



Idaho Power Files Annual Power Cost Adjustment

April 14, 2023

BOISE, Idaho — Idaho Power has filed the final piece of its annual spring cost adjustments with the Idaho Public Utilities Commission (IPUC). This year's Power Cost Adjustment (PCA) calls for a price increase as a result of higher power costs related to natural gas and market prices, lower than expected hydro generation and a limited coal supply.

Neither Idaho Power nor its shareholders receive any financial return from this filing, which is a request for \$200.23 million. The money collected is used solely to recover expenses associated with annual fluctuations in power supply costs.

"We understand times are tough for many, and we are sensitive to the impacts price increases have on our customers," said Ryan Adelman, Vice President of Power Supply. "Unfortunately, our power supply costs were higher this past year because of continued drought conditions, high natural gas prices and fuel supply challenges, and we must recover those costs to maintain the reliable service our customers depend on. Despite these obstacles, we are working hard to keep our prices 20% to 30% lower than the national average."

Idaho Power previously filed the Fixed Cost Adjustment (FCA) on March 15. If approved, the FCA and PCA rate changes will take effect June 1. A typical Idaho residential customer will see an overall monthly increase of \$11.06 — the combined impact of the following two filings:

- The FCA, which is applicable only to residential and small commercial customers, adjusts prices based on changes in energy use per customer during the previous year. For the average Idaho residential customer using 950 kilowatt-hours (kWh) of energy per month, this year's FCA requests a monthly bill decrease of \$1.66.
- The PCA is a cost-recovery tool that passes on both the benefits and costs of supplying energy to Idaho Power customers. This year's PCA requests a monthly bill increase of \$12.72 for the average Idaho residential customer.

The impact of both filings for all Idaho customers is shown in the table below. The actual percentage will depend on a customer's classification and the rate they pay.

| 2023 RATE FILINGS | | | | | | | |
|---|---------------------------|---------------------------|-------------|-----------------------|------------------------------------|--------------------------|------------|
| Percentage Change from Current Billed Revenue | | | | | | | |
| Filing | Revenue Change (millions) | Overall Percentage Impact | Residential | Small General Service | Large General Service ¹ | Large Power ² | Irrigation |
| PCA | \$200.23 | 14.68% | 11.90% | 9.70% | 16.19% | 20.26% | 15.01% |
| FCA | -\$9.98 | -0.73% | -1.56% | -1.63% | N/A | N/A | N/A |
| Combined Impact ³ | \$190.26 | 13.94% | 10.34% | 8.08% | 16.19% | 20.26% | 15.01% |

¹ Includes lighting schedules; ² Includes special contracts; ³ Totals may not sum due to rounding

The PCA has two main components: a true-up mechanism for power costs incurred the previous year and an estimate of what energy will cost in the coming year. The true-up brings last year's anticipated costs in balance with costs actually incurred the previous April through March. The estimate reflects Idaho Power's anticipated fuel costs, purchased power costs and customer benefits from sales of surplus energy for the coming April through March.

The increase in this year's PCA is primarily due to last year's actual power supply costs, which exceeded the forecast, driven by lower-than-expected hydro generation, high natural gas prices, high market prices and a limited coal supply. This year's PCA forecast also reflects expected increased costs primarily due to continued high natural gas and market prices and a limited coal supply.

Opportunities for Public Review

Idaho Power's proposal is subject to public review and approval by the IPUC. Copies of the application are available to the public at the IPUC offices (11331 W. Chinden Blvd. Building 8, Suite 201-A, Boise, ID 83714), Idaho Power offices, or at idahopower.com or puc.idaho.gov. Customers also may subscribe to the IPUC's RSS feed to receive periodic updates via email about the case. Written comments regarding Idaho Power's proposal (Case No. IPC-E-23-12) may be filed with the IPUC.

About Idaho Power

Idaho Power, headquartered in vibrant and fast-growing Boise, Idaho, has been a locally operated energy company since 1916. Today, it serves a 24,000-square-mile area in Idaho and Oregon. The company's goal to provide 100% clean energy by 2045 builds on its long history as a clean-energy leader that provides reliable service at affordable prices. With 17 low-cost hydroelectric projects at the core of its diverse energy mix, Idaho Power's residential, business and agricultural customers pay among the nation's lowest prices for electricity. Its 2,000 employees proudly serve more than 610,000 customers with a culture of safety first, integrity always and respect for all.

IDACORP Inc. (NYSE: IDA), Idaho Power's independent publicly traded parent company, is also headquartered in Boise, Idaho. To learn more, visit idahopower.com or idacorpinc.com.

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