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BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION |) | |
| OF IDAHO POWER COMPANY FOR |) | CASE NO. IPC-E-13-10 |
| AUTHORITY TO IMPLEMENT POWER |) | |
| COST ADJUSTMENT (PCA) RATES FOR |) | COMMENTS OF THE |
| ELECTRIC SERVICE FROM JUNE 1, 2013 |) | COMMISSION STAFF |
| THROUGH MAY 31, 2014. |) | |

The Staff of the Idaho Public Utilities Commission comments as follows on Idaho Power Company's Application for authority to implement Power Cost Adjustment (PCA) rates for electric service from June 1, 2013 through May 31, 2014.

BACKGROUND

On April 15, 2013, Idaho Power Company filed its annual Power Cost Adjustment (PCA) Application. The Company asks for an Order: (1) approving an update to Schedule 55 reflecting a \$140.4 million increase in the PCA rates now in effect; (2) approving the Company's determination of the 2012 revenue sharing amounts to be shared with customers; and (3) implementing one of two proposed Schedule 55 PCA rates, effective June 1, 2013 through May 31, 2014, which would allow the Company to collect the \$140.4 million over one or two years. Recovery in a single year would increase Idaho customer rates an average of 15.3 percent. Recovery over two years under the Company's Rate Mitigation Proposal would increase rates an average of 9.6 percent in the first year and leave approximately \$52.5 million for recovery in the

second year along with any amounts that may be surcharged or rebated to customers as part of the normal PCA process in that year.

IDAHO POWER COMPANY'S FILING

This year the PCA rate for each class combines the three traditional PCA components (forecast, true-up, and reconciliation) with a fourth, "revenue sharing" component. These four components are discussed below

Traditional PCA Components

The traditional annual PCA mechanism is comprised of three components: 1) a "forecast" or projection that estimates the difference between power supply costs embedded in base rates and the coming year's power supply costs; 2) a "true-up" that captures the difference between actual and base power supply costs and credits the revenue from the previous year's forecast rate; and 3) a "reconciliation" of the previous year's true-up that captures any under-recovered or under-refunded true-up amount. This is also called the true-up of the true-up. Each component is described in more detail below.

1. The Forecast. Forecasted power supply costs for the coming year are based on inputs to the Company's most recent Operating Plan. The difference between forecasted and base power supply cost is calculated to be approximately \$110 million. The power supply cost difference is converted to a cents-per-kilowatt hour (¢/kWh) rate by dividing the power costs by projected energy sales. Idaho Power calculates this rate to be 0.8258 ¢/kWh. This is the single largest rate component in this year's PCA.
2. The True-Up. The true-up amount is the difference between forecast and base power supply costs and revenues from the forecast rate during the previous year. The previous year's PCA amount is not precisely recovered because the forecast is never 100% accurate. The true-up amount is also converted to a ¢/kWh rate by dividing by projected energy sales. Idaho Power calculates the true-up amount to be \$62.2 million, which is expected to be recovered by applying a true-up rate of 0.4622 ¢/kWh. This component is largely due to what turned out to be an inaccurate forecast last year.
3. The Reconciliation. The reconciliation of the true-up tracks the recovery of the previous year's true-up amounts. It nets the actual revenue collected from the true-up rates against the amounts set for recovery. Any difference is carried into the following year's true-up reconciliation along with the true-up difference. Idaho Power calculates the

reconciliation of the true-up amount and rate to be a credit to ratepayers of \$7.7 million and -0.0574 ¢/kWh, respectively.

These three traditional PCA rate components combine for a 2013/2014 PCA rate surcharge of 1.2306 ¢/kWh (0.8258 + 0.4622 - 0.0574). The implementation of this rate would recover traditional PCA costs in one year.

Revenue Sharing

Besides the three traditional components described above, a fourth, “revenue sharing” component applies to this year’s PCA. In 2010, Commission Order No. 30978 established a mechanism that in part required Idaho Power to share revenue if the Company’s actual Idaho jurisdictional year-end Return on Equity (ROE) exceeded 10.5 % in the years 2009 through 2011. If revenue sharing was triggered, the Company was to share 50% of any earnings above 10.5% ROE with customers.

For the years ending December 31, 2009 and 2010, revenue sharing was not triggered, as the Idaho jurisdictional year-end ROE was between 9.5% and 10.5%. Revenue sharing was triggered for the years ending December 31, 2011 and 2012.

Order No. 32424 modified the revenue sharing mechanism and extended it through 2014. This Order reduced the sharing level to 10%, with equal sharing between customers and the Company when the ROE falls between 10% and 10.5%. This customer portion of the “revenue sharing” benefit serves as a customer credit that is netted with the traditional PCA components to yield a combined rate that is set forth in Schedule 55. In addition, when the ROE exceeds 10.5%, the earnings above 10.5% continue to be shared but customers receive 75% of the earnings above 10.5%. The customer share of earnings above 10.5% will be applied to the Company’s pension balancing account. This revenue sharing contribution reduces amounts that the Company would otherwise be allowed to collect from customers.

In this year’s filing, the Company calculates \$21.8 million of revenue to be shared with customers. The offset to the PCA is \$7.2 million and the remaining \$14.6 million is to be applied to Idaho Power Company’s pension balancing account. Idaho Power proposes to spread PCA revenue sharing credit to customer classes on a uniform percent of base revenue basis and use it to reduce PCA energy rates. These class specific energy credits result in a different combined PCA/Revenue Sharing energy rate for each customer class. These proposed rates are shown on Company Exhibit No. 4, Column B. For the four special contract customers, Idaho Power proposes that they each receive a different, flat-monthly credit during the PCA year. The

proposed credits are: Micron - \$15,058.46; Simplot - \$4,599.49; DOE - \$5,943.87; and Hoku - \$0 (Company Attachment No. 1). These rates are included in Tariff Schedule No. 55, which is proposed to be effective June 1, 2013 and remain in effect for one year.

Rates

Idaho Power Company presents two rate proposals: (1) a traditional rate proposal that designs rates to recover all PCA amounts in a single year (June 1, 2013 through May 31, 2014); and (2) a rate mitigation proposal that spreads PCA recovery over two years. Both proposals design rates to recover \$140.4 million more than current rates.

The Company prefers the traditional, single year recovery plan. The single year recovery plan causes combined PCA/Revenue Sharing increases as shown in Attachment 3, pages 1 and 2 to the Company's Application. This plan increases revenue 15.3% on average and increases residential revenue 12.5%.

The Company's rate mitigation proposal spreads recovery of \$140.4 million over two years. In the first year the Company would recover \$87.9 million, which leaves \$52.5 million for recovery in the following PCA year. First year increases under the Company's rate mitigation proposal are shown in Attachment 3, pages 3 and 4 to the Company's Application. The average first year increase is 9.6% and the average residential customer increase is 8.0%

STAFF AUDIT AND ANALYSIS

A. The PCA Forecast or Projection

Operating Plan inputs used to forecast power supply costs are the most current information available to the Company when its filing is prepared. The forecast considers many factors, including water conditions, gas hedges, market purchases, transmission availability and the cost of contracts under the Public Utility Regulatory Policy Act of 1978 (PURPA). Throughout the year, the Risk Management Committee (RMC) comprised of key Idaho Power employees reviews and updates the Company's risk management strategy. An account-by-account breakdown of the Company's power supply expense forecast is shown on Attachment A to these comments. The chart shows expenses included in Base Rates, Forecasted Expenses and the Difference. Account 555 – PURPA Purchase Expense, is shown separately from other Account 555 Non-PURPA Expenses because differences in PURPA Contract Expenses are not

shared between the Company and its customers. The entire difference in PURPA Qualifying Facility (QF) contracts is passed on to customers.¹

Attachment B shows Staff's calculation of the PCA rate components. Lines 1 through 18 show the calculation of the forecast rate. The forecast rate is the sum of three rate elements.

The first element is composed of all PCA amounts subject to 95/5 sharing. Lines 2 through 8 show this calculation. Line 8 shows the first component of the forecast rate to be 0.3858 ¢/kWh. This rate element captures the effects of expected poor water conditions, which are only 60% of average in the Hells Canyon Complex. It also includes the effects of continued low market prices on off-system sales revenue, which is an offset to power supply costs, and the loss of all revenue associated with Hoku first block energy sales.

The second element of the forecast rate component is shown in lines 10 through 12. The second element includes all amounts, except Demand Response Incentive amounts, that are passed through to customers without sharing. These amounts are almost entirely PURPA QF contract costs. This second rate element is 0.4889 ¢/kWh as shown on line 12. These above-base PURPA expenses are neither new to the PCA this year nor unexpected. The PURPA base was not updated in the Company's last general rate case even though PURPA costs had substantially increased. This knowingly left a large amount of PURPA costs to be included in future PCA's until these costs are moved into base rates in some future general rate case. The growth in PURPA costs has slowed substantially. While the Idaho customer share of above-base PURPA costs is expected to be approximately \$65 million, the year over year growth, last year to this year, was just \$2.1 million.

The third element of the forecast rate component allows Idaho Power to capture the difference between base and actual Demand Response Payments in the PCA. See Order No. 32426. The calculation of Demand Response Incentive rates is shown on lines 14 through 16. The difference between these Demand Response payments and base is shown on line 16 to be -0.0489 ¢/kWh. This negative component indicates an expected reduction in these costs.

The above three elements combine to produce the PCA forecast rate component of 0.8258¢/kWh shown on line 18. The forecast rate component is by far the largest part of this year's PCA rate increase. Staff has reviewed the Company's forecast rate calculations and

¹ A QF is a generating facility that qualifies for QF status under PURPA and 18 CFR Part 292 and has obtained certification of its QF status.

verifies that the calculations are correct. Staff also points out that any errors in the forecast are trued up in the following year's PCA.

B. The PCA True-up

The PCA true-up difference is netted against the amount collected from the application of the previous year's forecast rate. This difference represents the PCA true-up deferral balance. This deferral balance is divided by expected jurisdictional energy sales to produce the true-up rate component.

Page 1, lines 4 through 90 of Company Exhibit No. 3 calculates a true-up deferral amount of \$62.2 million. Attachment C contains Staff's verification of the Company's true-up deferral calculations. Staff finds the Company's calculation as shown in Exhibit No. 3 to be correct.

To verify revenues and costs associated with Idaho Power's true-up deferrals, Staff audited the actual revenues and expenses that occurred during the PCA year (April 1, 2012 through March 30, 2013). These revenues and costs included water lease expenses, fuel expenses for coal, fuel expenses for natural gas, power sales and purchases, third-party transmission expenses, Renewable Energy Credits (RECs) sales, Emission Allowance sales, and QF expenses. The Risk Management Operating Plans and RMC minutes were also reviewed.

The large true-up balance, \$62.2 million, indicates that the prior year's forecast was inaccurate. That forecast assumed runoff would come in the normal runoff period. But the runoff came early, with a substantial part of it occurring in April. Reservoir storage in April must be maintained below established levels as required by the Corps of Engineers for flood control purposes. These flood control constraints did not allow Idaho Power to store water for generation later in the summer. The runoff was passed down stream. The Company generated power with all of the water that would go through the turbines and received a very low price for the sale of the excess power. The streamflow that exceeded the turbines' capacity was spilled with no benefit accruing to Idaho Power or its customers.

The PCA true-up component includes the following items:

1. Load Change Adjustment. This year's true-up calculation includes a negative load change adjustment of \$1,056,017. Actual loads during the true-up year were below normal loads in 6 of 12 months. The actual load for the PCA year was below normal by 64,652 MWh. This represents a 0.42% decline in load. The load change adjustment is the product of the negative load growth and the load change adjustment rate (LCAR) of \$18.16/MWh for the months of April through June 2012, and \$17.64/MWh for July

through March 2013. The LCAR is composed of the energy-classified fixed costs of production embedded in base rates. When load grows, the adjustment reduces power supply costs to avoid double counting production costs. When load declines, the adjustment reimburses the Company for a portion of lost fixed production costs. The result is that \$1,056,017 (before jurisdictional allocation and PCA sharing) has been added to the deferral balance for recovery from customers in this year's PCA. This LCAR-related increase is a cost to customers and is subject to jurisdictional allocation and sharing.

2. Water Leases. The Company sometimes leases water from several entities for hydro power production. The increase or decrease in the water lease expense from base rates is included in the PCA for recovery from or credit to customers. This year's PCA deferral balance includes actual water lease expenses of \$2,295,597. The amount included in base rates is \$1,828,640. The difference of \$466,957 is included in the deferral balance. This increase in water lease expenses from base expenses is a cost to customers and is subject to jurisdictional allocation and sharing.
3. Fuel Expense - Coal. Some of Idaho Power's electricity comes from coal plants. Idaho Power owns an interest in three coal plants: Bridger, Valmy and Boardman. The increase or decrease in the coal expense from base rates is included in the PCA for recovery from or credit to customers. For the April 2012 to March 2013 audit period, the total coal expense for the three plants is \$143,733,017. The total coal expense included in base rates is \$167,308,029. This year's PCA deferral balance includes a difference between costs currently included in rates and actual costs of \$23,575,012. This decrease in coal costs from base costs is a benefit to customers and is subject to jurisdictional allocation and sharing.
4. Fuel Expense - Gas. Idaho Power owns and operates gas-fired combustion turbine generating plants at the Evander Andrews Power Complex (3 Danskin units) and Bennett Mountain located at Mountain Home, Idaho; and Langley Gulch, located near New Plymouth, Idaho. Langley Gulch was included in base rates beginning in July 2012. For the April 2012 through March 2013 audit period, the total variable gas and gas transportation expense for all the gas plants was \$31,593,483. The total gas and gas transportation expense included in base rates is \$41,867,730. This decrease in gas expense from base rates is included in the PCA. This year's PCA deferral balance

includes a difference between costs currently included in rates and actual costs of \$10,274,247. This decrease in natural gas expenses from base expenses is a benefit to customers and is subject to jurisdictional allocation and sharing. Staff notes that the addition of Langley Gulch has changed the how the Company buys natural gas. In the past, the cost of the financial hedges for natural gas was less than 1% of the total cost for natural gas in the PCA. During this PCA period, the financial hedges for natural gas were about 16% of the total natural gas costs included in the PCA. Staff does not take issue with the financial hedging activity in the natural gas sales and purchases during this PCA period.

