



ELIZABETH PAYNTER
Legal Administrative Assistant
epaynter@idahopower.com

June 14, 2013

VIA ELECTRONIC FILING AND U.S. MAIL

Attention: Filing Center
Public Utility Commission of Oregon
550 Capitol Street NE, Suite 215
P.O. Box 2148
Salem, Oregon 97308-2148

Re: Docket UF 4059
The Guaranty by Idaho Power of the One-third Reclamation Obligation of
Bridger Coal Company

Dear Filing Center:

Enclosed for filing in Docket UF 4059 are an original and five (5) copies of Idaho Power Company's Supplemental Application.

If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,



Elizabeth Paynter
Legal Administrative Assistant

Enclosures

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UF 4059

4 IN THE MATTER OF THE
5 APPLICATION OF IDAHO POWER
6 COMPANY FOR AN ORDER
7 APPROVING THE GUARANTY BY
IDAHO POWER OF THE ONE-THIRD
RECLAMATION OBLIGATION OF
BRIDGER COAL COMPANY

SUPPLEMENTAL APPLICATION

9 Pursuant to ORS 757.440 and in accordance with the standards of OAR 860-027-0035
10 and OAR 860-027-0030 (1)(a) to (g) inclusive, Idaho Power Company ("Idaho Power" or
11 the "Applicant") hereby applies to the Public Utilities Commission of Oregon (the
12 "Commission") for a Supplemental Order to approve an increase in the dollar amount of the
13 Idaho Power guaranty which was originally approved by the Commission in this Docket in
14 1991.

15 On November 25, 1991, the Commission issued Order No. 91-1601 in this Docket
16 (the "Original Order") authorizing Idaho Power to guarantee one-third of the mining
17 reclamation obligation of Bridger Coal Company in Wyoming. Section 5 of the Original
18 Order limited the amount of Idaho Power's authorized guaranty to \$60 million, and the
19 amount of the guaranty has since risen slightly above this level. Accordingly, Idaho Power
20 is filing this application with the Commission to request an increase in the authorized
21 amount of Idaho Power's guaranty to up to \$100 million.

I. BACKGROUND

23 On September 22, 1969, Pacific Corp., d/b/a Pacific Power & Light Company ("Pacific")
24 and Idaho Power entered into Agreements for the Ownership, Construction, and Operation of
25 the Jim Bridger Project located in Sweetwater County, Wyoming, a 1,500 megawatt coal fired
26 electric power plant consisting of three 500 megawatt units ("Jim Bridger Plant" or "Plant").

1 The Ownership Agreement provided for, among other things, the joint ownership of certain
2 leases covering coal deposits acquired from the Union Pacific Railroad, the United States
3 government, and the State of Wyoming located near the Jim Bridger Plant. The Operation
4 Agreement contemplated joint operation of these coal properties by Pacific and Idaho
5 Power.

6 By Amendment to the Ownership and Operation Agreements dated February 1,
7 1974, Pacific and Idaho Power agreed that the coal properties rather than being jointly
8 owned and operated by Pacific and Idaho Power would be owned and operated by a joint
9 venture known as Bridger Coal Company ("Bridger Coal"). The joint venture consists of Idaho
10 Energy Resources Co. ("IERCO"), a wholly owned subsidiary of Idaho Power incorporated
11 under the laws of the State of Wyoming, owning a one-third interest, and Pacific Minerals,
12 Inc. ("PMI"), a wholly owned subsidiary of Pacific incorporated under the laws of the State of
13 Wyoming, owning a two-thirds interest. Upon formation of IERCO, Idaho Power
14 transferred to IERCO all right, title, and interest owned by Idaho Power regarding certain
15 coal leases located in Wyoming. Upon receipt of the coal leases, IERCO in turn
16 transferred such interests to Bridger Coal pursuant to the joint venture agreement.

17 By Agreement dated February 1, 1974, Pacific and Idaho Power entered into a Coal
18 Sales Agreement ("Coal Sales Agreement") wherein Pacific and Idaho Power agreed to
19 purchase and Bridger Coal agreed to deliver and sell coal from coal properties located near
20 the Jim Bridger Plant for use in Units 1, 2, and 3 of the Jim Bridger Plant.

21 Pursuant to Amendment No. 1 to the Agreements for Construction, Ownership,
22 and Operation of the Jim Bridger Project dated as of December 14, 1973, Pacific and Idaho
23 Power agreed to the construction of a fourth 500 megawatt unit at the Jim Bridger Plant,
24 which increased the size of the plant to its current 2,000 megawatt capacity.

25 The State of Wyoming requires that Bridger Coal demonstrate the ongoing ability to
26 perform the reclamation work upon the coal properties at an estimated cost determined

1 and updated annually by the Wyoming Department of Environmental Quality. The
2 work is to be done upon closure of the mine. Wyoming has allowed Bridger Coal to
3 demonstrate its ongoing ability to perform reclamation work at the mine by filing a surety bond
4 or by issuing a Bridger Coal self-bond, so long as Bridger Coal's self-bond is guaranteed
5 by Pacific and Idaho Power. Bridger Coal, Pacific, and Idaho Power have elected to
6 utilize the guaranteed self-bond option for Bridger Coal's Wyoming reclamation obligation
7 since 1993. Under this option, Bridger Coal's self-bond is guaranteed two-thirds by
8 Pacific and one-third by Idaho Power.

