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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for Idaho Power Company

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Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR AN)	CASE NO. IPC-E-01-41
ACCOUNTING ORDER AUTHORIZING)	
IDAHO POWER TO DEFER THE)	
EXTRAORDINARY COSTS ASSOCIATED)	NOTIFICATION OF
WITH INCREASED SECURITY MEASURES)	COMMENCEMENT OF
IMPLEMENTED ON COMPANY PROPERTY)	AMORTIZATION
SINCE SEPTEMBER 11, 2001.)	
_____)	

On March 28, 2002, the Commission issued Order No. 28975 in the above-entitled proceeding granting Idaho Power Company's request for an order allowing for the deferral of extraordinary costs associated with increased security measures. The Commission in that Order required that the extraordinary security costs accrued before January 1, 2002 be amortized over a five-year period commencing January 1, 2003. Costs deferred in each succeeding year would be amortized beginning January 1 of the next calendar year. At Page 5 of Commission Order No. 28975 the Company has interpreted the Commission's Order to require the

commencement of the amortization of 2002 deferred costs to be January 1, 2003. The Company herewith provides notification of the commencement of the monthly amortization of security costs as follows:

	2001	2002	Total
Monthly Amortization	\$932.17	\$13,924.84	\$14,857.01

The Company recognizes that the final amortization amount is dependent upon the Commission's prudence review of the expenses incurred as well as the ultimate sharing of costs between Idaho Power Company shareholders and ratepayers.

Attached to this Notification is a brief description of the security measures that were undertaken by the Company in 2001 and 2002. Due to the sensitivity of the security measures, the descriptions of the measures are general in nature, and if the Commission or its Staff desires additional information, the Company will make available the Company's Security Consultant.

The Company has also attached a one-page document which sets forth the Incremental Security Cost, Allocations and Amortizations for the years 2001 and 2002. The Company requests that if additional information is required in reference to the cost allocations and amortization, that the Commission or its Staff contact Mr. Michael J. Youngblood, Regulatory Affairs Representative, at 388-2882.

Communications with reference to this Notification should be sent to the following:

Larry D. Ripley
Senior Attorney
Idaho Power Company
P.O. Box 70
Boise, ID 83707

Michael J. Youngblood
Regulatory Affairs Representative
Idaho Power Company
P.O. Box 70
Boise, ID 83707

Respectfully submitted this 30th day of January, 2003.



LARRY D. RIPLEY
Attorney for Idaho Power Company

Additional Security Measures

Taken In 2001 and 2002

Additional Security Measures Taken In 2001

During the month of October 2001, the administration of Idaho Power Company, in response to the acts of terror committed against the United States of America on September 11, 2001, implemented a plan to increase the physical security of several critical locations across the Idaho Power property and as an integral part of that plan, retained the services of a security consultant. Due to the gravity of the existing situation, interim measures were implemented pending a more thorough review of the potential threat to the Company property.

The security consultant initiated contact with the Idaho State Police, United States Attorney's Office, Federal Bureau of Investigation, Bureau of Alcohol, Tobacco and Firearms and Idaho Bureau of Disaster Services to seek input regarding the security effort and potential threat against the Company.

Hell's Canyon Complex:

A security consultant was retained and four (4) locations in the Hell's Canyon Complex were identified as "security critical." The Company entered into an agreement with a private security contractor to provide 24 hour per day / 7 day per week security at those locations. The critical checkpoints were staffed and fully operational in late October 2001. Additionally, Idaho Power Company agreed to reimburse the Adams County Sheriff's Department for their summer, marine deputy's wages, vehicle expenses and housing, to remain in the canyon and provide higher profile law enforcement response to security related issues.

Corporate Headquarters:

Prior to the events of September 11, 2001, physical security at the Corporate Headquarters (CHQ) consisted of one (1) guard on-duty, 24-hours per day / 7-day per week. Subsequent to that date, the staffing was doubled, access to the facility restricted and physical barricades placed to restrict vehicular access to the underground delivery area and adjacent, private alleyway. The barricades had to be moved periodically via the use of a mechanical lifting device at any time that access to the underground delivery area was needed by contractors and / or vendors for large deliveries of equipment and supplies.

Boise Bench Facility:

This facility located on East Amity Road in Boise, ID, was deemed critical due to the sensitive nature of the business conducted there, the number of employees and the close proximity to a major substation in the Idaho Power System. The contractor that supplies guards at the CHQ currently supplies one (1) guard on-duty, 24-hour per day / 7-day per week.