5. Power Sales and Purchases. Staff reviewed the power purchases and sales in conjunction with the Company's Operating Plan. Staff did not find any transaction that was unreasonable or did not follow the Risk Management Committee recommendations. These transactions were made with an assortment of credit-worthy partners on a timely basis, and there were no transactions conducted with an Idaho Power affiliate.
 - a. Power Sales. During the PCA year ending March 31, 2013, the Company sold off-system surplus power totaling \$48,751,418. The total surplus sales included in base rates is \$117,833,671. This decrease in the power sales from base rates is included in the PCA. Actual surplus sales were less than base amounts by \$69,082,254. This decrease in revenues is a cost to customers and is subject to jurisdictional allocation and sharing.
 - b. Power Purchases. During the PCA year ending March 31, 2013, the Company made various market power purchases, excluding its PURPA contracts. The total amount of power purchases is \$56,000,484. The amount of power purchases included in base rates is \$50,157,899. Actual power purchases were more than base amounts by \$5,842,585. This increase in purchases is a cost to customers and is subject to jurisdictional allocation and sharing.
6. Third-Party Transmission. In Order No. 30715, the Commission found that third-party transmission costs that are incurred in conjunction with market purchases and off-system sales should be tracked through the PCA like other variable power supply costs. Including transmission expenses in the PCA is a straightforward treatment of power supply costs that fluctuate with power purchases and sales. For the April 2012 through March 2013 audit period, the actual third-party transmission expense is \$6,245,230. The

third-party transmission expense included in base rates is \$8,262,000. This year's PCA deferral balance includes the difference between actual costs and base costs of \$2,016,770. Because the actual costs are less than the amount included in base rates, this amount represents a benefit to customers. This benefit to customers is subject to jurisdictional allocation and sharing.

7. Hoku First Block Energy. In Order No. 32426 (Case No. IPC-E-11-08), the Commission determined that the first block energy revenue from Hoku is to be included in base rates like secondary sales revenue. The variation between what is built into base rates and the actual Hoku revenues is tracked in the PCA. The amount of Hoku First Block Energy revenues included in base rates is \$23,921,467. The actual amount of Hoku First Block Energy revenues during the current PCA period is \$1,197,218. The actual revenues are less than the amount included in base rates by \$22,724,249. This decrease in revenues is a cost to customers and is subject to jurisdictional allocation and sharing.
8. Emission Allowance Sales. In Order No. 32424, the Commission ordered that revenues from the sale of emission allowances, plus any applicable interest, be reflected in the PCA and benefit customers by reducing the Company's PCA deferral balance, subject to jurisdictional allocations and sharing. No emission allowance sales occurred in the April 2012 through March 2013 PCA period. This is understandable with existing market conditions.
9. Renewable Energy Credit Sales. In Order No. 30818, the Commission ordered that revenues from the sale of renewable energy credits (RECs) benefit customers and be subject to jurisdictional allocation and sharing. The amount included in the deferral balance is \$2,678,444 and is a benefit to customers.
10. Actual PURPA Purchases Including Net Metering and Raft River Expenses. For the April 2011 through March 2012 audit period, the actual PURPA expense is \$128,789,373. The PURPA expense included in base rates is \$62,851,454. The difference between actual PURPA expense and base PURPA expense is included in the PCA for recovery from or credit to customers. In this year's PCA deferral balance, the actual PURPA expense exceeded the PURPA expense included in base rates by \$65,937,919. This amount is a cost to customers and increases the PCA deferral balance. PURPA contracts are not currently subject to sharing, but they are subject to jurisdictional allocation.

11. Demand Response Incentive Payments. In Order No. 32426 (Case No. IPC-E-11-08), the Commission determined that Demand Response Incentive Payments be included in base rates and that differences between base and actual expenses be tracked through the PCA. Idaho Demand Response Incentive Payments are directly assigned to Idaho and are not subject to sharing. For the PCA period (April 2011 to March 2012), the actual Demand Response Incentive Payments are \$14,479,509. The base amount of Incentive Payments included in base rates during the PCA period is \$11,252,266. The difference between the actual amount and the base amount is \$3,227,243 and is a cost to customers. The Demand Response Incentive Payments are not currently subject to sharing and are allocated 100% to the Idaho jurisdiction.

In summary, the Idaho customer true-up Deferral Balance is composed of the following:

| | |
|---|----------------------|
| Load Change Adjustment | \$1,056,017 |
| Water Leases | \$466,957 |
| Fuel Expense – Coal | \$(23,575,012) |
| Fuel Expense – Gas | \$(10,274,247) |
| Surplus Sales | \$69,082,254 |
| Non-Firm Purchases | \$5,842,585 |
| Third Party Transmission | \$(2,016,770) |
| Hoku Energy | <u>\$22,724,249</u> |
| Subtotal – Change from Base | \$63,306,032 |
| Emission Allowance Sales Credit | \$0 |
| Renewable Energy Credit (REC) Sales | <u>\$(2,678,444)</u> |
| Subtotal – Subject to Jurisdictional Allocation & Sharing | \$60,627,588 |
| Subtotal - After Jurisdictional Allocation and Sharing | \$54,716,398 |
| Qualifying Facilities – After Jurisdictional Allocation | \$62,641,023 |
| Demand Response Incentive Payments | \$3,227,243 |
| Total all Expense Items | \$120,584,664 |
| Revenue from the Forecast | <u>\$58,559,529</u> |
| Deferral Balance | \$62,025,135 |
| Interest on the Deferral Balance | <u>\$179,848</u> |
| Deferral Balance (Credit) | \$62,204,983 |

The Company-proposed true-up rate is 0.4622 ¢/kWh. Staff calculates the same rate as the Company, which is shown on Staff Attachment B, line 23.

C. The Reconciliation of the True-up

The reconciliation of the true-up amount is the difference between what was approved to be collected or refunded when the PCA rate for last year's true-up was set, and what was actually collected or refunded. The reconciliation of the true-up assures both Idaho Power Company and its customers that the amount approved for recovery is the amount actually recovered.

The reconciliation of the true-up included the following amounts:

| | |
|--|-----------------------|
| 2011-12 Forecast True-Up | (\$17,646,658) |
| 2010-11 True up of the True-Up Balance | (\$5,165,169) |
| Revenue Sharing (Order No. 32558) | <u>(\$27,200,636)</u> |
| Net Amount Set for Recovery/(Refund) | (\$50,012,463) |
| Collection from True-Up Rates | \$ 42,610,397 |
| Interest | <u>(\$ 317,283)</u> |
| True-Up Reconciliation (Credit) | (\$ 7,719,349) |

This is the amount recommended for refund by the Company and Staff. Dividing this refund amount by expected sales produces the true-up reconciliation rate credit of 0.0574 ¢/kWh. This calculation is shown on Attachment B, line 25.

D. Revenue Sharing

The Company proposes to offset the proposed PCA rate increase with a \$7.2 million revenue sharing credit. Staff has reviewed and audited the revenue sharing amount and the allocation of that amount to customer classes. Staff has verified that the amount is correct. Idaho Power allocated the credit to all customer classes on a uniform percent of revenue basis using forecasted billing determinants and associated class base revenues just as it did with revenue sharing amounts in last year's PCA. This creates a different ¢/kWh rate for each rate schedule. These rates are shown on Attachment D. Within each customer rate schedule the decrease was assigned to the energy rates.

COMBINED PCA AND REVENUE SHARING RATES

The uniform 1.2306 ¢/kWh PCA rate surcharge is the sum of the three traditional PCA components (0.8258 + 0.4622 - 0.0574). This new PCA surcharge rate, shown on Attachment B, line 28, combines with revenue sharing rates shown on Attachment D to produce PCA rates. The rates are also shown on Schedule 55, which is Attachment 1 to Idaho Power's Application. These are the rates for a one-year recovery of the full PCA amount.

Pages 1 and 2 of Attachment E show the percentage increase in the Combined PCA/Revenue Sharing rates for all Idaho Power customer rate schedules for a one-year recovery period. Pages 3 and 4 show the customer impacts of the first year of Idaho Power's rate mitigation proposal. Pages 5 and 6 show rates and increases by rate schedule to recover only the carry-over amount of about \$52.5 million. In all cases the impacts are measured against all billed revenue. Increase percentages vary by customer class. The Staff calculations agree with the Company's calculations for the two options presented by the Company.

Staff Rate Mitigation Proposal

Staff proposes a different rate mitigation option. Staff proposes that the increase be spread over two years with both annual percentage increases the same. This year's PCA increase would be \$71.72 million, a 7.84% average increase, and next year's increase would be \$77.36 million which is also a 7.84% average increase. The second year increase amount is calculated as follows: the 2013 PCA amount to be carried over to the 2014 PCA, plus known costs carried forward in the PCA until moved into the base, minus the amount to be recovered in the 2013 PCA ($140.4 - 71.72 + 80.4 - 71.72 = 77.36$). The known costs carried forward are: above base PURPA costs at \$65.4 million, lost Hoku first block energy revenue at \$21.6 million, and decreased Demand Response Incentive Payments of \$6.6 million ($65.4 + 21.6 - 6.6 = 80.4$). These costs will continue to be included in each year's PCA until they are moved to base rates; thus, they must be included in 2014 PCA rate calculations. The second year increase assumes this PCA accurately forecasts water conditions, market prices, fuel prices and loads and other inputs such that there is no true-up deferral balance next year. It also assumes that next year's PCA forecast only shows differences from base for Hoku, PURPA and Demand Response Incentive Payments. Of course, if there are other net cost increases in next year's

PCA, an increase above 7.84% may be required. Attachment F, pages 1 through 4 show Staff's calculations. Pages 1 and 2 show rate impacts in the first year and page 3 and 4 show expected second year rate impacts.

Staff also examined an option that produced equal average 8.86% increases in each of two years. This analysis included all of the same assumptions used in Staff's preferred proposal but it included an additional \$30 million in above-base PCA costs in next year's PCA. These additional costs could be driven by water conditions, market prices or any other PCA input.

The Company's rate mitigation proposal, evaluated under the same assumptions included in Staff's preferred proposal, produces a first year increase of 9.6 % and a second year increase of 4.5%. The Company's proposal is a little less aggressive in controlling rate increases this year, but it provides some head room to handle additional cost increases next year without a larger rate increase than proposed this year.

Staff believes that a rate mitigation plan has merit to soften the impact of the greater than 20% increases to some customer classes that would be required to pass these costs through to ratepayers in a single year. Staff is also hopeful that water conditions and market prices will return to base levels and/or customers will receive an offsetting revenue sharing benefit.

OTHER PCA ISSUES

Actual True-Up Revenue

In Commission Order No. 32552 issued in last year's PCA case, Case No. IPC-E-12-17, the Commission ordered the Staff and Company to meet and discuss an issue raised in the case relating to the revenue credit included in the true-up mechanism. The Commission said,

We also encourage Staff to discuss with the Company Staff's concerns about using normalized data versus actual data in the true-up component of the PCA mechanism. (Order No. 32552, p. 7).

Since the PCA began, the revenue credit has been the forecast rate multiplied by normalized Idaho jurisdictional sales as established in a general rate case. This calculation does not credit the PCA with the actual revenue the Company receives from the application of the rate. To credit customers with the Company's actual revenue, the rate must be applied to actual Idaho jurisdictional energy sales. Over time, Staff has come to believe that the actual revenue received by the Company should be credited. The Staff and the Company have discussed this

issue and the Company has agreed to implement the change if approved by the Commission. The Staff and Company propose to implement the change with the new PCA rates on June 1, 2013. The change would mirror the methodology used to credit actual revenues collected from the true-up rate components in the reconciliation of the true-up portion of the PCA. The change in methodology delays the revenue credit for a short period of time while actual kWh sales are accumulated.

Third Party Transmission Revenue

In the Commission's Notice in this case, Order No. 32796, the Commission invited the parties to "comment on the issue of whether Idaho Power's PCA calculation should continue to include transmission expenses only or whether both transmission revenue and expense should be included."

When transmission expense differences were added to the PCA, the Staff and Company also discussed including third party transmission revenue differences. Importantly, only differences were considered, because there is a base amount of both transmission revenue and expense included in base rates. During the previous discussions, the Staff was persuaded to not recommend that transmission revenue differences be included. Staff understood that transmission expense was incurred when another utility's transmission system was used to deliver market purchased power to Idaho Power's native load customers. Transmission revenue, on the other hand, results from two other utilities wheeling power across Idaho Power's system when Idaho Power's customers do not need the transmission capacity. Transmission expense was associated with delivering power to native load customers and transmission revenue accrued from an opportunity to profit from transmission that would have otherwise gone unused. As part of the give and take of settling a group of issues, the Staff dropped the idea of including transmission revenue differences. Avista's PCA and Rocky Mountain's ECAM both include transmission revenue differences. After reconsidering the issue, the Staff supports including transmission revenue differences in the PCA.

Other PCA Attachments

Staff has included two other attachments that provide summary or historical information concerning the PCA. Staff Attachment G summarizes PCA expense amounts and rate components for this case. The attachment also shows amounts allocated to other jurisdictions and amounts shared with shareholders. Attachment H is a bar graph that shows the amount of each PCA since its inception.

CUSTOMER RELATIONS

Customer Notice and Press Release

Idaho Power's PCA Application contains both the customer notice and press release. Staff reviewed both and determined they comply with Procedural Rule 125, IDAPA 31.01.01.125. The customer notice was mailed with Idaho Power's cyclical billings beginning April 25, 2013 and ending May 22, 2013. Customers have until May 28, 2013 to file comments.

Customer Comments

By May 16, 2013, seventeen comments had been received, nearly all from low and fixed income customers stating that they do not know how they are going to afford higher rates for power. Many say to just tell the Company "no." Another recurrent theme in comments is that customers feel the more they conserve electricity, the higher the rates get. Additionally, one frustrated customer commented that he lives in an electrically-heated home with no access to natural gas lines.

