General
11 Service FCAs are positive numbers, the average UPC based on
12 actual billed sales for the year were lower than the level
13 established in the Company's most recent general rate case
14 for both Residential and Small General Service customer
15 classes. In accordance with the approved mechanism, the
16 Residential and Small General Service classes will receive
17 a rate adjustment to allow for recovery of the fixed costs
18 that were not recovered through actual billed energy
19 charges during the year.

20 **IV. CALCULATION OF THE 2023-2024 FCA RATE**

21 Q. Please describe the calculation of the FCA
22 rates the Company is proposing to go into effect on June 1,
23 2023.

24 A. The FCA rates the Company proposes to go into
25 effect on June 1, 2023, were calculated by taking the FCA

1 deferral balances for each of the customer classes
2 described above and dividing by the respective class energy
3 sales forecast for the June 1, 2023, through May 31, 2024,
4 time frame. The forecasted June 1 through May 31 time frame
5 is the same period that has been used historically and is
6 also used for the Power Cost Adjustment mechanism.

7 Q. What has the Company determined the forecast
8 energy sales to be for both the Residential and Small
9 General Service classes?

10 A. The Company's forecasted energy sales are
11 5,519,189,071 kWh for the Residential classes and
12 139,209,221 kWh for the Small General Service classes. The
13 forecasted energy sales are found in Exhibit No. 5.

14 Q. What are the corresponding FCA rates for the
15 Residential and Small General Service classes based on a
16 combined and equal FCA rate change, as defined in the
17 approved mechanism?

18 A. To recover the authorized level of fixed
19 costs, the FCA rate for the Residential classes would be
20 0.4402 cents per kWh and the corresponding rate for the
21 Small General Service classes would be 0.5541 cents per
22 kWh. The calculation of these rates is also found in
23 Exhibit No. 5.

24 On page 9 of Order No. 32505, the Commission ordered
25 that the FCA deferral balance will continue to be recovered

1 or refunded equally between the Residential and Small
2 General Service customer classes. Because the Residential
3 and Small General Service classes reduced their energy
4 consumption per customer such that the Company under-
5 collected its authorized level of fixed costs as
6 established in Case No. IPC-E-11-08, each class requires a
7 rate surcharge.

8 Q. What is the difference between the FCA
9 deferral balance currently in amortization and the proposed
10 FCA deferral balance to be collected through the FCA rate?

11 A. In this filing, the Company is proposing to
12 collect rates based on an FCA deferral balance of
13 \$25,065,075.31 which is \$10,138,173 less than the 2021 FCA
14 deferral balance of \$35,203,248. The 2021 deferral balance
15 was approved in Order No. 35410, issued in Case No. IPC-E-
16 22-07, with rates based on that balance effective for the
17 period June 1, 2022, through May 31, 2023.

18 Q. Considering the current FCA rates in effect,
19 what is the percentage change in billed revenue as measured
20 from total billed amounts currently recovered from
21 Residential and Small General Service classes?

22 A. Because the 2022 FCA deferral balance is less
23 than the 2021 FCA deferral balance and annual sales for
24 June 2023 through May 31, 2024 are forecast to be slightly
25 lower than the same period in the prior year, the 2023 -

1 2024 FCA rates represent an annual decrease of \$9,976,903,
2 or 1.56 percent, from current billed revenue for the
3 affected customer classes. The percentage change in billed
4 revenue is found in Exhibit No. 6. This proposed decrease
5 results in an approximate \$1.66 decrease to the monthly
6 bill of a typical residential customer using 950 kWh per
7 month.

8 Q. How will the Company incorporate the FCA
9 surcharges for the Residential and Small General Service
10 classes on customers' bills?

11 A. The Company proposes to continue including the
12 FCA with the Fixed Cost Adjustment line item on Residential
13 and Small General Service customers' bills.

14 **V. CONCLUSION**

15 Q. Please summarize the Company's request in this
16 filing.

17 A. Idaho Power requests the Commission authorize
18 the Company to implement Fixed Cost Adjustment rates for
19 electric service from June 1, 2023, through May 31, 2024 in
20 the amount of 0.4402 cents per kWh for the Residential
21 classes, and 0.5541 cents per kWh for the Small General
22 Service classes. If approved, the 2023 - 2024 FCA rates
23 will result in a decrease to annual billed revenue for the
24 Residential and Small General Service classes of
25 \$9,976,903, or 1.56 percent, effective June 1, 2023.

