

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF IDAHO POWER) CASE NO. IPC-E-26-10
COMPANY’S APPLICATION FOR)
AUTHORITY TO IMPLEMENT POWER) AMENDED NOTICE OF
COST ADJUSTMENT (“PCA”) RATES FOR) APPLICATION
ELECTRIC SERVICE FROM JUNE 1, 2026)
THROUGH MAY 31, 2027) ORDER NO. 37036
)

On April 15, 2026, Idaho Power Company (“Company”) applied to the Idaho Public Utilities Commission (“Commission”) requesting an order approving an update to Schedule 55 (“Application”) based on: (1) the quantification of the 2026-2027 Power Cost Adjustment (“PCA”); (2) the PCA Balancing Adjustment; and (3) the Idaho jurisdictional Boardman Balancing Account over-collection, to become effective June 1, 2026 for the period of June 1, 2026, through May 31, 2027. Application at 17. On May 4, 2026, the Commission issued a Notice of Application and Notice of Modified Procedure establishing written comment deadlines. Order No. 37028. On May 4, 2026, the Company filed an Errata to its Application and Direct Testimony of Jessica Brady (“Errata to Application and Brady Direct”).

The Commission now issues this Amended Notice of Application.

BACKGROUND

The PCA mechanism permits the Company to increase or decrease its PCA rates to reflect the Company’s annual “power supply costs.” Due to its diverse generation portfolio, the Company’s actual cost of providing electricity varies from year to year depending on changes in such things as the river streamflow, the amount of purchased power, fuel costs, the market price of power, and other factors. The annual PCA surcharge or credit is combined with the Company’s “base rates” to produce a customer’s overall energy rate.

The PCA quantifies and tracks annual differences between actual Net Power Supply Expenses (“NPSE”) and the normalized or “base level” of NPSE recovered in the Company’s base rates, resulting in a credit or surcharge that is updated annually on June 1. The PCA mechanism uses a 12-month test period from April through March (“PCA Year”) and includes a forecast component and a Balancing Adjustment. The forecast component represents the difference between the Company’s NPSE forecast from the March Operating Plan and base level NPSE

recovered in the Company’s base rates. The Balancing Adjustment includes a backward-looking tracking of differences between the prior PCA Year’s forecast and actual NPSE incurred by the Company and also tracks the collection of the prior year’s Balancing Adjustment.

Except for Public Utility Regulatory Policies Act of 1978 (“PURPA”) expenses and demand response incentive payments, the PCA allows the Company to pass through to customers 95 percent of the annual differences in actual NPSE as compared with base level NPSE, whether positive or negative. With respect to PURPA expenses and demand response incentive payments and actual annual expenses deviate from base level NPSE, the Company is allowed to pass 100 percent of the difference for recovery or credit through the PCA. The PCA is also the rate mechanism used by the Company to provide customer benefits resulting from the revenue sharing mechanism, approved by the Commission in Order No. 34071.

AMENDED NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company represents that if the Application is approved, it will result in a revenue increase of approximately \$51.3 million, or a 3.00% increase from its current billed revenue. Errata to Application and Brady Direct at 2.

YOU ARE HEREBY NOTIFIED that the Company represents that if approved, the proposed 2026-2027 PCA rates would collect \$86.5 million in total PCA collection. *Id.* at 2.

YOU ARE FURTHER NOTIFIED that the Company represents the following table shows the separation of the \$51.3 million revenue increase that would occur if the 2026-2027 PCA rates were approved into each component included in the Company’s proposed rates:

| Idaho Jurisdictional Revenue Impact by Component | | | | |
|---|-----------------------------|----------------------|----------------------|----------------------|
| Line No. | Rate Component | 2025-2026 PCA | 2026-2027 PCA | Difference |
| 1 | PCA Forecast | \$ 88,931,875 | \$ 165,106,470 | \$ 76,174,596 |
| 2 | PCA Balancing Adjustment | \$ (53,722,317) | \$ (78,581,629) | \$ (24,859,313) |
| 3 | PCA Total | \$ 35,209,558 | \$ 86,524,841 | \$ 51,315,283 |
| 4 | Revenue Sharing | \$ 0 | \$ 0 | \$ 0 |
| 5 | Total Revenue Impact | \$ 35,209,558 | \$ 86,524,841 | \$ 51,315,283 |

Id. at 4.

YOU ARE FURTHER NOTIFIED that the Company represents that the increase in this year’s PCA is due to an increase in the PCA’s forecast component, which shows a 16% decrease in “forecast hydro generation” compared to the previous PCA year. Application at 14.

YOU ARE FURTHER NOTIFIED that the Company represents that a decrease to the Balancing Adjustment partially offset this year’s PCA. *Id.* The Company represents that the decrease to the Balancing Adjustment was due to increased Renewable Energy Credit sales, the Sales-Based Adjustment, and because the over-collected amount of \$3,279,207 from the Idaho jurisdictional Boardman Balancing Account was included in the Balancing Adjustment. *Id.*

YOU ARE FURTHER NOTIFIED that the Company represents that the Idaho jurisdictional Boardman Balancing Account was established in Commission Order No. 32457 in Case No. IPC-E-11-18 and allowed the Company to track and reconcile revenue from customers with the costs and credits related to the early closure of the Boardman Power Plant. *Id.* at 11–12. The Company represents that all activities related to the closure of the Boardman Power Plant are completed and that Table 1 summarizes the total Idaho jurisdiction over-collected amount:

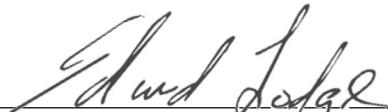
| Table 1 | | |
|--|------------------------------------|----------------|
| Idaho Jurisdictional Boardman Balancing Account | | |
| Line No. | | |
| 1 | Decommissioning Costs | \$ 3,108,402 |
| 2 | Materials and Supplies Write-off | \$ 920,138 |
| 3 | Total Decommissioning Expenditures | \$ 4,028,540 |
| 4 | Collection of Costs | \$ (5,116,957) |
| 5 | Load Variance True-Up | \$ (3,950) |
| 6 | Asset Purchase Agreement Proceeds | \$ (2,186,840) |
| 7 | Under (Over) Collection | \$ (3,279,207) |

Id. at 14.

YOU ARE FURTHER NOTIFIED that the Company’s Application, testimony, exhibits, customer notice, press release, direct mail postcard, and Errata to Application and Brady Direct are available for public inspection during regular business hours at the Commission’s office. The Application is also available on the Commission’s website at www.puc.idaho.gov. Click on the “ELECTRIC” icon, select “Open Cases,” and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission’s jurisdiction under Title 61 of the Idaho Code, and that all proceedings in this matter will be conducted pursuant to the Commission’s Rules of Procedure, IDAPA 31.01.01.000 *et seq.*


DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8th day of May, 2026.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary
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