Commission Staff conducted informational workshops regarding Idaho Power's filing. The workshops were held in Pocatello, Twin Falls, and Boise during the first part of May, 2013. Excluding Staff and Idaho Power employees, a total of nine people attended the three workshops.

STAFF RECOMMENDATIONS

Staff recommends that the Commission approve the revenue sharing amounts proposed by the Company; specifically, PCA revenue sharing of \$7,151,221 and a pension balancing account contribution of \$14,618,532.

Staff recommends that the Company be authorized to recover \$140,371,197 above the revenue currently included in rates.

Staff recommends that the Commission approve Schedule 55 rates that implement the Staff's rate mitigation proposal. First-year rates should be designed to recover \$71,720,000. The unrecovered balance would be carried in the balancing account for recovery in the following year.

Staff recommends that the Commission approve a total first-year PCA rate comprised of the uniform ¢/kWh increase of 0.7205 ¢/kWh and revenue sharing rates, as shown on Attachment D to Staff's comments. Staff recommends that these rates be effective June 1, 2013 through May 31, 2014.

Respectfully submitted this 17th day of May 2013.



Karl T. Klein
Deputy Attorney General

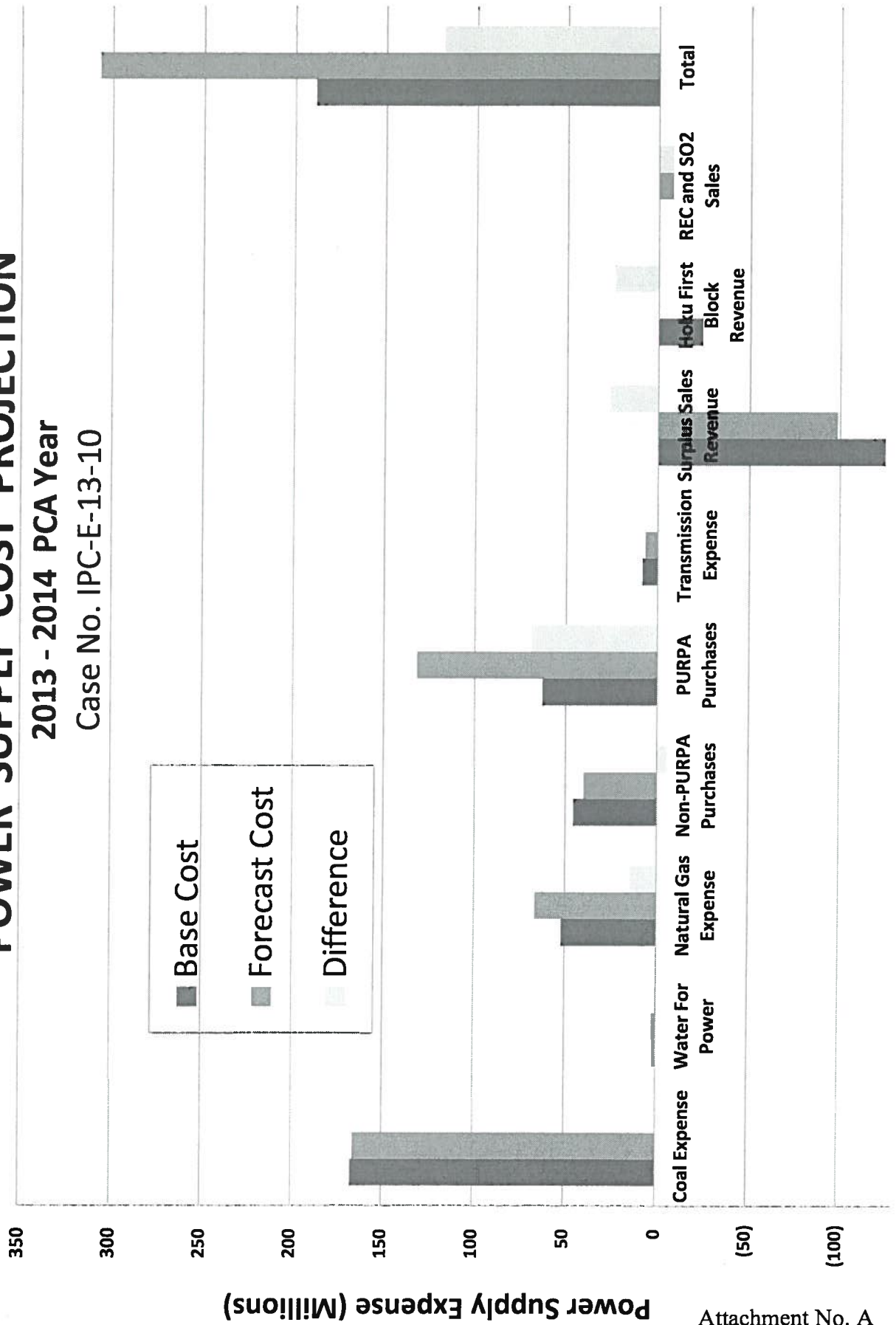
Technical Staff: Keith Hessing
Kathy Stockton
Marilyn Parker

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POWER SUPPLY COST PROJECTION

2013 - 2014 PCA Year

Case No. IPC-E-13-10



**2013-2014 PCA - Twenty-First Annual
IPC-E-13-10
Staff Case**

| (a) | (b) | (c) | (d) | (e) | (f) | (g) | |
|------|---|---------|----------------|--|-------------|----------|--|
| Line | Description | Units | Base | Forecast | Difference | Rate | |
| 1 | Forecast 2013-2014: | | | | | | |
| 2 | PCA Expense (95%) | (\$) | 125,890,059 | 183,104,580 | | | |
| 3 | Hoku First Block Revenue | (\$) | | 0 | | | |
| 4 | Difference | (\$) | | 183,104,580 | 57,214,521 | | |
| 5 | Sharing Percentage | (%) | | | 0.95 | | |
| 6 | Shared Difference | (\$) | | | 54,353,795 | | |
| 7 | Normalized System Firm Sales | (MWh) | | | 14,088,933 | | |
| 8 | Rate for 95 % Items | (¢/kWh) | | | 0.3858 | 0.3858 | |
| 9 | | | | | | | |
| 10 | PCA Expense (PURPA at 100%) | (\$) | 62,851,454 | 131,731,526 | 68,880,072 | | |
| 11 | Normalized System Firm Sales | (MWh) | | | 14,088,933 | | |
| 12 | Rate for PURPA | (¢/kWh) | | | 0.4889 | 0.4889 | |
| 13 | | | | | | | |
| 14 | Demand Response Incentives (100%) | (\$) | 11,252,265 | 4,668,960 | (6,583,305) | | |
| 15 | Idaho Jurisdictional Sales | (MWh) | | | 13,459,100 | | |
| 16 | Rate for Demand Response | (¢/kWh) | | | (0.0489) | (0.0489) | |
| 17 | | | | | | | |
| 18 | Total Forecast Rate | (¢/kWh) | | | | 0.8258 | |
| 19 | | | | | | | |
| 20 | | | | | | | |
| 21 | | | (\$) | (MWh) | (\$/MWh) | (¢/kWh) | |
| 22 | | | | | | | |
| 23 | True-Up of 2012-2013: | | 62,204,982 | 13,459,100 | 4.622 | 0.4622 | |
| 24 | | | | | | | |
| 25 | True-Up of the True-Up: | | (7,719,349) | 13,459,100 | -0.5735 | (0.0574) | |
| 26 | | | | | | | |
| 27 | PCA Rates: | | | | | | |
| 28 | PCA Rate Adjustment From Base | (¢/kWh) | | | | 1.2306 | |
| 29 | PCA Rate Currently in Effect | (¢/kWh) | | | | 0.3367 | |
| 30 | Difference - Last Year to This Year | (¢/kWh) | | | | 0.8939 | |
| 31 | | | | | | | |
| 32 | Note: Negative rates and amounts indicate benefits to ratepayers. | | | | | | |
| 33 | | | | | | | |
| 34 | | | | | | | |
| 35 | Expected PCA Revenues: | | Rate | Energy | Revenue | | |
| 36 | | | (\$/MWh) | (MWh) | (\$) | | |
| 37 | | | | | | | |
| 38 | Forecast Revenue | | 8.258 | 13,459,100 | 111,145,248 | | |
| 39 | True Up Revenue | | 4.622 | 13,459,100 | 62,207,960 | | |
| 40 | True Up of True Up Revenue | | (0.574) | 13,459,100 | (7,725,523) | | |
| 41 | Total | | 12.306 | | 165,627,685 | | |
| 42 | | | | | | | |
| 43 | | | 13,459,100,000 | Company Estimate of 2013/2014 Idaho Jurisdictional sales | | | |
| | | | 14,088,933,000 | Company Estimate of 2013/2014 normalized system firm sales | | | |

NOTES:

Rates are for a one year recovery period
Rates exclude Revenue Sharing

TRUE-UP CALCULATIONS FOR 2012 - 2013
FOR
IDAHO POWER COMPANY PCA
CASE NO. IPC-E-13-10
(Base Costs are Redistributed)