1 Q. Does this complete your testimony?
2 A. Yes, it does.
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DECLARATION OF PAWEL P. GORALSKI

I, Pawel P. Goralski, declare under penalty of perjury under the laws of the state of Idaho:

1. My name is Pawel P. Goralski. I am employed by Idaho Power Company as a Regulatory Consultant in the Regulatory Affairs Department and am competent to be a witness in this proceeding.

2. On behalf of Idaho Power, I present this pre-filed direct testimony and exhibits in this matter.

3. To the best of my knowledge, my pre-filed direct testimony and exhibits are true and accurate.

I hereby declare that the above statement is true to the best of my knowledge and belief, and that I understand it is made for use as evidence before the Idaho Public Utilities Commission and is subject to penalty for perjury.

SIGNED this 15th day of March 2023, at Boise, Idaho.

Signed: Pawel P. Goralski
Pawel P. Goralski

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-23-09**

IDAHO POWER COMPANY

**GORALSKI, DI
TESTIMONY**

EXHIBIT NO. 1

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
1	Fixed Cost Adjustment Monthly Report		January	February	March	April	May	June	July	August	September	October	November	December	Adjustment	Current Year Total	
2	for the year ended December 31, 2022																
3																	
4	Residential FCA (Existing Customers):																
5	Beginning Balance	\$	0.00	5,547,427.00	8,609,926.00	10,400,330.00	14,861,545.00	16,188,905.00	18,602,804.00	18,914,273.00	16,880,803.00	15,154,962.00	18,310,530.00	21,458,252.00	23,331,785.00		
6	Amount Deferred	\$	5,547,427.00	3,062,499.00	1,790,404.00	4,461,215.00	1,327,360.00	2,413,899.00	311,469.00	(2,033,470.00)	(1,725,841.00)	3,155,568.00	3,147,722.00	1,873,533.00	91,851.00	23,423,636.00	
7	Ending Balance	\$	5,547,427.00	8,609,926.00	10,400,330.00	14,861,545.00	16,188,905.00	18,602,804.00	18,914,273.00	16,880,803.00	15,154,962.00	18,310,530.00	21,458,252.00	23,331,785.00	23,423,636.00	23,423,636.00	
8																	
9	Residential FCA (New Customers):																
10	Beginning Balance	\$	0.00	43,483.00	67,828.00	84,357.00	132,101.00	147,896.00	180,860.00	185,316.00	154,089.00	125,793.00	180,507.00	238,096.00	274,291.00		
11	Amount Deferred	\$	43,483.00	24,345.00	16,529.00	47,744.00	15,795.00	32,964.00	4,456.00	(31,227.00)	(28,296.00)	54,714.00	57,589.00	36,195.00	42,429.00	316,720.00	
12	Ending Balance	\$	43,483.00	67,828.00	84,357.00	132,101.00	147,896.00	180,860.00	185,316.00	154,089.00	125,793.00	180,507.00	238,096.00	274,291.00	316,720.00	316,720.00	
13																	
14	Interest:																
15	Accrual thru Prior Month	\$	-	-	4,657.23	11,885.80	20,619.54	33,109.25	46,717.81	62,364.60	78,274.56	92,464.63	105,193.50	120,596.53	-		
16	Monthly Interest Rate (Annual 1%)		0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%		
17	Monthly Interest Inc/(Exp)	\$	-	4,657.23	7,228.57	8,733.74	12,489.71	13,608.56	15,646.79	15,909.96	14,190.07	12,728.87	15,403.03	18,073.06	-	138,669.59	
18	Interest Accrued to date	\$	-	4,657.23	11,885.80	20,619.54	33,109.25	46,717.81	62,364.60	78,274.56	92,464.63	105,193.50	120,596.53	138,669.59	-	138,669.59	
19																	