9 IERCO is a regulated subsidiary company of Idaho Power in all retail
10 jurisdictions, including Oregon. Separate records and accounts for IERCO are
11 maintained, and the operations of IERCO as a joint venturer in Bridger Coal, are subject to
12 regulatory review and scrutiny together with those of Idaho Power during Idaho Power's
13 general rate cases. The operations of IERCO are summarized in Idaho Power's
14 annual reports of operations filed with the Commission.

15 Since IERCO is treated as a part of Idaho Power for rate making and other
16 regulatory purposes, Idaho Power treats IERCO's obligation to perform reclamation work as
17 if it were the obligation of Idaho Power itself. Thus, Idaho Power does not consider its
18 guarantee of IERCO's one-third share of the Bridger Coal Company self-bond to be an
19 increased obligation of Idaho Power.

20 This application of Idaho Power Company provides the following information as
21 required in OAR 860-027-0030 (1)(a) through (g) inclusive:

22 (a) The exact name of Applicant and the address of its principal business
23 office are: Idaho Power Company, 1221 W. Idaho Street, P.O. Box 70, Boise, Idaho
24 83707-0070.

25 (b) The Applicant was incorporated under the laws of the State of Maine
26 on May 6, 1915, and migrated its state of incorporation from the State of Maine to the State

1 of Idaho effective June 30, 1989. It is qualified as a foreign corporation to do business in
2 the States of Oregon, Nevada, Montana, and Wyoming in connection with its utility
3 operations.

4 (c) The name and address of the persons authorized on behalf of
5 Applicant to receive notices and communications in respect to this Application are:

6 Patrick A. Harrington Lisa D. Nordstrom
7 Corporate Secretary Regulatory Dockets
Idaho Power Company Lead Counsel
P.O. Box 70 Idaho Power Company
8 Boise, ID 83707 P.O. Box 70
pharrington@idahopower.com Boise, ID 83707
9
10 Inordstrom@idahopower.com
dockets@idahopower.com

11 (d) The names, titles, and addresses of the principal officers of the
12 Applicant are as follows:

13	J. LaMont Keen	Chief Executive Officer
14	Darrel T. Anderson	President and Chief Financial Officer
15	Daniel B. Minor	Executive Vice President and Chief Operating Officer
16	Rex Blackburn	Sr. Vice President and General Counsel
17	Lisa A. Grow	Sr. Vice President - Power Supply
18	Steven R. Keen	Sr. Vice President- Finance and Treasurer
19	Dennis C. Gribble	Vice President and Chief Information Officer
20	Warren Kline	Vice President of Customer Operations
21	Jeffrey L. Malmen	Vice President - Public Affairs
22	Luci K. McDonald	Vice President - Human Resources and Corporate Services
23	N. Vern Porter	Vice President - Delivery Engineering and Construction
24	Gregory W. Said	Vice President - Regulatory Affairs

1	Naomi Shankel	Vice President - Supply Chain
2	Lori D. Smith	Vice President and Chief Risk Officer
3	Patrick A. Harrington	Corporate Secretary
4	Ken Peterson	Corporate Controller and Chief Accounting Officer

6 The address of all of the above officers is:

1221 W. Idaho Street
P. O. Box 70
Boise, ID 83707-0070

14 (f) The following statement as to each class of the capital stock of
15 applicant is as of March 31, 2013, the date of the balance sheet submitted with this
16 application:

17 Common Stock

18 (1) Description - Common Stock, \$2.50 par value; 1 vote per share
19 (2) Amount authorized - 50,000,000 shares (\$125,000,000 par value)
20 (3) Amount outstanding - 39,150,812 shares
21 (4) Amount held as reacquired securities - None
22 (5) Amount pledged by applicant - None
23 (6) Amount owned by affiliated corporations – All
24 (7) Amount held in any fund - None

1 Applicant's Common Stock is held by IDACORP, Inc., the holding company of Idaho
2 Power Company. IDACORP, Inc.'s Common Stock is registered (Pursuant to Section 12(b)
3 of the Securities Exchange Act of 1934) and is listed on the New York Stock Exchange.