| 1 | | 2012 | 2012 | 2012 | 2012 | 2012 | 2012 | 2012 | |
|----|--|--------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| 2 | DESCRIPTION | Units | APR | MAY | JUN | JUL | AUG | SEPT | 2012 |
| 3 | | | | | | | | | 2012 |
| 3 | PCA Revenue | | | | | | | | |
| 4 | Normalized Idaho Jurisd. Sales | MWh | 947,192 | 953,286 | 1,100,636 | 1,338,967 | 1,416,209 | 1,282,310 | 1,028,994 |
| 5 | Forecast Rate | \$/MWh | 0.445 | 0.445 | 5.099 | 5.099 | 5.099 | 5.099 | 5.099 |
| 6 | Revenue | \$ | 421,500 | 424,212 | 5,612,143 | 6,827,393 | 7,221,250 | 6,538,499 | 5,246,840 |
| 7 | | | | | | | | | |
| 8 | Load Change Adjustment | | | | | | | | |
| 9 | Actual System Firm Load - Adjusted | MWh | 1,078,204 | 1,285,353 | 1,511,279 | 1,771,274 | 1,630,622 | 1,206,348 | 1,076,818 |
| 10 | Normalized Firm Load | MWh | 1,047,064 | 1,271,705 | 1,393,674 | 1,744,091 | 1,586,231 | 1,279,154 | 1,098,456 |
| 11 | Load Change | MWh | 31,140 | 13,648 | 117,605 | 27,183 | 44,391 | (72,806) | (21,638) |
| 12 | Expense Adjustment | \$ | (565,502) | (247,848) | (2,135,707) | (479,508) | (783,057) | 1,284,298 | 381,694 |
| 13 | | | | | | | | | |
| 14 | Non-QF PCA | | | | | | | | |
| 15 | ACTUAL: | | | | | | | | |
| 16 | Water Leases | \$ | 0 | 0 | 0 | 0 | 2,285,800 | 9,797 | 0 |
| 17 | Fuel Expense - Coal | \$ | 4,872,319 | 4,527,218 | 7,652,926 | 13,033,134 | 14,670,176 | 14,201,307 | 13,655,610 |
| 18 | Fuel Expense - Gas | \$ | 1,749,314 | 1,649,733 | 700,593 | 5,261,669 | 5,896,209 | 2,775,378 | 1,957,031 |
| 19 | Non-Firm Purchases | \$ | 1,940,890 | 5,499,156 | 4,470,374 | 9,919,525 | 8,152,830 | 1,172,271 | 3,135,992 |
| 20 | Third Party Transmission | \$ | 343,732 | 481,268 | 897,412 | 1,142,031 | 1,122,298 | 318,887 | 443,739 |
| 21 | Surplus Sales | \$ | (5,146,913) | (4,550,444) | (1,485,295) | (153,567) | (717,283) | (3,585,476) | (5,189,928) |
| 22 | Hoku First Block Energy | \$ | (545,550) | (545,550) | (106,118) | 0 | 0 | 0 | 0 |
| 23 | Expense Adjustment | \$ | (565,502) | (247,848) | (2,135,707) | (479,508) | (783,057) | 1,284,298 | 381,694 |
| 24 | Sub-Total | \$ | 2,648,290 | 6,813,533 | 9,994,185 | 28,723,285 | 30,626,973 | 16,176,462 | 14,384,137 |
| 25 | | | | | | | | | |
| 26 | BASE: | | | | | | | | |
| 27 | Water for Power (Leases) | \$ | 123,719 | 122,164 | 155,409 | 195,168 | 206,542 | 184,523 | 132,222 |
| 28 | Fuel Expense - Coal | \$ | 11,347,172 | 11,204,581 | 14,253,689 | 17,844,222 | 18,884,185 | 16,870,940 | 12,089,048 |
| 29 | Fuel Expense - Gas | \$ | 410,164 | 405,010 | 515,225 | 5,542,857 | 5,865,895 | 5,240,531 | 3,755,157 |
| 30 | Non-Firm Purchases | \$ | 4,511,966 | 4,455,268 | 5,667,682 | 4,857,222 | 5,140,301 | 4,592,293 | 3,290,655 |
| 31 | Third Party Transmission | \$ | 558,976 | 551,952 | 702,154 | 881,790 | 933,181 | 833,695 | 597,393 |
| 32 | Hoku First Block Energy | \$ | (1,618,436) | (1,598,098) | (2,032,990) | (2,553,101) | (2,701,896) | (2,413,847) | (1,729,667) |
| 33 | Surplus Sales | \$ | (6,267,815) | (6,189,053) | (7,873,283) | (13,332,107) | (14,109,103) | (12,604,931) | (9,032,194) |
| 34 | Sub-Total | \$ | 9,065,746 | 8,951,824 | 11,387,886 | 13,436,051 | 14,219,105 | 12,703,204 | 9,102,614 |
| 35 | | | | | | | | | |
| 36 | Change From Base | \$ | (6,417,456) | (2,138,291) | (1,393,701) | 15,287,234 | 16,407,868 | 3,473,258 | 5,281,523 |
| 37 | Emission Allowance Sales Credit | \$ | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | Renewable Energy Credit Sales | \$ | (906,557) | (233,140) | (267,301) | (365,021) | (837,670) | (39,334) | 243 |
| 39 | Sub-Total | \$ | (7,324,013) | (2,371,431) | (1,661,002) | 14,922,212 | 15,570,198 | 3,433,925 | 5,281,766 |
| 40 | | | | | | | | | |
| 41 | Deferral (Shared and Allocated) | \$ | (6,609,922) | (2,140,216) | (1,499,054) | 13,467,297 | 14,052,103 | 3,099,117 | 4,766,794 |
| 42 | | | | | | | | | |
| 43 | Demand Response Incentive Pmts. | | | | | | | | |
| 44 | Actual | \$ | 0 | 0 | 1,121,364 | 3,885,012 | 7,348,157 | 1,992,162 | 156,160 |
| 45 | Base | \$ | 761,286 | 751,719 | 956,285 | 1,200,937 | 1,270,927 | 1,135,434 | 813,607 |
| 46 | Change From Base | \$ | (761,286) | (751,719) | 165,079 | 2,684,075 | 6,077,230 | 856,728 | (657,447) |
| 47 | Deferral | \$ | (761,286) | (751,719) | 165,079 | 2,684,075 | 6,077,230 | 856,728 | (657,447) |
| 48 | | | | | | | | | |
| 49 | QF Deferral | | | | | | | | |
| 50 | Actual (incl. Net Metering & Raft River) | \$ | 8,407,171 | 9,535,748 | 12,481,002 | 13,480,102 | 12,259,096 | 10,777,609 | 7,634,249 |
| 51 | Base | \$ | 4,252,292 | 4,198,857 | 5,341,493 | 6,708,038 | 7,098,983 | 6,342,160 | 4,544,541 |
| 52 | Change From Base | \$ | 4,154,879 | 5,336,891 | 7,139,509 | 6,772,064 | 5,160,113 | 4,435,449 | 3,089,708 |
| 53 | Deferral (Allocated) | \$ | 3,947,135 | 5,070,046 | 6,782,533 | 6,433,461 | 4,902,107 | 4,213,676 | 2,935,222 |
| 54 | | | | | | | | | |
| 55 | Total Deferral [6+41+47+53] | \$ | (3,845,574) | 1,753,899 | (163,585) | 15,757,440 | 17,810,191 | 1,631,023 | 1,797,729 |
| 56 | | | | | | | | | |
| 57 | Principal Balances | | | | | | | | |
| 58 | Beginning Balance | \$ | 0 | (3,845,574) | (2,091,675) | (2,255,259) | 13,502,180 | 31,312,371 | 32,943,394 |
| 59 | Amount Deferred | \$ | (3,845,574) | 1,753,899 | (163,585) | 15,757,440 | 17,810,191 | 1,631,023 | 1,797,729 |
| 60 | Ending Balance | \$ | (3,845,574) | (2,091,675) | (2,255,259) | 13,502,180 | 31,312,371 | 32,943,394 | 34,741,123 |
| 61 | | | | | | | | | |
| 62 | Interest Balances | | | | | | | | |
| 63 | Accrual thru Prior Month | \$ | 0 | 0 | 5,913 | 19,028 | 28,666 | 36,291 | 43,001 |
| 64 | Interest @ 1% per Year | \$ | 0 | 5,913 | 13,099 | 10,477 | 7,555 | 6,710 | 7,337 |
| 65 | Prior Month's Interest Adj. | \$ | 0 | 0 | 16 | (839) | 70 | 0 | 0 |
| 66 | Total Current Month Interest | \$ | 0 | 5,913 | 13,115 | 9,638 | 7,625 | 6,710 | 7,337 |
| 67 | Interest Accrued to Date | \$ | 0 | 5,913 | 19,028 | 28,666 | 36,291 | 43,001 | 50,338 |
| 68 | Balance (True-Up & Interest) | \$ | (3,845,574) | (2,085,762) | (2,236,232) | 13,530,846 | 31,348,662 | 32,986,395 | 34,791,461 |
| 69 | | | | | | | | | |
| 70 | True-Up of the True-Up | | | | | | | | |
| 71 | True-Up Revenues (Collections) | \$ | (313,763) | (344,815) | (1,611,927) | (5,441,917) | (5,716,503) | (5,092,169) | (3,918,581) |
| 72 | | | | | | | | | |
| 73 | Beginning Balance | \$ | (5,165,169) | (22,517,074) | (49,414,326) | (47,843,578) | (42,441,530) | (36,760,395) | (31,698,860) |
| 74 | Adjustments: | | | | | | | | |
| 75 | 2011-12 PCA Transfer | \$ | (17,646,658) | 0 | 0 | 0 | 0 | 0 | 0 |
| 76 | Revenue Sharing O.N. 32558 | \$ | 0 | (27,200,636) | 0 | 0 | 0 | 0 | 0 |
| 77 | | | | | | | | | |
| 78 | Sub-Total | \$ | (22,811,827) | (49,717,710) | (49,414,326) | (47,843,578) | (42,441,530) | (36,760,395) | (31,698,860) |
| 79 | Interest @ 1% per Year | \$ | (19,010) | (41,431) | (41,179) | (39,870) | (35,368) | (30,634) | (26,416) |
| 80 | Revenue Applied to Interest | \$ | (19,010) | (41,431) | (41,179) | (39,870) | (35,368) | (30,634) | (26,416) |
| 81 | Revenue Applied to Balance | \$ | (294,753) | (303,384) | (1,570,748) | (5,402,047) | (5,681,135) | (5,061,535) | (3,892,165) |
| 82 | True-Up of the True-Up Balance | \$ | (22,517,074) | (49,414,326) | (47,843,578) | (42,441,530) | (36,760,395) | (31,698,860) | (27,806,695) |

Note: Negative amounts indicate benefit to ratepayers

TRUE-UP CALCULATIONS FOR 2012 - 2013

FOR
IDAHO POWER COMPANY PCA
CASE NO. IPC-E-13-10
(Base Costs are Redistributed)

| 1 | | | 2012 | 2012 | 2013 | 2013 | 2013 | |
|----|--|--------|--------------|--------------|--------------|--------------|--------------|---------------|
| 2 | DESCRIPTION | Units | NOV | DEC | JAN | FEB | MAR | TOTALS |
| 3 | PCA Revenue | | | | | | | |
| 4 | Normalized Idaho Jurisd. Sales | MWh | 928,924 | 1,055,150 | 1,152,449 | 1,052,464 | 962,551 | 13,219,132 |
| 5 | Forecast Rate | \$/MWh | 5.099 | 5.099 | 5.099 | 5.099 | 5.099 | |
| 6 | Revenue | \$ | 4,736,583 | 5,380,210 | 5,876,337 | 5,366,514 | 4,908,048 | 58,559,529 |
| 7 | Load Change Adjustment | | | | | | | |
| 9 | Actual System Firm Load - Adjusted | MWh | 1,068,915 | 1,226,268 | 1,431,936 | 1,105,285 | 1,074,183 | 15,466,485 |
| 10 | Normalized Firm Load | MWh | 1,131,972 | 1,358,395 | 1,346,312 | 1,139,208 | 1,134,875 | 15,531,137 |
| 11 | Load Change | MWh | (63,057) | (132,127) | 85,624 | (33,923) | (60,692) | (64,652) |
| 12 | Expense Adjustment | \$ | 1,112,325 | 2,330,720 | (1,510,407) | 598,402 | 1,070,607 | 1,056,017 |
| 13 | Non-QF PCA | | | | | | | |
| 15 | ACTUAL: | | | | | | | |
| 16 | Water Leases | \$ | 0 | 0 | 0 | 0 | 0 | 2,295,597 |
| 17 | Fuel Expense - Coal | \$ | 14,720,923 | 16,083,420 | 15,177,603 | 12,917,045 | 12,221,336 | 143,733,017 |
| 18 | Fuel Expense - Gas | \$ | 1,020,298 | 1,841,479 | 5,292,403 | 1,097,332 | 2,352,041 | 31,593,483 |
| 19 | Non-Firm Purchases | \$ | 5,262,006 | 6,130,650 | 5,006,440 | 3,045,528 | 2,264,822 | 56,000,484 |
| 20 | Third Party Transmission | \$ | 444,241 | 183,356 | 296,719 | 281,716 | 289,831 | 6,245,230 |
| 21 | Surplus Sales | \$ | (4,547,401) | (7,700,390) | (3,358,763) | (6,332,412) | (5,983,545) | (48,751,418) |
| 22 | Hoku First Block Energy | \$ | 0 | 0 | 0 | 0 | 0 | (1,197,218) |
| 23 | Expense Adjustment | \$ | 1,112,325 | 2,330,720 | (1,510,407) | 598,402 | 1,070,607 | 1,056,017 |
| 24 | Sub-Total | \$ | 18,012,392 | 18,869,235 | 20,903,996 | 11,607,612 | 12,215,092 | 190,975,192 |
| 25 | BASE: | | | | | | | |
| 27 | Water for Power (Leases) | \$ | 122,643 | 144,891 | 160,651 | 147,407 | 133,301 | 1,828,640 |
| 28 | Fuel Expense - Coal | \$ | 11,213,235 | 13,247,390 | 14,688,304 | 13,477,403 | 12,187,860 | 167,308,029 |
| 29 | Fuel Expense - Gas | \$ | 3,483,108 | 4,114,967 | 4,562,550 | 4,186,415 | 3,785,851 | 41,867,730 |
| 30 | Non-Firm Purchases | \$ | 3,052,258 | 3,605,958 | 3,998,176 | 3,668,568 | 3,317,552 | 50,157,899 |
| 31 | Third Party Transmission | \$ | 554,113 | 654,633 | 725,838 | 666,000 | 602,275 | 8,262,000 |
| 32 | Hoku First Block Energy | \$ | (1,604,358) | (1,895,399) | (2,101,561) | (1,928,309) | (1,743,805) | (23,921,467) |
| 33 | Surplus Sales | \$ | (6,377,841) | (9,897,636) | (10,974,199) | (10,069,488) | (9,106,021) | (117,833,671) |
| 34 | Sub-Total | \$ | 8,443,158 | 9,974,804 | 11,059,759 | 10,147,996 | 9,177,013 | 127,669,160 |
| 35 | Change From Base | | | | | | | |
| 36 | Change From Base | \$ | 9,569,234 | 8,894,431 | 9,844,237 | 1,459,616 | 3,038,079 | 63,306,032 |
| 37 | Emission Allowance Sales Credit | \$ | 0 | 0 | 0 | 0 | 0 | 0 |
| 38 | Renewable Energy Credit Sales | \$ | (30,884) | 496 | 224 | 200 | 299 | (2,678,444) |
| 39 | Sub-Total | \$ | 9,538,350 | 8,894,927 | 9,844,461 | 1,459,816 | 3,038,378 | 60,627,588 |
| 40 | Deferral (Shared and Allocated) | | | | | | | |
| 41 | Deferral (Shared and Allocated) | \$ | 8,608,361 | 8,027,672 | 8,884,626 | 1,317,484 | 2,742,136 | 54,716,398 |
| 42 | Demand Response Incentive Pmts. | | | | | | | |
| 44 | Actual | \$ | 140 | (23,548) | 21 | 0 | 40 | 14,479,509 |
| 45 | Base | \$ | 754,664 | 891,565 | 988,540 | 907,045 | 820,257 | 11,252,266 |
| 46 | Change From Base | \$ | (754,524) | (915,113) | (988,519) | (907,045) | (820,217) | 3,227,243 |
| 47 | Deferral | \$ | (754,524) | (915,113) | (988,519) | (907,045) | (820,217) | 3,227,243 |
| 48 | QF Deferral | | | | | | | |
| 50 | Actual (Incl. Net Metering & Raft River) | \$ | 10,037,769 | 12,504,335 | 9,218,136 | 11,667,999 | 10,786,158 | 128,789,373 |
| 51 | Base | \$ | 4,215,303 | 4,979,987 | 5,521,659 | 5,066,454 | 4,581,687 | 62,851,454 |
| 52 | Change From Base | \$ | 5,822,466 | 7,524,348 | 3,696,477 | 6,601,545 | 6,204,471 | 65,937,919 |
| 53 | Deferral (Allocated) | \$ | 5,531,343 | 7,148,130 | 3,511,654 | 6,271,468 | 5,894,248 | 62,641,023 |
| 54 | Total Deferral (-6+41+47+53) | | | | | | | |
| 55 | Total Deferral (-6+41+47+53) | \$ | 8,648,596 | 8,880,479 | 5,531,423 | 1,315,393 | 2,908,120 | 62,025,135 |
| 56 | Principal Balances | | | | | | | |
| 58 | Beginning Balance | \$ | 34,741,123 | 43,389,719 | 52,270,199 | 57,801,621 | 59,117,015 | |
| 59 | Amount Deferred | \$ | 8,648,596 | 8,880,479 | 5,531,423 | 1,315,393 | 2,908,120 | 62,025,135 |
| 60 | Ending Balance | \$ | 43,389,719 | 52,270,199 | 57,801,621 | 59,117,015 | 62,025,135 | |
| 61 | Interest Balances | | | | | | | |
| 63 | Accrual thru Prior Month | \$ | 50,338 | 61,842 | 79,290 | 103,375 | 136,537 | |
| 64 | Interest @ 1% per Year | \$ | 11,506 | 17,450 | 24,358 | 33,168 | 43,311 | 180,884 |
| 65 | Prior Month's Interest Adj. | \$ | (2) | (2) | (273) | (6) | 0 | (1,036) |
| 66 | Total Current Month Interest | \$ | 11,504 | 17,448 | 24,085 | 33,162 | 43,311 | 179,848 |
| 67 | Interest Accrued to Date | \$ | 61,842 | 79,290 | 103,375 | 136,537 | 179,848 | |
| 68 | Balance (True-Up & Interest) | \$ | 43,451,561 | 52,349,489 | 57,904,996 | 59,253,552 | 62,204,982 | 62,204,982 |
| 69 | True-Up of the True-Up | | | | | | | |
| 71 | True-Up Revenues (Collections) | \$ | (3,573,044) | (3,807,905) | (4,453,037) | (4,561,006) | (3,775,730) | (42,610,397) |
| 72 | Beginning Balance | | | | | | | |
| 73 | Beginning Balance | \$ | (27,806,695) | (24,256,823) | (20,469,132) | (16,033,153) | (11,485,508) | (5,165,169) |
| 74 | Adjustments: | | | | | | | |
| 75 | 2011-12 PCA Transfer | \$ | 0 | 0 | 0 | 0 | 0 | (17,646,658) |
| 76 | Revenue Sharing O.N. 32558 | \$ | 0 | 0 | 0 | 0 | 0 | (27,200,636) |
| 77 | Sub-Total | | | | | | | |
| 78 | Sub-Total | \$ | (27,806,695) | (24,256,823) | (20,469,132) | (16,033,153) | (11,485,508) | (50,012,463) |
| 79 | Interest @ 1% per Year | \$ | (23,172) | (20,214) | (17,058) | (13,361) | (9,571) | (317,283) |
| 80 | Revenue Applied to Interest | \$ | (23,172) | (20,214) | (17,058) | (13,361) | (9,571) | (317,283) |
| 81 | Revenue Applied to Balance | \$ | (3,549,871) | (3,787,691) | (4,435,979) | (4,547,645) | (3,766,159) | (42,293,114) |
| 82 | True-Up of the True-Up Balance | \$ | (24,256,823) | (20,469,132) | (16,033,153) | (11,485,508) | (7,719,349) | (7,719,349) |