20	Total Residential FCA:		5,590,910.00	8,682,411.23	10,496,572.80	15,014,265.54	16,369,910.25	18,830,381.81	19,161,953.60	17,113,166.56	15,373,219.63	18,596,230.50	21,816,944.53	23,744,745.59	23,740,356.00	23,879,025.59	
21																	
22																	
23	Small General Service FCA (Existing Customers):																
24	Beginning Balance	\$		157,346.00	214,197.00	276,983.00	438,395.00	504,237.00	637,732.00	737,775.00	726,042.00	748,491.00	858,375.00	923,969.00	970,421.00		
25	Amount Deferred	\$	157,346.00	56,851.00	62,786.00	161,412.00	65,842.00	133,495.00	100,043.00	(11,733.00)	22,449.00	109,884.00	65,594.00	46,452.00	19.00	970,440.00	
26	Ending Balance	\$	157,346.00	214,197.00	276,983.00	438,395.00	504,237.00	637,732.00	737,775.00	726,042.00	748,491.00	858,375.00	923,969.00	970,421.00	970,440.00	970,440.00	
27																	
28	Small General Service FCA (New Customers):																
29	Beginning Balance	\$		1,019.00	1,126.00	1,592.00	1,592.00	1,592.00	3,091.00	3,268.00	3,200.00	3,308.00	3,907.00	4,339.00	4,669.00		
30	Amount Deferred	\$	1,019.00	107.00	466.00	-	-	1,499.00	177.00	(68.00)	108.00	599.00	432.00	330.00	(268.00)	4,401.00	
31	Ending Balance	\$	1,019.00	1,126.00	1,592.00	1,592.00	1,592.00	3,091.00	3,268.00	3,200.00	3,308.00	3,907.00	4,339.00	4,669.00	4,401.00	4,401.00	
32																	
33	Interest:																
34	Accrual thru Prior Month	\$	-	-	131.92	311.28	543.33	909.84	1,331.20	1,865.01	2,482.30	3,089.76	3,716.01	4,434.29	-		
35	Monthly Interest Rate (Annual 1%)		0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%		
36	Monthly Interest Inc/(Exp)	\$	-	131.92	179.36	232.05	366.51	421.36	533.81	617.29	607.46	626.25	718.28	773.28	-	5,207.57	
37	Interest Accrued to date	\$	-	131.92	311.28	543.33	909.84	1,331.20	1,865.01	2,482.30	3,089.76	3,716.01	4,434.29	5,207.57	-	5,207.57	
38																	
39	Total Small General Service FCA:		158,365.00	215,454.92	278,886.28	440,530.33	506,738.84	642,154.20	742,908.01	731,724.30	754,886.76	865,998.01	932,742.29	980,297.57	974,841.00	980,048.57	
40																	
41																	
42	Total Fixed Cost Adjustment	\$	5,749,275.00	8,897,866.15	10,775,459.08	15,454,795.87	16,876,649.09	19,472,536.01	19,904,861.61	17,844,890.86	16,128,108.39	19,462,228.51	22,749,686.82	24,725,043.16	24,715,197.00	24,859,074.16	
43																	
44																	
45																	
46																	
47	Entries:																
48	599 X00001 999 182302 (254302)		5,749,275.00	3,148,591.15	1,877,592.93	4,679,336.79	1,421,853.22	2,595,886.92	432,325.60	(2,059,970.75)	(1,716,782.47)	3,334,120.12	3,287,458.31	1,975,356.34	134,031.00	24,859,074.16	-
49	599 X00001 999 440301		(5,590,910.00)	(3,086,844.00)	(1,806,933.00)	(4,508,959.00)	(1,343,155.00)	(2,446,863.00)	(315,925.00)	2,064,697.00	1,754,137.00	(3,210,282.00)	(3,205,311.00)	(1,909,728.00)	(134,280.00)	(23,740,356.00)	-
50	599 X00001 999 442301		(158,365.00)	(56,958.00)	(63,252.00)	(161,412.00)	(65,842.00)	(134,994.00)	(100,220.00)	11,801.00	(22,557.00)	(110,483.00)	(66,026.00)	(46,782.00)	249.00	(974,841.00)	-
51	599 X00001 999 421006 (431013)		-	(4,789.15)	(7,407.93)	(8,965.79)	(12,856.22)	(14,029.92)	(16,180.60)	(16,527.25)	(14,797.53)	(13,355.12)	(16,121.31)	(18,846.34)	-	(143,877.16)	-
52																	