4 (g) The following statement as to funded debt of Applicant is as of March

5 31, 2013, the date of the balance sheet submitted with this application:

First Mortgage Bonds

6

7 Description Amount Outstanding

8 FIRST MORNING

8 FIRST MORTGAGE BONDS:		
9	4.25 % Series due 2013, dated as of May 13, 2003, due October 1, 2013	70,000,000
10	6.025% Series due 2018, dated as of July 10, 2008, due July 15, 2018	120,000,000
11	6.15 % Series due 2019, dated as of March 30, 2009, due April 1, 2019	100,000,000
12	4.50 % Series due 2020, dated as of Nov 20, 2009, due March 30, 2020	130,000,000
13	3.40 % Series due 2020, dated as of Aug 30, 2010, due Nov 1, 2020	100,000,000
14	2.95 % Series due 2022, dated as of April 13, 2012, due April 1, 2022	75,000,000
15	6 % Series due 2032, dated as of Nov 15, 2002, due Nov 15, 2032	100,000,000
16	5.50 % Series due 2033, dated as of May 13, 2003, due April 1, 2033	70,000,000
17	5.50 % Series due 2034, dated as of March 26, 2004, due March 15, 2034	50,000,000
18	5.875% Series due 2034, dated as of August 16, 2004, due August 15, 2034	55,000,000
19	5.30 % Series due 2035, dated as of August 23, 2005, due August 15, 2035	60,000,000
20	6.30 % Series due 2037, dated as of June 22, 2007, due June 15, 2037	140,000,000
21	6.25 % Series due 2037, dated as of October 18, 2007, due October 15, 2037	100,000,000
22	4.85 % Series due 2040, dated as of Aug 30, 2010, due Aug 15, 2040	100,000,000
23	4.30 % Series due 2042, dated as of April 13, 2012, due April 1, 2042	75,000,000
		1,345,000,000

20 • Amount authorized - Limited within the maximum of
21 \$2,000,000,000 (or such other maximum amount as may be
 fixed by supplemental indenture) and by property, earnings,
 and other provisions of the Mortgage.

22 • Amount held as reacquired securities - None
23 • Amount pledged - None
 • Amount owned by affiliated corporations - None
 • Amount of sinking or other funds - None

24

25

26

1 For a full statement of the terms and provisions relating to the respective Series and
2 amounts of applicant's outstanding First Mortgage Bonds above referred to, reference is
3 made to the Mortgage and Deed of Trust dated as of October 1, 1937, and First to Forty-
4 sixth Supplemental Indentures thereto, by Idaho Power Company to Deutsche Bank Trust
5 Company Americas (formerly known as Bankers Trust Company) and R. G. Page (Stanley
6 Burg, successor individual trustee), Trustees, presently on file with the Commission, under
7 which said bonds were issued.

8 **Pollution Control Revenue Bonds**

9 (A) **Variable Rate Series 2000 due 2027:**

10 (1) Description - Pollution Control Revenue Bonds, Variable Rate
11 Series due 2027, Port of Morrow, Oregon, dated as of May 17,
12 2000, due February 1, 2027.
13 (2) Amount authorized - \$4,360,000
14 (3) Amount outstanding - \$4,360,000
15 (4) Amount held as reacquired securities - None
16 (5) Amount pledged - None
17 (6) Amount owned by affiliated corporations - None
18 (7) Amount in sinking or other funds - None

19 (B) **5.15% Series 2003 due 2024:**

20 (1) Description - Pollution Control Revenue Refunding Bonds, 5.15
21 Series 2003 due 2024, County of Humboldt, Nevada, dated as of
22 August 20, 2009 due December 1, 2024 (secured by First
23 Mortgage Bonds)
24 (2) Amount authorized - \$49,800,000
25 (3) Amount outstanding - \$49,800,000
26 (4) Amount held as reacquired securities - None
27 (5) Amount pledged - None
28 (6) Amount owned by affiliated corporations - None
29 (7) Amount in sinking or other funds - None

30 (C) **5.25% Series 2006 due 2026:**

31 (1) Description - Pollution Control Revenue Bonds, 5.25% Series
32 2006 due 2026, County of Sweetwater, Wyoming, dated as of
33 August 20, 2009, due July 15, 2026
34 (2) Amount authorized - \$116,300,000
35 (3) Amount outstanding - \$116,300,000
36 (4) Amount held as reacquired securities - None
37 (5) Amount pledged - None
38 (6) Amount owned by affiliated corporations - None
39 (7) Amount in sinking or other funds - None

1 For a full statement of the terms and provisions relating to the outstanding Pollution
2 Control Revenue Bonds above referred to, reference is made to (A) copies of Trust
3 Indenture by Port of Morrow, Oregon, to the Bank One Trust Company, N. A., Trustee, and
4 Loan Agreement between Port of Morrow, Oregon and Idaho Power Company, both dated
5 May 17, 2000, under which the Variable Rate Series 2000 bonds were issued, (B);
6 Conformed Trust Indenture between Humboldt County, Nevada and Union Bank N.A.,
7 Trustee dated October 1, 2003 as amended and supplemented by a First Supplemental
8 Trust Indenture, dated August 20, 2009, and Loan Agreement between Idaho Power
9 Company and Humboldt County, Nevada dated October 1, 2003 under which the 5.15%
10 Series 2003 bonds were reoffered, and (C) Conformed Trust Indenture between
11 Sweetwater County, Wyoming, and Union Bank , N.A., Trustee, as amended and
12 supplemented by a First Supplemental Trust Indenture dated August 20, 2009, and Loan
13 Agreements between Idaho Power Company and Sweetwater County, Wyoming, dated
14 October 1, 2006 under which the 5.25% Series 2006 bonds were reoffered

15 The Application of Idaho Power Company further provides the following information
16 as required in OAR 860-027-0035 (1)(b) through (g) inclusive:

17 (b) Applicant proposes to continue to guarantee one-third of the self-bond
18 issued by Bridger Coal in favor of the Wyoming Department of Environmental Quality
19 ("Wyoming DEQ"). Attached as Exhibit J is a copy of the original documentation filed with
20 the Wyoming DEQ in 1993 to establish Idaho Power's guaranty of one-third of the Bridger
21 Coal self-bond (entitled "Bridger Coal Self-Bond, Idaho Power Company's Portion SBC-
22 064").