Note: Negative amounts indicate benefit to ratepayers

Idaho Power Company
Calculation of Revenue Sharing Rates
State of Idaho

PCA

Effective June 1, 2013
Case No. IPC-E-13-10

| <u>Line No.</u> | <u>Tariff Description</u> | <u>Rate Sch. No.</u> | <u>Average Number of Customers⁽¹⁾</u> | <u>Normalized Energy (kWh)⁽¹⁾</u> | <u>Current Base Revenue</u> | <u>Percent of Total Revenue</u> | <u>2013 Revenue Sharing</u> | <u>Revenue Sharing Rates</u> |
|------------------------------|----------------------------------|----------------------|--|--|-----------------------------|---------------------------------|-----------------------------|------------------------------|
| <u>Uniform Tariff Rates:</u> | | | | | | | | |
| 1 | Residential Service | 1 | 404,797 | 4,813,284,883 | \$402,404,275 | 0.4537 | 3,244,707 | (0.000674) |
| 2 | Master Metered Mobile Home Park | 3 | 23 | 4,891,664 | \$387,723 | 0.0004 | 3,126 | (0.000639) |
| 3 | Residential Service Energy Watch | 4 | 0 | 0 | \$0 | - | - | 0.000000 |
| 4 | Residential Service Time-of-Day | 5 | 1,577 | 25,732,706 | \$2,061,117 | 0.0023 | 16,619 | (0.000646) |
| 5 | Small General Service | 7 | 28,092 | 143,366,943 | \$15,315,670 | 0.0173 | 123,495 | (0.000861) |
| 6 | Large General Service | 9S | 30,853 | 3,133,340,969 | 189,956,653 | 0.2142 | 1,531,678 | (0.000489) |
| 7 | Large General Service | 9P | 189 | 447,522,140 | 23,232,243 | 0.0262 | 187,329 | (0.000419) |
| 8 | Large General Service | 9T | 2 | 2,449,987 | 126,286 | 0.0001 | 1,018 | (0.000416) |
| 9 | Dusk to Dawn Lighting | 15 | 0 | 6,429,995 | \$1,235,893 | 0.0014 | 9,965 | (0.001550) |
| 10 | Large Power Service | 19S | 1 | 6,492,605 | \$333,434 | 0.0004 | 2,689 | (0.000414) |
| 11 | Large Power Service | 19P | 104 | 2,065,756,780 | \$93,515,192 | 0.1054 | 754,041 | (0.000365) |
| 12 | Large Power Service | 19T | 3 | 42,047,694 | \$1,824,345 | 0.0021 | 14,710 | (0.000350) |
| 13 | Agricultural Irrigation Service | 24 | 16,911 | 1,708,623,743 | \$114,163,809 | 0.1287 | 920,537 | (0.000539) |
| 14 | Unmetered General Service | 40 | 1,288 | 12,164,524 | \$901,887 | 0.0010 | 7,272 | (0.000598) |
| 15 | Street Lighting | 41 | 1,251 | 26,654,710 | \$3,183,747 | 0.0036 | 25,672 | (0.000963) |
| 16 | Traffic Control Lighting | 42 | 431 | 2,810,533 | \$141,399 | 0.0002 | 1,140 | (0.000406) |
| 17 | Total Uniform Tariffs | | 485,522 | 12,441,569,876 | 848,783,673 | | 6,843,999 | |
| <u>Special Contracts:</u> | | | | | | | | |
| 18 | Micron | 26 | 1 | 587,867,669 | \$22,410,369 | 0.0253 | 180,702 | |
| 19 | J R Simplot | 29 | 1 | 192,687,586 | \$6,845,067 | 0.0077 | 55,194 | |
| 20 | DOE | 30 | 1 | 236,974,493 | \$8,845,806 | 0.0100 | 71,326 | |
| 21 | Hoku - Retail | 32 | 0 | 0 | \$0 | - | - | |
| 22 | Total Special Contracts | | 3 | 1,017,529,748 | 38,101,242 | | 307,222 | |
| 23 | Total Idaho Retail Sales | | 485,525 | 13,459,099,624 | 886,884,915 | 1.0000 | 7,151,221 | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
Calculation of Revenue Impact
State of Idaho
PCA
Effective June 1, 2013

Summary of Revenue Impact
2012 PCA to Proposed 2013 PCA

IDAHO POWER COMPANY - SINGLE YEAR RECOVERY

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers ⁽¹⁾ | Normalized Energy (kWh) ⁽¹⁾ | Current Billed Revenue | Cents Per kWh | Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Revenue | Current | | Proposed | | Additional 2013 Revenue Sharing |
|------------------------------|----------------------------------|---------------|--|--|------------------------|---------------|-------------------------------|-------------------------------|---------------|----------------------------------|----------------|----------------|----------------------|----------------------|---------------------------------|
| | | | | | | | | | | | 2012 PCA Rates | 2013 PCA Rates | 2012 Revenue Sharing | 2013 Revenue Sharing | |
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | | | | |
| 1 | Residential Service | 1 | 404,797 | 4,813,284,883 | \$415,982,555 | 8.64 | \$52,170,642 | \$468,153,197 | 9.73 | 12.54% | 0.000793 | 0.011632 | | | |
| 2 | Master Metered Mobile Home Park | 3 | 23 | 4,891,664 | \$402,178 | 8.22 | \$52,536 | \$454,714 | 9.30 | 13.06% | 0.000927 | 0.011667 | | | |
| 3 | Residential Service Energy Watch | 4 | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | N/A | 0.000793 | 0.012306 | | | |
| 4 | Residential Service Time-of-Day | 5 | 1,577 | 25,732,707 | \$2,133,709 | 8.29 | \$279,642 | \$2,413,351 | 0.00 | 13.11% | 0.000793 | 0.011660 | | | |
| 5 | Small General Service | 7 | 28,092 | 143,366,943 | \$15,701,471 | 10.95 | \$1,627,302 | \$17,328,773 | 12.09 | 10.36% | 0.000094 | 0.011445 | | | |
| 6 | Large General Service | 9 | 32,374 | 3,583,313,096 | \$218,799,626 | 6.11 | \$36,891,781 | \$255,691,407 | 7.14 | 16.86% | (0.002476) | 0.010756 | | | |
| 7 | Dusk to Dawn Lighting | 15 | 0 | 6,429,995 | \$1,219,972 | 18.97 | \$85,083 | \$1,305,055 | 20.30 | 6.97% | | | | | |
| 8 | Large Power Service | 19 | 109 | 2,114,297,079 | \$99,874,143 | 4.72 | \$21,045,927 | \$120,920,070 | 5.72 | 21.07% | 0.001295 | 0.011767 | | | |
| 9 | Agricultural Irrigation Service | 24 | 16,911 | 1,708,623,743 | \$116,376,476 | 6.81 | \$17,893,119 | \$134,269,595 | 7.86 | 15.38% | 0.001117 | 0.011708 | | | |
| 10 | Unmetered General Service | 40 | 1,288 | 12,164,524 | \$915,474 | 7.53 | \$128,837 | \$1,044,311 | 8.58 | 14.07% | (0.000761) | 0.011343 | | | |
| 11 | Street Lighting | 41 | 1,251 | 26,654,710 | \$3,163,436 | 11.87 | \$322,625 | \$3,486,061 | 13.08 | 10.20% | 0.001806 | 0.011900 | | | |
| 12 | Traffic Control Lighting | 42 | 431 | 2,810,533 | \$146,474 | 5.21 | \$28,371 | \$174,845 | 6.22 | 19.37% | | | | | |
| 13 | Total Uniform Tariffs | | 486,853 | 12,441,569,877 | \$74,715,514 | 7.03 | \$130,525,865 | \$1,005,241,379 | 8.08 | 14.92% | | | | | |
| <u>Special Contracts:</u> | | | | | | | | | | | | | | | |
| 14 | Micron | 26 | 1 | 587,867,669 | \$23,828,078 | 4.05 | \$5,635,889 | \$29,463,967 | 5.01 | 23.65% | 0.003367 | 0.012306 | (561,642) | (180,702) | |
| 15 | J R Splot | 29 | 1 | 192,687,586 | \$7,273,499 | 3.77 | \$1,867,587 | \$9,161,086 | 4.75 | 25.95% | 0.003367 | 0.012306 | (220,347) | (55,194) | |
| 16 | DOE | 30 | 1 | 236,974,493 | \$9,368,830 | 3.95 | \$2,321,858 | \$11,690,688 | 4.93 | 24.78% | 0.003367 | 0.012306 | (274,869) | (71,326) | |
| 17 | Hoku - Retail | 32 | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.003367 | 0.012306 | (92,221) | 0 | |
| 18 | Total Special Contracts | | 3 | 1,017,529,748 | \$40,470,407 | 3.98 | \$9,845,334 | \$50,315,741 | 4.94 | 24.33% | | | | | |
| 19 | Total Idaho Retail Sales | | 486,856 | 13,459,099,625 | \$915,185,921 | 6.80 | \$140,371,199 | \$1,055,557,120 | 7.84 | 15.34% | | | | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
 Calculation of Revenue Impact
 State of Idaho
 PCA
 Effective June 1, 2013

Summary of Revenue Impact - Rates 9, 19, and 24 Distribution Level Detail
 2012 PCA to Proposed 2013 PCA

IDAHO POWER COMPANY - SINGLE YEAR RECOVERY

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers (1) | Normalized Energy (kWh) (1) | Current Billed Revenue | Cents Per kWh | Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Revenue | Current 2012 PCA Rates | Proposed 2013 PCA Rates |
|------------------------------|----------------------------|---------------|---------------------------------|-----------------------------|------------------------|---------------|-------------------------------|-------------------------------|---------------|----------------------------------|------------------------|-------------------------|
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | |
| 1 | Large General Secondary | 9S | 32,180 | 3,133,340,969 | \$194,631,598 | 6.21 | \$32,352,271 | \$226,983,869 | 7.24 | 16.62% | 0.001492 | 0.011817 |
| 2 | Large General Primary | 9P | 192 | 447,522,140 | \$24,037,334 | 5.37 | \$4,514,786 | \$28,552,120 | 6.38 | 18.78% | 0.001799 | 0.011887 |
| 3 | Large General Transmission | 9T | 2 | 2,449,987 | \$130,694 | 5.33 | \$24,724 | \$155,418 | 6.34 | 18.92% | 0.001799 | 0.011890 |
| 4 | Total Schedule 9 | | 32,374 | 3,583,313,096 | 218,799,626 | 6.11 | \$36,891,781 | \$255,691,407 | 7.14 | 16.86% | | |
| 6 | Large Power Secondary | 19S | 1 | 6,492,605 | \$345,185 | 5.32 | \$65,457 | \$410,642 | 6.32 | 18.96% | 0.001810 | 0.011892 |
| 7 | Large Power Primary | 19P | 105 | 2,065,756,780 | \$97,617,784 | 4.73 | \$20,584,569 | \$118,182,353 | 5.72 | 21.07% | 0.001986 | 0.011941 |
| 8 | Large Power Transmission | 19T | 3 | 42,047,694 | \$1,911,174 | 4.55 | \$415,900 | \$2,327,074 | 5.53 | 21.76% | 0.002065 | 0.011956 |
| 9 | Total Schedule 19 | | 109 | 2,114,297,079 | 99,874,143 | 4.72 | \$21,045,927 | \$120,920,070 | 5.72 | 21.07% | | |
| 11 | Irrigation Secondary | 24S | 16,911 | 1,708,623,743 | \$116,376,476 | 6.81 | \$17,893,119 | \$134,269,595 | 7.86 | 15.38% | 0.001295 | 0.011767 |
| 12 | Irrigation Transmission | 24T | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | | |
| 13 | Total Schedule 24 | | 16,911 | 1,708,623,743 | 116,376,476 | 6.81 | \$17,893,119 | \$134,269,595 | 7.86 | 15.38% | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
Calculation of Revenue Impact
State of Idaho
PCA
Effective June 1, 2013