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-23-09

IDAHO POWER COMPANY

**GORALSKI, DI
TESTIMONY**

EXHIBIT NO. 2

2022 Annual Fixed Cost Adjustment Deferral Calculation

Residential

<i>Customer Count</i>	498,648.41
<i>Billed Sales in kWh</i>	5,820,768,176
<i>UPC</i>	11,673.09

	<u>Existing</u>	<u>New</u>	<u>Total</u>
Customer Count	485,210.88	13,437.53	498,648.41
FCC	\$650.63	\$317.72	
Authorized Recovery Amount	<u>\$315,692,755</u>	<u>\$4,269,373</u>	<u>\$319,962,127</u>
Billed Sales in kWh	5,663,910,650	156,857,526	5,820,768,176
FCE	\$0.051602	\$0.025199	
Actual Recovery Amount	<u>\$292,269,117</u>	<u>\$3,952,653</u>	<u>\$296,221,770</u>
Residential FCA	<u><u>\$23,423,638</u></u>	<u><u>\$316,720</u></u>	<u><u>\$23,740,357</u></u>

Small General Service

<i>Customer Count</i>	29,793.89
<i>Billed Sales in kWh</i>	142,295,255
<i>UPC</i>	4,775.99

	<u>Existing</u>	<u>New</u>	<u>Total</u>
Customer Count	29,604.99	188.90	29,793.89
FCC	\$360.57	\$256.29	
Authorized Recovery Amount	<u>\$10,674,670</u>	<u>\$48,414</u>	<u>\$10,723,084</u>
Billed Sales in kWh	141,393,059	902,196	142,295,255
FCE	\$0.068633	\$0.048783	
Actual Recovery Amount	<u>\$9,704,230</u>	<u>\$44,012</u>	<u>\$9,748,242</u>
Small General Service FCA	<u><u>\$970,440</u></u>	<u><u>\$4,402</u></u>	<u><u>\$974,842</u></u>
Total FCA	<u><u>\$24,394,078</u></u>	<u><u>\$321,122</u></u>	<u><u>\$24,715,199</u></u>

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION**

CASE NO. IPC-E-23-09

IDAHO POWER COMPANY

**GORALSKI, DI
TESTIMONY**

EXHIBIT NO. 3

2022 Monthly Customer Count and Billed Sales

Residential Customer Classes

<u>Month</u>	<u>Customer Count</u>	<u>Billed Sales</u>
January	492,999.11	608,939,044
February	493,109.32	589,890,431
March	494,383.81	527,194,336
April	495,844.42	399,640,867
May	497,034.52	375,108,898
June	498,779.45	355,807,050
July	499,425.10	468,142,383
August	500,469.10	603,986,064
September	501,501.36	536,680,521
October	502,438.95	355,626,530
November	503,389.39	409,036,150
December	504,406.41	590,715,902
	Annual Average Customer Count	Total Annual Billed Sales
	498,648.41	5,820,768,176

Small General Service Customer Classes

<u>Month</u>	<u>Customer Count</u>	<u>Billed Sales</u>
January	29,874.81	13,847,800
February	29,683.69	13,994,046
March	29,914.30	12,578,116
April	29,501.64	10,028,422
May	29,536.01	9,687,778
June	30,072.72	9,551,140
July	29,678.60	11,370,093
August	29,846.57	13,828,657
September	29,806.14	12,798,487
October	29,832.06	10,140,134
November	29,879.12	10,646,645
December	29,901.01	13,823,937
	Annual Average Customer Count	Total Annual Billed Sales
	29,793.89	142,295,255