23 Applicant also makes an annual filing with the Wyoming DEQ each December to
24 renew its guaranty of one-third of the Bridger Coal self-bond. Attached as Exhibit K is a
25 copy of Idaho Power's most recent annual renewal filing (entitled "Coal Application for
26 Renewal of Self-Bonding") made in December 2012. Section 4 of this form shows an Idaho

1 Power guaranty amount of \$66,291,333.33 (one-third of the total Bridger Coal self-bond
2 amount of \$198,874,000.00).

3 In addition, Bridger Coal increased the amount of the Bridger Coal self-bond in April
4 2013 to \$221,025,500, with IERCO's one-third share increasing to \$73,675,166.67.
5 Attached on Exhibit L is a copy of the "Coal Self-Bond Agreement Reclamation
6 Performance Bond Increase/Decrease Rider" dated April 8, 2013, providing for the self-
7 bond increase.

8 Section 5 of the Commission's Original Order states that "Idaho's guarantee authority
9 is limited to \$60 million". Applicant unknowingly exceeded this limitation as its guaranty
10 amount for one-third of the Bridger Coal self-bond grew beyond \$60 million. Applicant
11 recognizes its error and has taken appropriate steps to assure that it complies with the
12 Commission's guaranty limitation in the future. Applicant alleges that the \$100 million
13 guaranty limitation requested in this application is reasonable due to general inflation since
14 the \$60 million limitation was established by the Commission in 1991, and due to the
15 expanded mining operations of Bridger Coal since 1991.

16 (c) As indicated above, Applicant is the sole owner of IERCO, which
17 owns a one-third interest in Bridger Coal.

18 (d) Applicant is not required to file a supplemental application with any
19 other state or federal body in this matter. The Deputy Attorney General for the Idaho
20 Public Utilities Commission and the Wyoming Public Service Commission Administrator
21 both issued opinions in 1991 stating that Applicant's guaranty of the Bridger Coal self-bond is
22 not the guaranty of a "security" as defined under Idaho or Wyoming law, respectively,
23 and therefore, does not require commission approval.

24 (e) It is in Applicant's interest to guarantee one-third of the Bridger Coal
25 self-bond as described herein because in effect the guaranty does not create a new
26 obligation for Idaho Power. Idaho Power would not permit a default by IERCO of its

1 obligation to perform one-third of the reclamation work upon the Jim Bridger mining
2 property. Idaho Power would perform the work itself. Further, Applicant contributes to a
3 separate Bridger Coal trust account to fund the one-third reclamation obligation, which
4 assures there is enough money in the fund to totally fund the reclamation obligations at
5 the time the final reclamation work is to be performed at the mine. Applicant fully intends to
6 complete all reasonably required reclamation itself. Therefore, the effect of
7 guaranteeing IERCO's one-third share of the Bridger Coal self-bond will be to save
8 Applicant from incurring a significant premium expense (estimated at \$294,000 per
9 year for IERCO's one-third share) if a surety bond were provided to meet the Wyoming
10 DEQ reclamation requirements rather than a self-bond.

11 (f) It is necessary for Applicant and Pacific to guarantee their
12 respective shares of the Bridger Coal reclamation obligation because Bridger Coal
13 does not itself have sufficient assets to meet the Wyoming DEQ's self-bonding
14 requirements. Bridger Coal must either provide a self-bond guaranteed by Applicant
15 and Pacific or a surety bond to meet the Wyoming DEQ's reclamation requirements.

16 (g) Applicant alleges that its guaranty of one-third of the Bridger Coal self-
17 bond as described in this Supplemental Application is for a lawful object, within the
18 corporate purposes of Applicant, and compatible with the public interest. The guaranty is
19 necessary and appropriate for and consistent with the proper performance by Applicant of
20 its service as a public utility, and will not impair Applicant's ability to perform that service,
21 and is reasonably necessary or appropriate for such purposes.

22 **II. PRAYER**

23 WHEREFORE, Applicant respectfully requests that the Public Utility Commission of
24 Oregon issue its Supplemental Order herein authorizing an increase in the amount of
25 Applicant's guaranty for one-third of the Bridger Coal self-bond from \$60 million to \$100
26 million, in the manner and for the purposes set forth in this Application.