Summary of Revenue Impact
2012 PCA to Proposed 2013 PCA

IDAHO POWER COMPANY - RATE MITIGATION PROPOSAL - FIRST YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers ⁽¹⁾ | Normalized Energy (kWh) ⁽¹⁾ | Current Billed Revenue | Cents Per kWh | Total Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Billed Revenue | Current 2012 PCA Rates | Additional 2012 Revenue Sharing | Proposed 2013 PCA Rates | Additional 2013 Revenue Sharing |
|------------------------------|----------------------------------|---------------|--|--|------------------------|---------------|-------------------------------------|-------------------------------|---------------|---|------------------------|---------------------------------|-------------------------|---------------------------------|
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | | | |
| 1 | Residential Service | 1 | 404,797 | 4,813,284,883 | \$415,982,555 | 8.64 | \$33,389,204 | \$449,371,759 | 9.34 | 8.03% | 0.000793 | | 0.007730 | |
| 2 | Master Metered Mobile Home Park | 3 | 23 | 4,891,664 | \$402,178 | 8.22 | \$33,449 | \$435,627 | 8.91 | 8.32% | 0.000927 | | 0.007765 | |
| 3 | Residential Service Energy Watch | 4 | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.000793 | | 0.008404 | |
| 4 | Residential Service Time-of-Day | 5 | 1,577 | 25,732,707 | \$2,133,709 | 8.29 | \$179,233 | \$2,312,942 | 0.00 | 8.40% | 0.000793 | | 0.007758 | |
| 5 | Small General Service | 7 | 28,092 | 143,366,943 | \$15,701,471 | 10.95 | \$1,067,884 | \$16,769,355 | 11.70 | 6.80% | 0.000094 | | 0.007543 | |
| 6 | Large General Service | 9 | 32,374 | 3,583,313,096 | 218,799,626 | 6.11 | \$22,909,694 | \$241,709,320 | 6.75 | 10.47% | (0.002476) | | 0.006854 | |
| 7 | Dusk to Dawn Lighting | 15 | 0 | 6,429,995 | \$1,219,972 | 18.97 | \$59,993 | \$1,279,965 | 19.91 | 4.92% | 0.001295 | | 0.007865 | |
| 8 | Large Power Service | 19 | 109 | 2,114,297,079 | \$99,874,143 | 4.72 | \$12,795,940 | \$112,670,083 | 5.33 | 12.81% | 0.001117 | | 0.007806 | |
| 9 | Agricultural Irrigation Service | 24 | 16,911 | 1,708,623,743 | \$116,376,476 | 6.81 | \$11,226,069 | \$127,602,545 | 7.47 | 9.65% | (0.000761) | | 0.007441 | |
| 10 | Unmetered General Service | 40 | 1,288 | 12,164,524 | \$915,474 | 7.53 | \$81,371 | \$996,845 | 8.19 | 8.89% | 0.001806 | | 0.007998 | |
| 11 | Street Lighting | 41 | 1,251 | 26,654,710 | \$3,163,436 | 11.87 | \$218,618 | \$3,382,054 | 12.69 | 6.91% | | | | |
| 12 | Traffic Control Lighting | 42 | 431 | 2,810,533 | \$146,474 | 5.21 | \$17,404 | \$163,878 | 5.83 | 11.88% | | | | |
| 13 | Total Uniform Tariffs | | 486,853 | 12,441,569,877 | 874,715,514 | 7.03 | \$81,978,859 | \$956,694,373 | 7.69 | 9.37% | | | | |
| <u>Special Contracts:</u> | | | | | | | | | | | | | | |
| 14 | Micron | 26 | 1 | 587,867,669 | \$23,828,078 | 4.05 | \$3,342,029 | \$27,170,107 | 4.62 | 14.03% | 0.003367 | (561,642) | 0.008404 | (180,702) |
| 15 | J R Simplot | 29 | 1 | 192,687,586 | \$7,273,499 | 3.77 | \$1,135,720 | \$8,409,219 | 4.36 | 15.61% | 0.003367 | (220,347) | 0.008404 | (55,194) |
| 16 | DOE | 30 | 1 | 236,974,493 | \$9,368,830 | 3.95 | \$1,397,184 | \$10,766,014 | 4.54 | 14.91% | 0.003367 | (274,869) | 0.008404 | (71,326) |
| 17 | Hoku - Retail | 32 | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.003367 | (92,221) | 0.008404 | 0 |
| 18 | Total Special Contracts | | 3 | 1,017,529,748 | 40,470,407 | 3.98 | \$5,874,933 | \$46,345,340 | 4.55 | 14.52% | | | | |
| 19 | Total Idaho Retail Sales | | 486,856 | 13,459,099,625 | 915,185,921 | 6.80 | \$7,853,792 | \$1,003,039,713 | 7.45 | 9.60% | | | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
 Calculation of Revenue Impact
 State of Idaho
 PCA
 Effective June 1, 2013

Summary of Revenue Impact - Rates 9, 19, and 24 Distribution Level Detail
 2012 PCA to Proposed 2013 PCA

IDAHO POWER COMPANY - RATE MITIGATION PROPOSAL - FIRST YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers (1) | Normalized Energy (kWh) (1) | Current Billed Revenue | Cents Per kWh | Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Revenue | Current 2012 | Proposed 2013 |
|------------------------------|----------------------------|---------------|---------------------------------|-----------------------------|------------------------|---------------|-------------------------------|-------------------------------|---------------|----------------------------------|--------------|---------------|
| | | | | | | | | | | | PCA Rates | PCA Rates |
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | |
| 1 | Large General Secondary | 9S | 32,180 | 3,133,340,969 | \$194,631,598 | 6.21 | \$20,125,975 | \$214,757,573 | 6.85 | 10.34% | 0.001492 | 0.007915 |
| 2 | Large General Primary | 9P | 192 | 447,522,140 | \$24,037,334 | 5.37 | \$2,768,555 | \$26,805,889 | 5.99 | 11.52% | 0.001799 | 0.007985 |
| 3 | Large General Transmission | 9T | 2 | 2,449,987 | \$130,694 | 5.33 | \$15,164 | \$145,858 | 5.95 | 11.60% | 0.001799 | 0.007988 |
| 4 | Total Schedule 9 | | 32,374 | 3,583,313,096 | 218,799,626 | 6.11 | \$22,909,694 | \$241,709,320 | 6.75 | 10.47% | | |
| 6 | Large Power Secondary | 19S | 1 | 6,492,605 | \$345,185 | 5.32 | \$40,123 | \$385,308 | 5.93 | 11.62% | 0.001810 | 0.007990 |
| 7 | Large Power Primary | 19P | 105 | 2,065,756,780 | \$97,617,784 | 4.73 | \$12,503,986 | \$110,121,770 | 5.33 | 12.81% | 0.001986 | 0.008039 |
| 8 | Large Power Transmission | 19T | 3 | 42,047,694 | \$1,911,174 | 4.55 | \$251,830 | \$2,163,004 | 5.14 | 13.18% | 0.002065 | 0.008054 |
| 9 | Total Schedule 19 | | 109 | 2,114,297,079 | 99,874,143 | 4.72 | \$12,795,940 | \$112,670,083 | 5.33 | 12.81% | | |
| 11 | Irrigation Secondary | 24S | 16,911 | 1,708,623,743 | \$116,376,476 | 6.81 | \$11,226,069 | \$127,602,545 | 7.47 | 9.65% | 0.001295 | 0.007865 |
| 12 | Irrigation Transmission | 24T | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | | |
| 13 | Total Schedule 24 | | 16,911 | 1,708,623,743 | 116,376,476 | 6.81 | \$11,226,069 | \$127,602,545 | 7.47 | 9.65% | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
Calculation of Revenue Impact
State of Idaho
PCA
Effective June 1, 2014

Summary of Revenue Impact
2013 PCA to Proposed 2014 PCA

IDAHO POWER COMPANY - RATE MITIGATION PROPOSAL - SECOND YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers ⁽¹⁾ | Normalized Energy (kWh) ⁽¹⁾ | Current | | Total Adjustments | | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Revenue | Proposed 2013 PCA Rates | Additional 2013 Revenue Sharing | Assumed 2014 PCA Rates | Additional 2014 Revenue Sharing |
|------------------------------|----------------------------------|---------------|--|--|----------------|---------------|-------------------|-----------------|-------------------------------|---------------|----------------------------------|-------------------------|---------------------------------|------------------------|---------------------------------|
| | | | | | Billed Revenue | Cents Per kWh | to Billed Revenue | Per kWh | | | | | | | |
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | | | | |
| 1 | Residential Service | 1 | 404,797 | 4,813,284,883 | \$449,371,759 | 9.34 | \$19,468,703 | \$468,840,462 | 9.74 | 4.33% | 0.007730 | | | 0.011775 | |
| 2 | Master Metered Mobile Home Park | 3 | 23 | 4,891,664 | \$435,627 | 8.91 | \$19,614 | \$455,241 | 9.31 | 4.50% | 0.007765 | | | 0.011775 | |
| 3 | Residential Service Energy Watch | 4 | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.008404 | | | 0.011775 | |
| 4 | Residential Service Time-of-Day | 5 | 1,577 | 25,732,707 | \$2,312,942 | 8.99 | \$103,355 | \$2,416,297 | 0.00 | 4.47% | 0.007758 | | | 0.011775 | |
| 5 | Small General Service | 7 | 28,092 | 143,366,943 | \$16,769,355 | 11.70 | \$606,738 | \$17,376,093 | 12.12 | 3.62% | 0.007543 | | | 0.011775 | |
| 6 | Large General Service | 9 | 32,374 | 3,583,313,096 | \$241,709,320 | 6.75 | \$13,798,191 | \$255,507,511 | 7.13 | 5.71% | | | | | |
| 7 | Dusk to Dawn Lighting | 15 | 0 | 6,429,995 | \$1,279,965 | 19.91 | \$31,638 | \$1,311,604 | 20.40 | 2.47% | 0.006854 | | | 0.011775 | |
| 8 | Large Power Service | 19 | 109 | 2,114,297,079 | \$112,670,083 | 5.33 | \$7,898,038 | \$120,568,121 | 5.70 | 7.01% | 0.007865 | | | 0.011775 | |
| 9 | Agricultural Irrigation Service | 24 | 16,911 | 1,708,623,743 | \$127,602,545 | 7.47 | \$6,679,744 | \$134,282,289 | 7.86 | 5.23% | 0.007806 | | | 0.011775 | |
| 10 | Unmetered General Service | 40 | 1,288 | 12,164,524 | \$986,845 | 8.19 | \$48,275 | \$1,045,119 | 8.59 | 4.84% | 0.007441 | | | 0.011775 | |
| 11 | Street Lighting | 41 | 1,251 | 26,654,710 | \$3,382,054 | 12.69 | \$115,516 | \$3,497,571 | 13.12 | 3.42% | 0.007998 | | | 0.011775 | |
| 12 | Traffic Control Lighting | 42 | 431 | 2,810,533 | \$163,878 | 5.83 | \$10,613 | \$174,491 | 6.21 | 6.48% | | | | | |
| 13 | Total Uniform Tariffs | | 486,853 | 12,441,569,877 | 956,694,373 | 7.69 | \$48,780,426 | \$1,005,474,799 | 8.08 | 5.10% | | | | | |
| <u>Special Contracts:</u> | | | | | | | | | | | | | | | |
| 14 | Micron | 26 | 1 | 587,867,669 | \$27,170,107 | 4.62 | \$2,162,210 | \$29,332,317 | 4.99 | 7.96% | 0.008404 | (180,702) | | 0.011775 | 0 |
| 15 | J R Simplot | 29 | 1 | 192,687,586 | \$8,409,219 | 4.36 | \$704,680 | \$9,113,900 | 4.73 | 8.38% | 0.008404 | (55,194) | | 0.011775 | 0 |
| 16 | DOE | 30 | 1 | 236,974,493 | \$10,766,014 | 4.54 | \$870,089 | \$11,636,102 | 4.91 | 8.08% | 0.008404 | (71,326) | | 0.011775 | 0 |
| 17 | Hoku - Retail | 32 | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.008404 | 0 | | 0.011775 | 0 |
| 18 | Total Special Contracts | | 3 | 1,017,529,748 | 46,345,340 | 4.55 | \$3,736,979 | \$50,082,319 | 4.92 | 8.06% | | | | | |
| 19 | Total Idaho Retail Sales | | 486,856 | 13,459,099,625 | 1,003,039,713 | 7.45 | \$2,517,405 | \$1,055,557,118 | 7.84 | 5.24% | | | | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
 Calculation of Revenue Impact
 State of Idaho
 PCA
 Effective June 1, 2014

Summary of Revenue Impact - Rates 9, 19, and 24 Distribution Level Detail
 2013 PCA to Proposed 2014 PCA

IDAHO POWER COMPANY - RATE MITIGATION PROPOSAL - SECOND YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers (1) | Normalized Energy (kWh) (1) | Current Billed Revenue | Cents Per kWh | Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Billed Revenue | Proposed 2013 PCA Rates | | Assumed 2014 PCA Rates | |
|---------|----------------------------|---------------|---------------------------------|-----------------------------|------------------------|---------------|-------------------------------|-------------------------------|---------------|---|-------------------------|----------|------------------------|---------|
| | | | | | | | | | | | Revenue | Revenue | Revenue | Revenue |
| 1 | Large General Secondary | 9S | 32,180 | 3,133,340,969 | \$214,757,573 | 6.85 | \$12,093,137 | \$226,850,710 | 7.24 | 5.63% | 0.007915 | 0.011775 | | |
| 2 | Large General Primary | 9P | 192 | 447,522,140 | \$26,805,889 | 5.99 | \$1,695,779 | \$28,501,667 | 6.37 | 6.33% | 0.007985 | 0.011775 | | |
| 3 | Large General Transmission | 9T | 2 | 2,449,987 | \$145,858 | 5.95 | \$9,276 | \$155,134 | 6.33 | 6.36% | 0.007988 | 0.011775 | | |
| 4 | Total Schedule 9 | | 32,374 | 3,583,313,096 | 241,709,320 | 6.75 | \$13,798,191 | \$255,507,511 | 7.13 | 5.71% | | | | |
| 6 | Large Power Secondary | 19S | 1 | 6,492,605 | \$385,308 | 5.93 | \$24,573 | \$409,882 | 6.31 | 6.38% | 0.007990 | 0.011775 | | |
| 7 | Large Power Primary | 19P | 105 | 2,065,756,780 | \$110,121,770 | 5.33 | \$7,717,026 | \$117,838,796 | 5.70 | 7.01% | 0.008039 | 0.011775 | | |
| 8 | Large Power Transmission | 19T | 3 | 42,047,694 | \$2,163,004 | 5.14 | \$156,439 | \$2,319,443 | 5.52 | 7.23% | 0.008054 | 0.011775 | | |
| 9 | Total Schedule 19 | | 109 | 2,114,297,079 | 112,670,083 | 5.33 | \$7,898,038 | \$120,568,121 | 5.70 | 7.01% | | | | |
| 11 | Irrigation Secondary | 24S | 16,911 | 1,708,623,743 | \$127,602,545 | 7.47 | \$6,679,744 | \$134,282,289 | 7.86 | 5.23% | 0.007865 | 0.011775 | | |
| 12 | Irrigation Transmission | 24T | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | | | | |
| 13 | Total Schedule 24 | | 16,911 | 1,708,623,743 | 127,602,545 | 7.47 | \$6,679,744 | \$134,282,289 | 7.86 | 5.23% | | | | |