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-23-09**

IDAHO POWER COMPANY

**GORALSKI, DI
TESTIMONY**

EXHIBIT NO. 4

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	V
1	Fixed Cost Adjustment Monthly Repor		January	February	March	April	May	June	July	August	September	October	November	December	Adjustment	Current Year Total	January	February	March	April	May	Grand Total
2	for the year ended December 31, 2022																					
3																						
4	Residential FCA (Existing Customers)																					
5	Beginning Balance	\$	0.00	5,547,427.00	8,609,926.00	10,400,330.00	14,861,545.00	16,188,905.00	18,602,804.00	18,914,273.00	16,880,803.00	15,154,962.00	18,310,530.00	21,458,252.00	23,331,785.00		23,423,636.00	23,423,636.00	23,423,636.00	23,423,636.00	23,423,636.00	
6	Amount Deferred	\$	5,547,427.00	3,062,499.00	1,790,404.00	4,461,215.00	1,327,360.00	2,413,899.00	311,469.00	(2,033,470.00)	(1,725,841.00)	3,155,568.00	3,147,722.00	1,873,533.00	91,851.00	23,423,636.00	-	-	-	-	-	23,423,636.00
7	Ending Balance	\$	5,547,427.00	8,609,926.00	10,400,330.00	14,861,545.00	16,188,905.00	18,602,804.00	18,914,273.00	16,880,803.00	15,154,962.00	18,310,530.00	21,458,252.00	23,331,785.00	23,423,636.00	23,423,636.00	23,423,636.00	23,423,636.00	23,423,636.00	23,423,636.00	23,423,636.00	
8																						
9	Residential FCA (New Customers):																					
10	Beginning Balance	\$	0.00	43,483.00	67,828.00	84,357.00	132,101.00	147,896.00	180,860.00	185,316.00	154,089.00	125,793.00	180,507.00	238,096.00	274,291.00		316,720.00	316,720.00	316,720.00	316,720.00	316,720.00	
11	Amount Deferred	\$	43,483.00	24,345.00	16,529.00	47,744.00	15,795.00	32,964.00	4,456.00	(31,227.00)	(28,296.00)	54,714.00	57,589.00	36,195.00	42,429.00	316,720.00	-	-	-	-	-	316,720.00
12	Ending Balance	\$	43,483.00	67,828.00	84,357.00	132,101.00	147,896.00	180,860.00	185,316.00	154,089.00	125,793.00	180,507.00	238,096.00	274,291.00	316,720.00	316,720.00	316,720.00	316,720.00	316,720.00	316,720.00	316,720.00	
13																						
14	Interest:																					
15	Accrual thru Prior Month	\$	-	-	4,657.23	11,885.80	20,619.54	33,109.25	46,717.81	62,364.60	78,274.56	92,464.63	105,193.50	120,596.53	-		138,669.59	178,244.76	217,819.93	257,395.10	296,970.27	
16	Monthly Interest Rate (Annual 1% for 2022, 2% for 2023)		0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%		0.1667%	0.1667%	0.1667%	0.1667%	0.1667%
17	Monthly Interest Inc/(Exp)	\$	-	4,657.23	7,228.57	8,733.74	12,489.71	13,608.56	15,646.79	15,909.96	14,190.07	12,728.87	15,403.03	18,073.06	-	138,669.59	39,575.17	39,575.17	39,575.17	39,575.17	39,575.17	336,545.44
18	Interest Accrued to date	\$	-	4,657.23	11,885.80	20,619.54	33,109.25	46,717.81	62,364.60	78,274.56	92,464.63	105,193.50	120,596.53	138,669.59	-	138,669.59	178,244.76	217,819.93	257,395.10	296,970.27	336,545.44	
19																						
20	Total Residential FCA:		5,590,910.00	8,682,411.23	10,496,572.80	15,014,265.54	16,369,910.25	18,830,381.81	19,161,953.60	17,113,166.56	15,373,219.63	18,596,230.50	21,816,944.53	23,744,745.59	23,740,356.00	23,879,025.59	39,575.17	39,575.17	39,575.17	39,575.17	39,575.17	24,076,901.44
21																						
22																						
23	Small General Service FCA (Existing Customers)																					
24	Beginning Balance	\$		157,346.00	214,197.00	276,983.00	438,395.00	504,237.00	637,732.00	737,775.00	726,042.00	748,491.00	858,375.00	923,969.00	970,421.00		970,440.00	970,440.00	970,440.00	970,440.00	970,440.00	