Additional Security Measures Taken In 2002

At the beginning of the year 2002, security guards were in place at four locations in the Hell's Canyon Complex, security guard staffing at the Corporate Headquarters was doubled from pre September 11, 2001 levels and a security guard was in place at the Boise Bench. During calendar year 2002, Idaho Power Company has reevaluated the threat potential throughout the Company Property, installed various electronic surveillance devices and reduced the number of contract guards that were previously employed.

Hell's Canyon Complex:

In late Fall of 2001, a security consultant was hired and four (4) locations in the Hell's Canyon Complex were identified as "security critical," The Company entered into an agreement with a private security contractor to provide 24 hour per day/7 day per week security at those locations. The critical checkpoints were staffed and fully operational in late October 2001.

In early 2002 and within a relatively short period of time after they were established, one of the interim security checkpoints was identified as non-critical and discontinued, leaving three (3) checkpoints with full-time staffing.

During the month of March 2002, threat potential in the Hell's Canyon Complex facilities was re-assessed and it was determined that the Hell's Canyon Dam had the highest threat potential. The other two facilities, Brownlee and Oxbow were determined to be relatively secure based on measures that had been implemented to restrict vehicular access. At that time, the two (2) security posts, one at Brownlee Bridge and the other at Brownlee Intake, were discontinued, leaving only the Hell's Canyon Dam checkpoint staffed and operational.

Electronic surveillance equipment is currently installed throughout the Hell's Canyon Complex and effective August 3, 2002 the remaining checkpoint and security guard was eliminated.

Since the inception of the security guard program in Hell's Canyon Complex, the Security Consultant and Director of Safety and Security have worked to identify and eliminate non-critical, staffed checkpoints and reduce costs wherever and whenever possible while still maintaining a reasonable level of security for the facilities, Idaho Power Company employees and visitors in the Complex.

Additionally, Idaho Power Company entered into an agreement with the Adams County Sheriff's Department wherein Idaho Power Company will reimburse the Sheriff's Department for the costs of a full-time deputy, vehicle and housing in Hell's Canyon. The deputy's primary responsibility is that of providing immediate response to security related issues and providing a high profile law enforcement deterrent in the Hell's Canyon Complex.

Corporate Headquarters:

Prior to the events of September 11, 2001, physical security at the Corporate Headquarters (CHQ) consisted of one (1) guard on-duty 24-hours per day / 7-day per week. Subsequent to that date, the staffing was doubled, access to the facility restricted and physical barricades placed to restrict vehicular access to the underground delivery area and adjacent, private alleyway. The physical barricades needed to be moved periodically via the use of a mechanical lifting devise. Access to the underground delivery area was restricted to and only allowed when absolutely necessary. In the late summer of 2002, the threat potential was re-evaluated, the barricades were removed and the security guard staffing was reduced to the pre-September 11, 2002 level.

Boise Bench Facility:

This facility located on East Amity Road in Boise, ID, was deemed critical due to the sensitive nature of the business conducted there, the number of employees and the close proximity to a major substation in the Idaho Power System. The Security guard staffing has been established at one (1) guard on-duty 24-hour per day / 7-day per week.

**Incremental Security Cost, Allocations
and Amortizations
For the Years 2001 and 2002**

**Incremental Security Cost, Allocations and Amortizations
For the Years 2001 and 2002**

<u>Description</u>	Work Order	Year		<u>Total</u>
		2001	2002	
Administration (CHQ)	27104398	\$ 3,762.63	\$ 216,576.93	\$ 220,339.56
Amount Allocated to IDACORP & Subs		(73.09)	(4,207.24)	(4,280.33)
Net Administration		3,689.54	212,369.69	216,059.23
Delivery (Boise Bench)	27104400	24,738.16	96,221.63	120,959.79
Power Supply (Hells Canyon)	27104401	32,424.97	600,439.39	632,864.36
Idaho Retail Jurisdictional Percentage		60,852.67	909,030.71	969,883.38
		91.91%	91.91%	91.91%
Idaho Jurisdictional Amount To Be Deferred and Amortized		\$ 55,929.69	\$ 835,490.13	\$ 891,419.82
Amount To Be Expensed (Charged-Off)		\$ 4,996.07	\$ 77,747.82	\$ 82,743.89
Monthly Amortization (60 Months)		\$ 932.17	\$ 13,924.84	\$ 14,857.01