

# PROPOSED PCA RATE CHANGE

Dear Customer,

April 15, 2004

Idaho Power today filed its annual Power Cost Adjustment with the Idaho Public Utilities Commission (IPUC).

With IPUC approval, the PCA portion of Residential and Large Commercial customers will remain the same as last year. Small Commercial, Industrial and Irrigation customers will see a decrease June 1, 2004.

The proposed rate changes vary by the type of customer because the IPUC has identified credits for three customer classes as a result of the 2003 PCA settlement agreement. These credits have been added to this year's PCA balance for those customers. Please review the chart on the back for your specific rate information.

Through the PCA, Idaho Power requests recovery of the previous year's power supply expenses and projected power supply costs for the coming year. Due to the rate changes for the three classes, the Company will recover \$18 million less than it currently recovers through rates.

**General Rate Case Still Pending** In October of 2003, Idaho Power Company requested an increase in its general rates. As a result of that filing, the other components of your electricity bill also may change on June 1, 2004. At this time, a decision is being made by the IPUC as to the exact amount the other components of your bill will change.

Our proposal is subject to public review and approval by the IPUC. A copy of the application is available at the offices of the IPUC and Idaho Power business offices, and on the company's "Regulatory Information" Web page at [www.idahopower.com](http://www.idahopower.com).

*Si le gustaría recibir esta información en Español, favor de llamar Idaho Power (800) 488-6151 o 388-2323*



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Customer Group	Current PCA <sup>(1)</sup>	Proposed PCA <sup>(1)</sup>	Overall Energy Rate (with Current PCA) <sup>(2)</sup>	Overall Energy Rate (with Proposed PCA) <sup>(3)</sup>	Overall % Decrease <sup>(4)</sup>
Residential (01)	0.6039	0.6039	5.778	5.778	0%
Small Commercial (07)	0.8447	0.5850	7.179	6.916	-3.66%
Large Commercial (09)	0.6039	0.6039	4.176	4.176	0%
Industrial (19)	0.8217	0.5817	3.604	3.364	-6.66%
Irrigation (24)	1.3159	0.5228	5.035	4.242	-15.75%
<b>TOTAL</b>					<b>-3.19%</b>

All prices are in cents/kilowatt-hour (kWh).

(1) The Power Cost Adjustment (PCA) is one component of the Overall Rate for any customer group.

(2) The "Overall Energy Rate (with Current PCA)" is the current effective energy rate applied to kWh usage. Both components of this rate (Base Rates and PCA rates) may change June 1, 2004

(3) For comparison purposes, the Proposed PCA Rate has been added to the current effective base rates to calculate the "Overall Energy Rate (with Proposed PCA)". **However, both components (PCA and Base Rates) may change on June 1, 2004.**

(4) The Overall % Decrease is an estimate only based on current Base Rates.