Uniform Tariff Rates:

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
Calculation of Revenue Impact
State of Idaho
PCA
Effective June 1, 2013

Summary of Revenue Impact
2012 PCA to Proposed 2013 PCA

STAFF RATE MITIGATION PROPOSAL - FIRST YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers ⁽¹⁾ | Normalized Energy (kWh) ⁽¹⁾ | Current | | Proposed | | Total Adjustments to Billed Revenue | Cents Per kWh | Percent Change Billed to Billed Revenue | Current 2012 PCA Rates | Additional 2012 Revenue Sharing | Proposed 2013 PCA Rates | Additional 2013 Revenue Sharing |
|------------------------------|----------------------------------|---------------|--|--|----------------|---------------|----------------------|---------------|-------------------------------------|---------------|---|------------------------|---------------------------------|-------------------------|---------------------------------|
| | | | | | Billed Revenue | Revenue | Total Billed Revenue | Revenue | | | | | | | |
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | | | | |
| 1 | Residential Service | 1 | 404,797 | 4,813,284,883 | \$415,982,555 | \$443,601,942 | \$27,619,387 | \$443,601,942 | \$27,619,387 | 8.64 | 6.64% | 0.000793 | 0.000793 | 0.006531 | 0.006531 |
| 2 | Master Metered Mobile Home Park | 3 | 23 | 4,891,664 | \$402,178 | \$429,763 | \$27,585 | \$429,763 | \$27,585 | 8.22 | 6.86% | 0.000927 | 0.000927 | 0.006566 | 0.006566 |
| 3 | Residential Service Energy Watch | 4 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00 | 0.00% | 0.000793 | 0.000793 | 0.007205 | 0.007205 |
| 4 | Residential Service Time-of-Day | 5 | 1,577 | 25,732,707 | \$2,133,709 | \$2,282,095 | \$148,386 | \$2,282,095 | \$148,386 | 8.29 | 6.95% | 0.000793 | 0.000793 | 0.006559 | 0.006559 |
| 5 | Small General Service | 7 | 28,092 | 143,366,943 | \$15,701,471 | \$16,597,497 | \$896,026 | \$16,597,497 | \$896,026 | 10.95 | 5.71% | 0.000094 | 0.000094 | 0.006344 | 0.006344 |
| 6 | Large General Service | 9 | 32,374 | 3,583,313,096 | \$1,219,972 | \$1,272,258 | \$52,286 | \$1,272,258 | \$52,286 | 18.97 | 4.29% | (0.002476) | (0.002476) | 0.005656 | 0.005656 |
| 7 | Dusk to Dawn Lighting | 15 | 0 | 6,429,995 | \$99,874,143 | \$110,135,617 | \$10,261,474 | \$110,135,617 | \$10,261,474 | 4.72 | 10.27% | 0.001295 | 0.001295 | 0.006667 | 0.006667 |
| 8 | Large Power Service | 19 | 109 | 2,114,297,079 | \$116,376,476 | \$125,554,371 | \$9,177,895 | \$125,554,371 | \$9,177,895 | 6.81 | 7.89% | 0.001117 | 0.001117 | 0.006607 | 0.006607 |
| 9 | Agricultural Irrigation Service | 24 | 16,911 | 1,708,623,743 | \$915,474 | \$982,263 | \$66,789 | \$982,263 | \$66,789 | 7.53 | 7.30% | 0.000761 | 0.000761 | 0.006242 | 0.006242 |
| 10 | Unmetered General Service | 40 | 1,288 | 12,164,524 | \$3,163,436 | \$3,350,103 | \$186,667 | \$3,350,103 | \$186,667 | 11.87 | 5.90% | 0.001806 | 0.001806 | 0.006800 | 0.006800 |
| 11 | Street Lighting | 41 | 1,251 | 26,654,710 | \$146,474 | \$160,509 | \$14,035 | \$160,509 | \$14,035 | 5.21 | 9.58% | | | | |
| 12 | Traffic Control Lighting | 42 | 431 | 2,810,533 | \$146,474 | \$160,509 | \$14,035 | \$160,509 | \$14,035 | 5.21 | 9.58% | | | | |
| 13 | Total Uniform Tariffs | | 486,853 | 12,441,569,877 | 874,715,514 | \$941,780,322 | \$67,064,808 | \$941,780,322 | \$67,064,808 | 7.03 | 7.67% | | | | |
| <u>Special Contracts:</u> | | | | | | | | | | | | | | | |
| 14 | Micron | 26 | 1 | 587,867,669 | \$23,828,078 | \$26,485,414 | \$2,637,336 | \$26,485,414 | \$2,637,336 | 4.05 | 11.07% | 0.003367 | (561,642) | 0.007205 | (180,702) |
| 15 | J R Simplot | 29 | 1 | 192,687,586 | \$7,273,499 | \$8,178,239 | \$904,740 | \$8,178,239 | \$904,740 | 3.77 | 12.44% | 0.003367 | (220,347) | 0.007205 | (55,194) |
| 16 | DOE | 30 | 1 | 236,974,493 | \$9,368,830 | \$10,481,946 | \$1,113,116 | \$10,481,946 | \$1,113,116 | 3.95 | 11.88% | 0.003367 | (274,869) | 0.007205 | (71,326) |
| 17 | Hoku - Retail | 32 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | 0.00 | 0.00% | 0.003367 | (92,221) | 0.007205 | 0 |
| 18 | Total Special Contracts | | 3 | 1,017,529,748 | 40,470,407 | \$45,125,599 | \$4,655,192 | \$45,125,599 | \$4,655,192 | 3.98 | 11.50% | | | | |
| 19 | Total Idaho Retail Sales | | 486,856 | 13,459,099,625 | 915,185,921 | \$986,905,921 | 71,720,000 | \$986,905,921 | 71,720,000 | 6.80 | 7.84% | | | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
 Calculation of Revenue Impact
 State of Idaho
 PCA
 Effective June 1, 2013

Summary of Revenue Impact - Rates 9, 19, and 24 Distribution Level Detail
 2012 PCA to Proposed 2013 PCA

STAFF RATE MITIGATION PROPOSAL - FIRST YEAR

| Line No | Tariff Description | Rate Sch. | Average Number of Customers (1) | Normalized Energy (kWh)(1) | Current Billed Revenue | Cents Per kWh | Adjustments to Billed Revenue | Proposed Total Billed Revenue | Proposed Cents Per kWh | Percent Change Billed to Billed Revenue | Current 2012 PCA Rates | Proposed 2013 PCA Rates |
|------------------------------|----------------------------|-----------|---------------------------------|----------------------------|------------------------|---------------|-------------------------------|-------------------------------|------------------------|---|------------------------|-------------------------|
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | |
| 1 | Large General Secondary | 9S | 32,180 | 3,133,340,969 | \$194,631,598 | 6.21 | \$16,369,953 | \$211,001,551 | 6.73 | 8.41% | 0.001492 | 0.006716 |
| 2 | Large General Primary | 9P | 192 | 447,522,140 | \$24,037,334 | 5.37 | \$2,232,098 | \$26,269,432 | 5.87 | 9.29% | 0.001799 | 0.006787 |
| 3 | Large General Transmission | 9T | 2 | 2,449,987 | \$130,694 | 5.33 | \$12,227 | \$142,921 | 5.83 | 9.36% | 0.001799 | 0.006790 |
| 4 | Total Schedule 9 | | 32,374 | 3,583,313,096 | 218,799,626 | 6.11 | \$18,614,278 | \$237,413,904 | 6.63 | 8.51% | | |
| 6 | Large Power Secondary | 19S | 1 | 6,492,605 | \$345,185 | 5.32 | \$32,340 | \$377,525 | 5.81 | 9.37% | 0.001810 | 0.006791 |
| 7 | Large Power Primary | 19P | 105 | 2,065,756,780 | \$97,617,784 | 4.73 | \$10,027,707 | \$107,645,491 | 5.21 | 10.27% | 0.001986 | 0.006840 |
| 8 | Large Power Transmission | 19T | 3 | 42,047,694 | \$1,911,174 | 4.55 | \$201,427 | \$2,112,601 | 5.02 | 10.54% | 0.002065 | 0.006855 |
| 9 | Total Schedule 19 | | 109 | 2,114,297,079 | 99,874,143 | 4.72 | \$10,261,474 | \$110,135,617 | 5.21 | 10.27% | | |
| 11 | Irrigation Secondary | 24S | 16,911 | 1,708,623,743 | \$116,376,476 | 6.81 | \$9,177,895 | \$125,554,371 | 7.35 | 7.89% | 0.001295 | 0.006667 |
| 12 | Irrigation Transmission | 24T | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | | |
| 13 | Total Schedule 24 | | 16,911 | 1,708,623,743 | 116,376,476 | 6.81 | \$9,177,895 | \$125,554,371 | 7.35 | 7.89% | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
Calculation of Revenue Impact
State of Idaho
PCA
Effective June 1, 2014

Summary of Revenue Impact
2013 PCA to Proposed 2014 PCA

STAFF RATE MITIGATION PROPOSAL - SECOND YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers ⁽¹⁾ | Normalized Energy (kWh) ⁽¹⁾ | Current | | Total Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Billed Revenue | Proposed 2013 PCA Rates | Additional 2013 Revenue Sharing | Assumed 2014 PCA Rates | Additional 2014 Revenue Sharing |
|------------------------------|----------------------------------|---------------|--|--|----------------|---------------|-------------------------------------|-------------------------------|---------------|---|-------------------------|---------------------------------|------------------------|---------------------------------|
| | | | | | Billed Revenue | Cents Per kWh | | | | | | | | |
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | | | |
| 1 | Residential Service | | 404,797 | 4,813,284,883 | \$443,601,942 | 9.22 | \$28,352,988 | \$471,954,931 | 9.81 | 6.39% | 0.006531 | | 0.012422 | |
| 2 | Master Metered Mobile Home Park | | 23 | 4,891,664 | \$429,763 | 8.79 | \$28,643 | \$458,406 | 9.37 | 6.66% | 0.006566 | | 0.012422 | |
| 3 | Residential Service Energy Watch | | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.007205 | | 0.012422 | |
| 4 | Residential Service Time-of-Day | | 1,577 | 25,732,707 | \$2,282,095 | 8.87 | \$150,852 | \$2,432,948 | 0.00 | 6.61% | 0.006559 | | 0.012422 | |
| 5 | Small General Service | | 28,092 | 143,366,943 | \$16,597,497 | 11.58 | \$871,362 | \$17,468,860 | 12.18 | 5.25% | 0.006344 | | 0.012422 | |
| 6 | Large General Service | | 32,374 | 3,583,313,096 | \$237,413,904 | 6.63 | \$20,412,215 | \$257,826,118 | 7.20 | 8.60% | | | | |
| 7 | Dusk to Dawn Lighting | | 0 | 6,429,995 | \$1,272,258 | 19.79 | \$43,507 | \$1,315,764 | 20.46 | 3.42% | 0.005656 | | 0.012422 | |
| 8 | Large Power Service | | 109 | 2,114,297,079 | \$110,135,617 | 5.21 | \$11,800,574 | \$121,936,191 | 5.77 | 10.71% | | | | |
| 9 | Agricultural Irrigation Service | | 16,911 | 1,708,623,743 | \$125,554,371 | 7.35 | \$9,833,495 | \$135,387,866 | 7.92 | 7.89% | 0.006667 | | 0.012422 | |
| 10 | Unmetered General Service | | 1,288 | 12,164,524 | \$982,263 | 8.07 | \$70,728 | \$1,052,991 | 8.66 | 7.20% | 0.006607 | | 0.012422 | |
| 11 | Street Lighting | | 1,251 | 26,854,710 | \$3,350,103 | 12.57 | \$164,715 | \$3,514,818 | 13.19 | 4.92% | 0.006242 | | 0.012422 | |
| 12 | Traffic Control Lighting | | 431 | 2,810,533 | \$160,509 | 5.71 | \$15,801 | \$176,310 | 6.27 | 9.84% | 0.006800 | | 0.012422 | |
| 13 | Total Uniform Tariffs | | 486,853 | 12,441,569,877 | 941,780,322 | 7.57 | \$71,744,880 | \$1,013,525,202 | 8.15 | 7.62% | | | | |
| <u>Special Contracts:</u> | | | | | | | | | | | | | | |
| 14 | Micron | | 1 | 587,867,669 | \$26,465,414 | 4.50 | \$3,247,287 | \$29,712,701 | 5.05 | 12.27% | 0.007205 | (180,702) | 0.012422 | 0 |
| 15 | J R Simplot | | 1 | 192,667,586 | \$8,178,239 | 4.24 | \$1,060,340 | \$9,238,579 | 4.79 | 12.97% | 0.007205 | (55,194) | 0.012422 | 0 |
| 16 | DOE | | 1 | 236,974,493 | \$10,481,946 | 4.42 | \$1,307,493 | \$11,789,438 | 4.97 | 12.47% | 0.007205 | (71,326) | 0.012422 | 0 |
| 17 | Hoku - Retail | | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | 0.007205 | 0 | 0.012422 | 0 |
| 18 | Total Special Contracts | | 3 | 1,017,529,748 | 45,125,599 | 4.43 | \$5,615,120 | \$50,740,719 | 4.99 | 12.44% | | | | |
| 19 | Total Idaho Retail Sales | | 486,856 | 13,459,099,625 | 986,905,921 | 7.33 | 77,360,000 | 1,064,265,921 | 7.91 | 7.84% | | | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Idaho Power Company
Calculation of Revenue Impact
State of Idaho
PCA