1 Respectfully submitted this 14th day of June 2013.

2 IDAHO POWER COMPANY

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26


Lisa D. Nordstrom

OSB # 973528

Patrick A. Harrington

Attorneys for Idaho Power Company

EXHIBITS

2 **Exhibit A.** A copy of Applicant's Restated Articles of Incorporation, as amended
3 on May 17, 2012, has heretofore been filed with the Commission in Case UF 4278,
4 reference to which is hereby made.

5 **Exhibit B.** A copy of Applicant's By-laws, as amended, has heretofore been filed
6 with the Commission in Case UF 4214, reference to which is hereby made.

7 **Exhibit C.** Certified copy of resolutions of Applicant's Board of Directors dated
8 September 12, 1992, authorizing the transaction with respect to which this Application is
9 made is attached hereto.

10 **Exhibit D-1.** There is no mortgage, indenture, or other security agreement relating
11 to Applicant's guaranty of one-third of Bridger Coal's self-bond as described in this
12 Application.

13 **Exhibit D-2.** Copies of Mortgage and Deed of Trust, including First Supplemental
14 Indenture, are on file with the Commission in Case UF 795; Second Supplemental
15 Indenture in Case UF 1102; Third Supplemental Indenture in Case UF 1247; Fourth
16 Supplemental Indenture in Case UF 1351; Fifth Supplemental Indenture in Case UF 1467;
17 Sixth Supplemental Indenture in Case UF 1608; Seventh Supplemental Indenture of Case
18 UF 2000; Eighth and Ninth Supplemental Indentures in Case UF 2068; Tenth Supplemental
19 Indenture in Case UF 2146; Eleventh Supplemental Indenture in Case UF 2159; Twelfth
20 Supplemental Indenture in Case UF 2188; Thirteenth Supplemental Indenture in Case UF
21 2253; Fourteenth Supplemental Indenture in Case UF 2304; Fifteenth Supplemental
22 Indenture in Case UF 2466; Sixteenth Supplemental Indenture in Case UF 2545;
23 Seventeenth Supplemental Indenture in Case UF 2596; Eighteenth Supplemental
24 Indenture in Case UF 2944; Nineteenth Supplemental Indenture in Case UF 3063;
25 Twentieth Supplemental Indenture and Twenty-first Supplemental Indentures in Case UF
26 3110; Twenty-second Supplemental Indenture in Case UF 3274; Twenty-third

1 Supplemental Indenture in Case UF 3457; and Twenty-fourth Supplemental Indenture in
2 Case UF 3614; Twenty-fifth Supplemental Indenture in Case UF 3758; Twenty-sixth
3 Supplemental Indenture in Case UF 3782; Twenty-seventh Supplemental Indenture in
4 Case UF 3947; Twenty-eighth Supplemental Indenture in Case UF 4022; Twenty-ninth
5 Supplemental Indenture in Case UF 4014; Thirtieth Supplemental Indenture in Case UF
6 4033; Thirty-first Supplemental Indenture in Case UF 4033; Thirty-second Supplemental
7 Indenture in Case UF 4053; Thirty-third Supplemental Indenture in Case UF 4088; Thirty-
8 fourth Supplemental Indenture in Case UF 4111; Thirty-fifth Supplemental Indenture in
9 Case UF 4175; Thirty-sixth Supplemental Indenture in Case UF 4181; Thirty-seventh
10 Supplemental Indenture in Case UF 4196; Thirty-ninth Supplemental Indenture in Case UF
11 4200; Fortieth Supplemental Indenture in Case UF 4211; Forty-first Supplemental
12 Indenture in Case UF 4227, Forty-third Supplemental Indenture in Case UF 4211; Forty-
13 fourth Supplemental Indenture in Case UF 4244; and Forty-sixth Supplemental Indenture in
14 Case UF 4263, reference to all of which is hereby made.

15 **Exhibit D-3.** Copy of the Applicant's Guaranty Agreement, dated April 1, 2000, with
16 Bank One Trust Company, N.A., as Trustee, for \$19,885,000 of Bonds under and pursuant
17 to the Indenture relating to the \$19,885,000 American Falls Replacement Dam Refunding
18 Bonds, Series 2000, of the American Falls Reservoir District, Idaho, has heretofore been
19 filed with the Commission in Case UF 4169, reference to which is hereby made.

20 **Exhibit D-4.** A copy of the Applicant's Guaranty Agreement representing a one-
21 third contingent liability for lease charges for certain equipment leased to the Bridger Coal
22 Company, in connection with the operation of the Applicant's Jim Bridger Plant, along with
23 an Order dated July 30, 1974, from the Federal Power Commission waiving jurisdiction
24 over this transaction, has heretofore been filed with the Commission in Case UF 2977,
25 reference to which is hereby made.

26

1 **Exhibit D-5.** A copy of the Applicant's Loan Agreement, dated as of May 1, 2000,
2 regarding payment of the principal and interest on \$4,360,000 Pollution Control Revenue
3 Refunding Bonds issued by the Port of Morrow Oregon, for certain pollution control and
4 sewage or solid waste disposal facilities installed on the Boardman coal-fired steam electric
5 generating plant, has heretofore been filed with the Commission in Case UF 4169,
6 reference to which is hereby made.