25	Amount Deferred	\$	157,346.00	56,851.00	62,786.00	161,412.00	65,842.00	133,495.00	100,043.00	(11,733.00)	22,449.00	109,884.00	65,594.00	46,452.00	19.00	970,440.00	-	-	-	-	-	970,440.00
26	Ending Balance	\$	157,346.00	214,197.00	276,983.00	438,395.00	504,237.00	637,732.00	737,775.00	726,042.00	748,491.00	858,375.00	923,969.00	970,421.00	970,440.00	970,440.00	970,440.00	970,440.00	970,440.00	970,440.00	970,440.00	
27																						
28	Small General Service FCA (New Customers):																					
29	Beginning Balance	\$		1,019.00	1,126.00	1,592.00	1,592.00	1,592.00	3,091.00	3,268.00	3,200.00	3,308.00	3,907.00	4,339.00	4,669.00		4,401.00	4,401.00	4,401.00	4,401.00	4,401.00	
30	Amount Deferred	\$	1,019.00	107.00	466.00	-	-	1,499.00	177.00	(68.00)	108.00	599.00	432.00	330.00	(268.00)	4,401.00	-	-	-	-	-	4,401.00
31	Ending Balance	\$	1,019.00	1,126.00	1,592.00	1,592.00	1,592.00	3,091.00	3,268.00	3,200.00	3,308.00	3,907.00	4,339.00	4,669.00	4,401.00	4,401.00	4,401.00	4,401.00	4,401.00	4,401.00	4,401.00	
32																						
33	Interest:																					
34	Accrual thru Prior Month	\$	-	-	131.92	311.28	543.33	909.84	1,331.20	1,865.01	2,482.30	3,089.76	3,716.01	4,434.29	-		5,207.57	6,832.63	8,457.69	10,082.75	11,707.81	
35	Monthly Interest Rate (Annual 1% for 2022, 2% for 2023)		0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%	0.0833%		0.1667%	0.1667%	0.1667%	0.1667%	0.1667%
36	Monthly Interest Inc/(Exp)	\$	-	131.92	179.36	232.05	366.51	421.36	533.81	617.29	607.46	626.25	718.28	773.28	-	5,207.57	1,625.06	1,625.06	1,625.06	1,625.06	1,625.06	13,332.87
37	Interest Accrued to date	\$	-	131.92	311.28	543.33	909.84	1,331.20	1,865.01	2,482.30	3,089.76	3,716.01	4,434.29	5,207.57	-	5,207.57	6,832.63	8,457.69	10,082.75	11,707.81	13,332.87	
38																						
39	Total Small General Service FCA:		158,365.00	215,454.92	278,886.28	440,530.33	506,738.84	642,154.20	742,908.01	731,724.30	754,888.76	865,998.01	932,742.29	980,297.57	974,841.00	980,048.57	1,625.06	1,625.06	1,625.06	1,625.06	1,625.06	988,173.87
40																						
41																						
42	Total Fixed Cost Adjustmen	\$	5,749,275.00	8,897,866.15	10,775,459.08	15,454,795.87	16,876,649.09	19,472,536.01	19,904,861.61	17,844,890.86	16,128,108.39	19,462,228.51	22,749,686.82	24,725,043.16	24,715,197.00	24,859,074.16	41,200.23	41,200.23	41,200.23	41,200.23	41,200.23	25,065,075.31
43																						
44																						
45																						
46																						
47	Entries:																					
48	599 X00001 999 182302 (254302)		5,749,275.00	3,148,591.15	1,877,592.93	4,679,336.79	1,421,853.22	2,595,886.92	432,325.60	(2,059,970.75)	(1,716,782.47)	3,334,120.12	3,287,458.31	1,975,356.34	134,031.00	24,859,074.16	41,200.23	41,200.23	41,200.23	41,200.23	41,200.23	
49	599 X00001 999 440301		(5,590,910.00)	(3,086,844.00)	(1,806,933.00)	(4,508,959.00)	(1,343,155.00)	(2,446,863.00)	(315,925.00)	2,064,697.00	1,754,137.00	(3,210,282.00)	(3,205,311.00)	(1,909,728.00)	(134,280.00)	(23,740,356.00)	-	-	-	-	-	
50	599 X00001 999 442301		(158,365.00)	(56,958.00)	(63,252.00)	(161,412.00)	(65,842.00)	(134,994.00)	(100,220.00)	11,801.00	(22,557.00)	(110,483.00)	(66,026.00)	(46,782.00)	249.00	(974,841.00)	-	-	-	-	-	
51	599 X00001 999 421006 (431013)		-	(4,789.15)	(7,407.93)	(8,965.79)	(12,856.22)	(14,029.92)	(16,180.60)	(16,527.25)	(14,797.53)	(13,355.12)	(16,121.31)	(18,846.34)	-	(143,877.16)	(41,200.23)	(41,200.23)	(41,200.23)	(41,200.23)	(41,200.23)	
52																						