Effective June 1, 2014

Summary of Revenue Impact - Rates 9, 19, and 24 Distribution Level Detail
2013 PCA to Proposed 2014 PCA

STAFF RATE MITIGATION PROPOSAL - SECOND YEAR

| Line No | Tariff Description | Rate Sch. No. | Average Number of Customers (1) | Normalized Energy (kWh) (1) | Current Billed Revenue | Cents Per kWh | Adjustments to Billed Revenue | Proposed Total Billed Revenue | Cents Per kWh | Percent Change Billed to Billed Revenue | Proposed 2013 PCA Rates | Assumed 2014 PCA Rates |
|------------------------------|----------------------------|---------------|---------------------------------|-----------------------------|------------------------|---------------|-------------------------------|-------------------------------|---------------|---|-------------------------|------------------------|
| <u>Uniform Tariff Rates:</u> | | | | | | | | | | | | |
| 1 | Large General Secondary | 9S | 32,180 | 3,133,340,969 | \$211,001,551 | 6.73 | \$17,876,608 | \$228,878,159 | 7.30 | 8.47% | 0.006716 | 0.012422 |
| 2 | Large General Primary | 9P | 192 | 447,522,140 | \$26,269,432 | 5.87 | \$2,521,808 | \$28,791,240 | 6.43 | 9.60% | 0.006787 | 0.012422 |
| 3 | Large General Transmission | 9T | 2 | 2,449,987 | \$142,921 | 5.83 | \$13,798 | \$156,720 | 6.40 | 9.65% | 0.006790 | 0.012422 |
| 4 | Total Schedule 9 | | 32,374 | 3,583,313,096 | 237,413,904 | 6.63 | \$20,412,215 | \$257,826,118 | 7.20 | 8.60% | | |
| 6 | Large Power Secondary | 19S | 1 | 6,492,605 | \$377,525 | 5.81 | \$36,557 | \$414,083 | 6.38 | 9.68% | 0.006791 | 0.012422 |
| 7 | Large Power Primary | 19P | 105 | 2,065,756,780 | \$107,645,491 | 5.21 | \$11,529,967 | \$119,175,458 | 5.77 | 10.71% | 0.006840 | 0.012422 |
| 8 | Large Power Transmission | 19T | 3 | 42,047,694 | \$2,112,601 | 5.02 | \$234,050 | \$2,346,650 | 5.58 | 11.08% | 0.006855 | 0.012422 |
| 9 | Total Schedule 19 | | 109 | 2,114,297,079 | 110,135,617 | 5.21 | \$11,800,574 | \$121,936,191 | 5.77 | 10.71% | | |
| 11 | Irrigation Secondary | 24S | 16,911 | 1,708,623,743 | \$125,554,371 | 7.35 | \$9,833,495 | \$135,387,866 | 7.92 | 7.83% | 0.006667 | 0.012422 |
| 12 | Irrigation Transmission | 24T | 0 | 0 | \$0 | 0.00 | \$0 | \$0 | 0.00 | 0.00% | | |
| 13 | Total Schedule 24 | | 16,911 | 1,708,623,743 | 125,554,371 | 7.35 | \$9,833,495 | \$135,387,866 | 7.92 | 7.83% | | |

(1) June 1, 2013 - May 31, 2014 Forecasted PCA Test Year

Power Cost Adjustment Summary
Case No. IPC-E-13-10
(Base Costs are Redistributed)

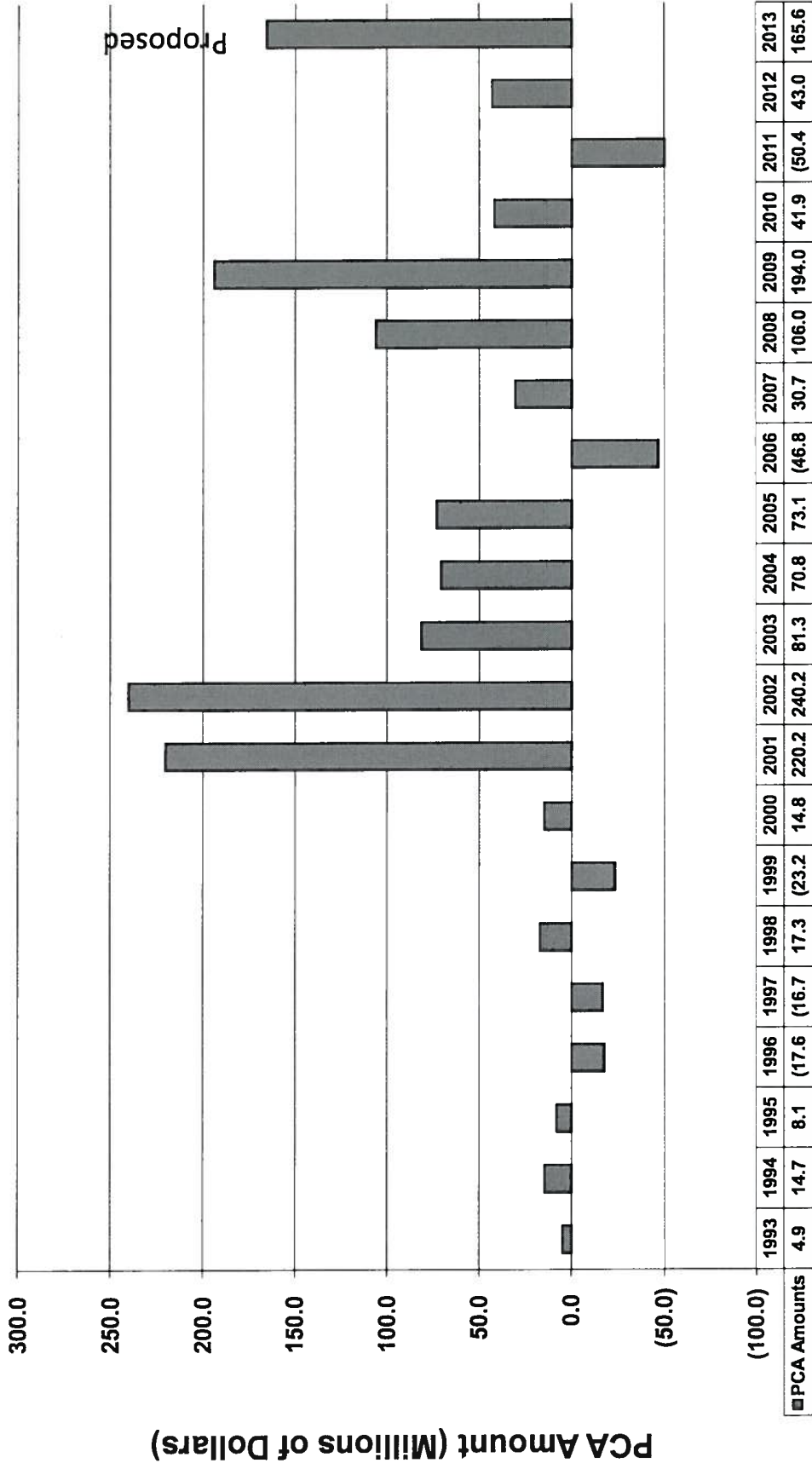
| Description | Projection or Actual (\$) | Base (\$) | Difference or Initial Amount (\$) | Allocated to Other Jurisdictions (\$) | Shared with Shareholders (\$) | Idaho Customer Revenue Requirement (\$) | Idaho PCA Rates (\$/kWh) |
|---|---------------------------|---------------|-----------------------------------|---------------------------------------|-------------------------------|---|--------------------------|
| | | | | | | | |
| Forecast or Projection (2013-2014) | | | | | | | |
| Acct. 501 - Coal | 165,951,392 | 167,192,744 | (1,241,352) | (62,068) | (58,964) | (1,120,320) | |
| Acct. 536 - Water for Power | 2,354,374 | 1,828,640 | 525,734 | 26,287 | 24,972 | 474,475 | |
| Acct. 547 - Natural Gas | 66,536,064 | 51,934,201 | 14,601,863 | 730,093 | 693,588 | 13,178,181 | |
| Acct. 555 - Purchased Power (Non- PURPA) | 40,080,534 | 45,510,093 | (5,429,559) | (271,478) | (257,904) | (4,900,177) | |
| Acct. 565 - Transmission Wheeling | 6,692,385 | 8,262,000 | (1,569,615) | (78,481) | (74,557) | (1,416,578) | |
| Acct. 447 - Opportunity Sales Revenues | (98,510,169) | (124,916,153) | 26,405,984 | 1,320,299 | 1,254,284 | 23,831,401 | 0.3858 |
| Acct. 442 - Hoku First Block Energy Revenue | 0 | (23,921,466) | 23,921,466 | 1,196,073 | 1,136,270 | 21,589,123 | 0.4889 |
| Acct. 555 - Purchased Power (PURPA) | 131,731,526 | 62,851,454 | 68,880,072 | 3,444,004 | 0 | 65,436,068 | |
| Demand Response Incentive Payments | 4,668,960 | 11,252,265 | (6,583,305) | 0 | 0 | (6,583,305) | (0.0489) |
| Sub-Total | 319,505,066 | 199,993,778 | 119,511,288 | 6,304,730 | 2,717,690 | 110,488,869 | 0.8258 |

| Description | Actual | Base | Difference | Allocated to Other Jurisdictions (\$) | Shared with Shareholders (\$) | Idaho Customer Revenue Requirement (\$) | Idaho PCA Rates (\$/kWh) |
|---|--------------|---------------|--------------|---------------------------------------|-------------------------------|---|--------------------------|
| | | | | | | | |
| True Up (2012-2013) | | | | | | | |
| Revenue from Forecast Rate | 58,559,529 | 0 | 58,559,529 | 0 | 0 | 58,559,529 | |
| Load Change Adjustment | 1,056,017 | 0 | 1,056,017 | 52,801 | 50,161 | 953,055 | |
| Acct. 501 - Coal | 143,733,017 | 167,308,029 | (23,575,012) | (1,178,751) | (1,119,813) | (21,276,448) | |
| Acct. 536 - Water for Power | 2,295,597 | 1,828,640 | 466,957 | 23,348 | 22,180 | 421,429 | |
| Acct. 547 - Natural Gas | 31,593,483 | 41,867,730 | (10,274,247) | (513,712) | (488,027) | (9,272,508) | |
| Acct. 555 - Purchased Power (Non- PURPA) | 56,000,484 | 50,157,899 | 5,842,585 | 292,129 | 277,523 | 5,272,933 | |
| Acct. 565 - Transmission Wheeling | 6,245,230 | 8,262,000 | (2,016,770) | (100,839) | (95,797) | (1,820,135) | |
| Acct. 447 - Opportunity Sales Revenues | (48,751,418) | (117,833,671) | 69,082,254 | 3,454,113 | 3,281,407 | 62,346,734 | |
| Acct. 442 - Hoku First Block Energy Revenue | (1,197,218) | (23,921,467) | 22,724,249 | 1,136,212 | 1,079,402 | 20,508,634 | |
| Acct. 555 - Purchased Power (PURPA) | 128,789,373 | 62,851,454 | 65,937,919 | 3,296,896 | 0 | 62,641,023 | |
| Emission Allowance Sales Credit | 0 | 0 | 0 | 0 | 0 | 0 | |
| REC Sales | (2,678,444) | 0 | (2,678,444) | (133,922) | (127,226) | (2,417,296) | |
| Interest During Deferral Period | 179,848 | 0 | 179,848 | 0 | 0 | 179,848 | |
| Demand Response Incentive Payments | 14,479,509 | 11,252,266 | 3,227,243 | 0 | 0 | 3,227,243 | |
| Sub-Total | 273,185,948 | 201,772,880 | 71,413,068 | 6,328,275 | 2,879,810 | 62,204,982 | 0.4622 |

| Description | Initial Amount | Idaho Customer Revenue Requirement (\$) | Idaho PCA Rates (\$/kWh) |
|---|----------------|---|--------------------------|
| | | | |
| True Up of the True Up (Reconciliation of the True Up) | | | |
| Unrecovered True Up of the True Up Amount Carried Forward | (5,165,169) | (5,165,169) | |
| 2012 PCA True-Up Amount - Transferred | (17,646,658) | (17,646,658) | |
| Other Adjustments: | | | |
| Revenue Sharing - O.N 32558 | (27,200,636) | (27,200,636) | |
| Interest During Amortization | (317,283) | (317,283) | |
| Revenue from True Up & True Up of the True Up Rates | 42,610,397 | 42,610,397 | |
| Sub-Total | (7,719,349) | (7,719,349) | (0.0574) |

Total Power Cost Adjustment (PCA) 1.2306

HISTORY OF IDAHO POWER PCA AMOUNTS



CERTIFICATE OF SERVICE


I HEREBY CERTIFY THAT I HAVE THIS 17TH DAY OF MAY 2013, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. IPC-E-13-10, BY EMAILING AND MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

LISA D NORDSTROM
REGULATORY DOCKETS
IDAHO POWER COMPANY
PO BOX 70
BOISE ID 83707-0070
E-MAIL: lnordstrom@idahopower.com
dockets@idahopower.com

TIMOTHY E TATUM
GREGORY W SAID
IDAHO POWER COMPANY
PO BOX 70
BOISE ID 83707-0070
E-MAIL: ttatum@idahopower.com
gsaid@idahopower.com

PETER J RICHARDSON
GREGORY M ADAMS
RICHARDSON & O'LEARY
PO BOX 7218
BOISE ID 83702
E-MAIL: peter@richardsonandoleary.com
greg@richardsonandoleary.com

DR DON READING
6070 HILL ROAD
BOISE ID 83703
E-MAIL: dreading@mindspring.com


SECRETARY