7 **Exhibit D-6.** A copy of the Participation Agreement which includes as exhibits the
8 Facilities Agreement and the Assumption and Option Agreement along with copies of the
9 Bargain and Sale Deed, Bill of Sale and Assignment, and the Amendment to the
10 Agreement for Construction, Ownership and Operation of the Number One Boardman
11 Station on Carty Reservoir, as supplemented, with respect to the sale and leaseback of the
12 Coal Handling Facilities at the Number One Boardman Station has heretofore been filed
13 with the Commission in Docket No, UF ES79-55, reference to which is hereby made.

14 **Exhibit D-7.** A copy of the Applicant's Loan Agreements regarding the Applicant's
15 payments to Sweetwater County, Wyoming, as Issuer of the \$116,300,000 Pollution
16 Control Revenue Refunding Bonds, Series 2006, dated as of October 1, 2006, with respect
17 to the Jim Bridger Coal-Fired Steam Electric Generating Plant, has heretofore been filed
18 with the Commission in Case UF 4227, reference to which is hereby made.

19 **Exhibit D-8.** A copy of the Applicant's Guaranty Agreement, dated February 10,
20 1992, guaranteeing payment of the principal and interest on \$11,700,000 of Notes issued
21 by Milner Dam, Inc., for construction of the Milner Dam Rehabilitation Project in Twin Falls
22 County, Idaho, has heretofore been filed with the Commission in Case UF 4063, reference
23 to which is hereby made.

24 **Exhibit D-9.** A copy of the Applicant's Loan Agreement regarding the Applicant's
25 payments to Humboldt County, Nevada, as Issuer of the \$49,800,000 Pollution Control
26 Revenue Refunding Bonds (Idaho Power Company Project), Series 2003, dated as of

1 October 1, 2003, with respect to the Valmy Coal-Fired Steam Electric Generating Plant,
2 has heretofore been filed with the Commission in Case UF 4200, reference to which is
3 hereby made.

4 **Exhibit E.** Balance Sheet of Applicant with supporting fixed capital or plant
5 schedules as of March 31, 2013.

6 **Exhibit F.** Statement of Applicant's Commitments and Contingent Liabilities as
7 of March 31, 2013.

8 **Exhibit G.** Income Statement of Applicant for the 12 months ended March 31,
9 2013.

10 **Exhibit H.** Statement of Retained Earnings of Applicant for the 12 months ended
11 March 31, 2013.

12 **Exhibit I.** The current amount of Bridger Coal's self-bond reclamation obligation
13 in Wyoming is \$221,025,500. One-third of this amount, representing the amount
14 guaranteed by Applicant, is \$73,675,166.67.

15 **Exhibit J.** A copy of the original documentation filed with the Wyoming DEQ in
16 1993 to establish Idaho Power's guaranty of one-third of the Bridger Coal self-bond
17 (entitled "Bridger Coal Self-Bond, Idaho Power Company's Portion SBC-064") is attached
18 hereto as Exhibit J.

19 **Exhibit K.** A copy of Idaho Power's most recent annual renewal filing (entitled
20 "Coal Application for Renewal of Self-Bonding") with the Wyoming DEQ is attached hereto
21 as Exhibit K.

22 **Exhibit L.** A copy of Bridger Coal's April 2013 updated filing with the Wyoming
23 DEQ to increase the amount of the Bridger Coal self bond is attached hereto as Exhibit L.

24

25

26

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit C

June 14, 2013

STATE OF IDAHO)
COUNTY OF ADA) ss.
CITY OF BOISE)

I, PATRICK A. HARRINGTON, the undersigned, Corporate Secretary of Idaho Power Company, do hereby certify that the following constitutes a full, true and correct copy of resolutions adopted at a regular meeting of the Board of Directors held September 12, 1992, relating to Bridger Coal Company self-bonding, and that said resolutions have not been amended rescinded and are in full force and effect on the date hereof.

IN WITNESS WHEREOF, I have hereunto set my hand this 14th day of June, 2013.

(CORPORATE SEAL)


Patrick A. Harrington
Corporate Secretary

WHEREAS, Idaho Power Company ("Company) is materially interested through stock ownership or otherwise in Bridger Coal Company ("Bridger"); and

WHEREAS, Bridger desires to enter into agreements with the State of Wyoming and the United States Department of the Interior so as to self-bond its obligations under the laws and regulations of the State of Wyoming and the United States of America as those laws and regulations apply to Mining Permit No. 338-T1 and the mining reclamation plans approved therewith (Environmental and Reclamation Obligations); and

WHEREAS, the Company will benefit by the self-bonding by Bridger of the Environmental and Reclamation Obligations.

