



**IDAHO
POWER®**

An IDACORP Company

IDAHO POWER COMPANY
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IDAHO PUBLIC
UTILITIES COMMISSION

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PHIL A. OBENCHAIN
Senior Pricing Analyst
Pricing & Regulatory Services

March 01, 2007

Ms. Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P. O. Box 83720
Boise, Idaho 83720-0074

RE: Case No. IPC-E-01-30
Application for Authority to Implement a Residential and
Small Farm Energy Rate Adjustment Credit

Dear Ms. Jewell:

Attached is Idaho Power Company's calculation of the March BPA Credit. The calculation results in a credit of \$.004019/kWh, which will be applied to the March residential bills beginning with Cycle 1 on February 28, 2007.

The February BPA Credit has been reduced by approximately 20 percent to hold back dollars for a potential settlement of the deemer balance that has been carried over from the original 1981 Residential Purchase and Sale Agreement. If a settlement is not reached, the amount held will be promptly passed through to customers.

The Company will continue to notify the Commission Staff at the beginning of each revenue month giving you the opportunity to respond to any customer inquiries that may result. If you have questions, please do not hesitate to call.

Sincerely,



Phil A. Obenchain

PAO:ma
Attachment

c: Beverly Barker, IPUC
Terri Carlock, IPUC
Randy Lobb, IPUC
Ric Gale, IPCO

IDAHO POWER COMPANY
CALCULATION OF MONETARY BENEFIT MONTHLY PAYMENT AMOUNTS
IDAHO

Table with columns: BPA EXCHANGE MONTH, IPC REVENUE MONTH, BILL DATE, DEMAND (MW), BPA HOURS, ENERGY, PAYMENT AMOUNT, BPA ADJUSTMENTS, CURRENT MONTH BENEFIT, TOTAL RESIDENTIAL BENEFIT, BILLING MONTH, RESIDENTIAL CREDIT \$/MWH, IRRIGATION BENEFIT, REVENUE MONTH, MONTHLY TRUE-UP ACTUAL PAYOUT, CALC. PAYOUT, DEF. (\$).

ANNUAL BENEFIT AMOUNT \$15,590,322
AT CAP OF= \$15,590,322
MONTHLY BENEFIT AMOUNT \$2,549,277
AT CAP OF= \$2,549,277

MP = (FBPF - RL) * MB * HRS(8760 OR 8784) / 12MOS.
WHERE:
MP = Monthly Payment Amount, expressed in dollars, for each month of such Contract Year.
FBPF = Forward Fuel-Block Price Forecast, expressed in \$/MWh, for such Contract Year.
RL = The hourly weighted annual average RL Rate calculated at 100 percent annual load factor, expressed in \$/MWh, for such Contract Year.
MB = Monetary Benefit amount, expressed in annual AMW.
MBC = Monetary Benefit Cap, means the maximum amount, expressed in \$/MWh, by which the FBPF may exceed the RL.
MBF = Monetary Benefit Floor, means the minimum amount, expressed in \$/MWh, by which the FBPF may exceed the RL.
FBPF = \$38.460
MBC = \$15.350
RL = \$23.875
MBF = \$3.200

DEEMER SETTLEMENT ADJUSTMENT FY-2007:
1 Oct-06 Nov-06 10/31/06 \$2,446,851
2 Nov-06 Dec-06 11/30/06 \$2,446,851
3 Dec-06 Jan-07 1/31/07 \$2,446,851
4 Jan-07 Feb-07 2/29/07 \$2,446,851
5 Feb-07 Mar-07 3/31/07 \$2,446,851
6 Mar-07 Apr-07 4/30/07 \$2,446,851
7 Apr-07 May-07 5/31/07 \$2,446,851
8 May-07 Jun-07 6/30/07 \$2,446,851
9 Jun-07 Jul-07 7/31/07 \$2,446,851
10 Jul-07 Aug-07 8/31/07 \$2,446,851
11 Aug-07 Sep-07 9/30/07 \$2,446,851
12 Sep-07 Oct-07 10/31/07 \$2,446,851

MARCH BPA CREDIT WITH DEEMER SETTLEMENT ADJUSTMENT =
10/31/06 NO ADJUSTMENT \$0.00000
11/30/06 NO ADJUSTMENT \$0.00000
1/31/07 (\$617,381) 410,139.417 (\$0.01560)
2/29/07 (\$617,381) 410,139.417 (\$0.01560)
3/31/07 (\$385,863) 410,139.417 (\$0.00941)

Table with columns: BPA EXCHANGE MONTH, IPC REVENUE MONTH, BILL DATE, DEMAND (MW), BPA HOURS, ENERGY, PAYMENT AMOUNT, BPA ADJUSTMENTS, CURRENT MONTH BENEFIT, REDUCTION FOR DEEMER SETTLEMENT, ADJUSTED MONTHLY BENEFIT, RESIDENTIAL SALES RATIO, TOTAL RESIDENTIAL BENEFIT, BILLING MONTH, RESIDENTIAL CREDIT \$/MWH, IRRIGATION BENEFIT, CORRECTED CREDIT, ORIGINAL CREDIT, CORRECTION OF PRIOR MONTH CALC.