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-23-09**

IDAHO POWER COMPANY

**GORALSKI, DI
TESTIMONY**

EXHIBIT NO. 5

FCA Rate Determination

Combined Option - Different Rates	Target FCA Dollars	Normalized Energy	Base Revenue	FCA Dollars Collected	Over/Under	Percent Diff from Base	Rate
Residential	\$24,076,901.44	5,519,189,071	\$510,688,849	\$24,293,752.96	\$216,851.52	4.76%	0.004402
Small General Service	\$988,173.87	139,209,221	\$16,214,281	\$771,322.35	(\$216,851.52)	4.76%	0.005541
Combined	\$25,065,075.31	5,658,398,292	\$526,903,129	\$25,065,075.31	\$0.00	4.76%	

Existing FCA Balance per Order No. 35410	\$35,203,248
Proposed 2022 FCA Deferral Balance	\$25,065,075
FCA Annual Increase (Decrease)	(\$10,138,173)

Forecasted Base Rate Revenue \$526,903,129

Annual FCA Difference Percentage of Base Rate Revenue -1.92%

**BEFORE THE
IDAHO PUBLIC UTILITIES COMMISSION
CASE NO. IPC-E-23-09**

IDAHO POWER COMPANY

**GORALSKI, DI
TESTIMONY**

EXHIBIT NO. 6

**Idaho Power Company
Calculation of Revenue Impact
State of Idaho
Fixed Cost Adjustment
Filed March 15, 2023**

**Summary of Revenue Impact
Current Billed Revenue to Proposed Billed Revenue**

Line No	Tariff Description	Rate Sch. No.	Average Number of Customers ⁽¹⁾	Normalized Energy (kWh) ⁽¹⁾	Current Billed Revenue	Mills Per kWh	Total Adjustments to Billed Revenue	Proposed Total Billed Revenue	Mills Per kWh	Percent Change Billed to Billed Revenue
<u>Uniform Tariff Rates:</u>										
1	Residential Service	1	494,984	5,417,430,195	\$609,518,821	112.51	(\$9,485,920)	\$600,032,900	110.76	(1.56)%
2	Master Metered Mobile Home Park	3	19	4,487,098	\$481,814	107.38	(\$7,857)	\$473,957	105.63	(1.63)%
3	Residential Service Energy Watch	4	0	0	\$0	0.00	\$0	\$0	0.00	0.00%
4	Residential Service Time-of-Day	5	986	16,989,421	\$1,838,909	108.24	(\$29,748)	\$1,809,160	106.49	(1.62)%
5	Residential Service On-Site Generation	6	14,270	80,282,357	\$9,487,053	118.17	(\$140,574)	\$9,346,479	116.42	(1.48)%
			510,259	5,519,189,071	\$621,326,596	112.58	(\$9,664,100)	\$611,662,495	110.82	(1.56)%
6	Small General Service	7	30,601	138,996,671	\$19,198,510	138.12	(\$312,326)	\$18,886,184	135.88	(1.63)%
7	Small General Service On-Site Generation	8	93	212,550	\$32,230	151.63	(\$478)	\$31,752	149.39	(1.48)%
			30,694	139,209,221	\$19,230,739	138.14	(\$312,803)	\$18,917,936	135.90	(1.63)%
8	Total Residential and Small General Service		540,953	5,658,398,292	\$640,557,335	113.20	(\$9,976,903)	\$630,580,432	111.44	(1.56)%

(1) June 01, 2023 - May 31, 2024 Forecasted Test Year (Spring 2023 Forecast)