NOW, THEREFORE, Be It Resolved, that subject to receipt of any necessary regulatory authority, the President or any Vice President of the Company is hereby authorized to execute and deliver on behalf of the Company agreements of indemnity and guaranty required by the State of Wyoming and the United States Department of the Interior substantially in the form submitted to this meeting which provide for the guarantee of the Environmental and Reclamation Obligations of Bridger, and the proper attesting officer of the Company is hereby authorized to affix the corporate seal to such agreement or agreements of indemnity and guaranty and to subscribe his name thereto attesting the same; and be it

FURTHER RESOLVED, That the officers of the Company are hereby authorized and directed, in the Company's name and on its behalf, to take or cause to be taken any and all such further action or actions as in the judgment of the officer or officers taking such action or actions may appear desirable or appropriate to carry out the intent and to accomplish the purposes of the foregoing resolutions.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit E

June 14, 2013

IDAHO POWER COMPANY
BALANCE SHEET
AS OF MARCH 31, 2013

ASSETS

Electric Plant :

In service (at original cost).....	\$ 4,940,836,714
Accumulated provision for depreciation.....	<u>(1,723,795,729)</u>
In service - Net.....	3,217,040,985
Construction work in progress.....	312,638,348
Held for future use.....	7,100,674
Electric plant - Net.....	<u>3,536,780,007</u>

Investments and Other Property:

Nonutility property.....	1,462,166
Investment in subsidiary companies	86,392,390
Other.....	<u>33,465,823</u>
Total investments and other property.....	<u>121,320,379</u>

Current Assets:

Cash and cash equivalents.....	16,842,188
Receivables:	
Customer.....	78,805,777
Other.....	24,144,325
Accrued unbilled revenues.....	39,730,525
Materials and supplies (at average cost).....	52,625,280
Fuel stock (at average cost).....	32,564,844
Prepayments.....	11,031,022
Taxes receivable.....	
Deferred income taxes.....	24,127,910
Regulatory assets	84,262,984
Other.....	<u>2,540,853</u>
Total current assets.....	<u>366,675,708</u>

Deferred Debits:

American Falls and Milner water rights.....	16,584,982
Company owned life insurance.....	22,773,782
Regulatory assets.....	1,103,109,633
Other.....	<u>47,648,745</u>
Total deferred debits.....	<u>1,190,117,142</u>
Total.....	<u>\$ 5,214,893,236</u>

The accompanying Notes to Financial Statements are an integral part of this statement

IDAHO POWER COMPANY
BALANCE SHEET
AS OF MARCH 31, 2013

CAPITALIZATION AND LIABILITIES

	Common Shares Authorized	Common Shares Outstanding	
Equity Capital:	50,000,000	39,150,812	
Common stock.....			\$ 97,877,030
Premium on capital stock.....			712,257,435
Capital stock expense.....			(2,096,924)
Retained earnings.....			849,664,887
Accumulated other comprehensive income.....			(15,470,393)
			<hr/>
Total equity capital.....			1,642,232,035
 Long-Term Debt:			
First mortgage bonds			1,343,936,363
Pollution control revenue bonds			170,460,000
American Falls bond and Milner note guarantees			24,139,545
Unamortized discount on long-term debt (Dr).....			(2,908,946)
			<hr/>
Total long-term debt.....			1,535,626,962
 Current Liabilities:			
Long-term debt due within one year.....			1,063,637
Notes payable.....			16,600,000
Accounts payable			64,204,953
Notes and accounts payable to related parties.....			6,390,526
Income taxes accrued.....			(391,578)
Interest accrued.....			24,157,282
Accrued compensation.....			26,674,232
Current regulatory liabilities.....			19,405,928
Other.....			34,423,819
			<hr/>
Total current liabilities.....			192,528,799
 Deferred Credits:			
Regulatory liabilities associated with accumulated deferred investment tax credits			79,825,878
Deferred income taxes.....			993,185,740
Regulatory liabilities.....			283,597,314
Pension and other postretirement benefits.....			430,624,917
Other.....			57,271,591
			<hr/>
Total deferred credits.....			1,844,505,440
			<hr/>
Total.....			\$ 5,214,893,236

The accompanying Notes to Financial Statements are an integral part of this statement

IDAHO POWER COMPANY
CONDENSED NOTES TO FINANCIAL STATEMENTS
As of March 31, 2013

1. MANAGEMENT ESTIMATES

Management makes estimates and assumptions when preparing financial statements in conformity with generally accepted accounting principles (GAAP). These estimates and assumptions include those related to rate regulation, retirement benefits, contingencies, litigation, asset impairment, income taxes, unbilled revenues, and bad debt. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. These estimates involve judgments with respect to, among other things, future economic factors that are difficult to predict and are beyond management's control. Actual results could differ from those estimates.

2. REGULATION OF UTILITY OPERATIONS

Idaho Power's financial statements reflect the effects of the different ratemaking principles followed by the jurisdictions regulating Idaho Power. The application of accounting principles related to regulated operations sometimes results in Idaho Power recording expenses and revenues in a different period than when an unregulated enterprise would otherwise record expenses and revenues. In these instances, the amounts are deferred as regulatory assets or regulatory liabilities on the balance sheet and recorded on the income statement when recovered or returned in rates. Additionally, regulators can impose regulatory liabilities upon a regulated company for amounts previously collected from customers and for amounts that are expected to be refunded to customers. The effects of applying these regulatory accounting principles to Idaho Power's operations are discussed in more detail in Note 5.

3. INCOME TAXES

In accordance with interim reporting requirements, Idaho Power uses an estimated annual effective tax rate for computing their provisions for income taxes. An estimate of annual income tax expense (or benefit) is made each interim period using estimates for annual pre-tax income, income tax adjustments, and tax credits. The estimated annual effective tax rates do not include discrete events such as tax law changes, examination settlements, or method changes. Discrete events are recorded in the interim period in which they occur. The estimated annual effective tax rate is applied to year-to-date pre-tax income to determine income tax expense (or benefit) for the interim period consistent with the annual estimate. In subsequent interim periods, income tax expense (or benefit) for the period is computed as the difference between the year-to-date amount reported for the previous interim period and the current period's year-to-date amount.

4. FINANCING

Credit Facilities

Idaho Power has in place a credit facility that may be used for general corporate purposes and commercial paper backup. Idaho Power's credit facility consists of a revolving line of credit, through the issuance of loans and standby letters of credit, not to exceed the aggregate principal amount at any one time outstanding of \$300 million, including swingline loans in an aggregate principal amount at any time outstanding not to exceed \$30 million. Idaho Power has the right to request an increase in the aggregate principal amount of the facility to \$450 million, subject to certain conditions.

The Idaho Power credit facility has certain terms and conditions. The interest rates for any borrowings under the facility is based on either (1) a floating rate that is equal to the highest of the prime rate, federal funds rate plus 0.5 percent, or LIBOR rate plus 1.0 percent, or (2) the LIBOR rate, plus, in each case, an applicable margin. The margin is based on Idaho Power's senior unsecured long-term indebtedness credit rating by Moody's Investors Service, Inc., Standard and Poor's Ratings Services, and Fitch Rating Services, Inc., as set forth on a schedule to the credit agreements. Under the credit facility, the company pays a facility fee on the commitment based on the company's credit rating for senior unsecured long-term debt securities. While

CONDENSED NOTES TO FINANCIAL STATEMENTS (Continued)

the credit facility provides for an original maturity date of October 26, 2016, the credit agreement grants Idaho Power the right to request up to two one-year extensions, subject to certain conditions. On October 12, 2012, Idaho Power executed a First Extension Agreement with each of the lenders, extending the maturity date under the credit facility to October 26, 2017. No other terms of the credit facility, including the amount of permitted borrowings under the credit agreement, was affected by the extension.

At March 31, 2013, no loans were outstanding under Idaho Power's facility. At March 31, 2013, Idaho Power had regulatory authority to incur up to \$450 million in principal amount of short-term indebtedness at any one time outstanding. Balances (in thousands of dollars) and interest rates of Idaho Power's short-term borrowings was as follows at March 31, 2013:

Commercial paper balances:	
At the end of period	\$ 16,600,000
Weighted-average interest rate	
At the end of the period	0.44%

Long-Term Financing:

In May 2010, Idaho Power filed a registration statement with the SEC for the offer and sale of up to \$500 million of first mortgage bonds and debt securities. On June 17, 2010, Idaho Power entered into a selling agency agreement with ten banks named in the agreement in connection with the potential issuance and sale from time to time of up to \$500 million aggregate principal amount of first mortgage bonds. Idaho Power has concluded the following issuances under the selling agency agreement, utilizing the full available amount registered for offer and sale under the registration statement:

- On August 30, 2010, Idaho Power issued \$100 million of 3.40% first mortgage bonds, medium-term notes, Series I, maturing on November 1, 2020, and \$100 million of 4.85% first mortgage bonds, medium-term notes, Series I, maturing on August 15, 2040.
- On April 13, 2012, Idaho Power issued \$75 million of 2.95% first mortgage bonds, medium-term notes, Series I, maturing on April 1, 2022, and \$75 million of 4.30% first mortgage bonds, medium-term notes, Series I, maturing on April 1, 2042.
- On April 8, 2013, Idaho Power issued \$75 million of 2.50% first mortgage bonds, medium-term notes, Series I, maturing on April 1, 2023, and \$75 million of 4.00% first mortgage bonds, medium-term notes, Series I, maturing on April 1, 2043.

Idaho Power intends to use a portion of the net proceeds of the April 2013 sale of first mortgage bonds to satisfy its obligations upon maturity of \$70 million in principal amount of 4.25% first mortgage bonds due in October 2013. As a result, the \$70 million in principal amount of 4.25% first mortgage bonds due in October 2013 are reported as long-term debt in the condensed consolidated balance sheets, instead of as current maturities of long-term debt.

5. REGULATORY MATTERS

Recent and Pending Regulatory Matters

Included below is a summary of recently concluded or pending regulatory matters and proceedings, including notable proceedings that had an impact on the comparability of rates and revenues during the first quarter of 2013 compared to the first quarter of 2012, and that may continue to have an impact on future results.

Idaho and Oregon General Rate Cases and Base Rate Adjustments

On June 1, 2011, Idaho Power filed a general rate case with the Idaho Public Utilities Commission (IPUC). On December 30, 2011, the IPUC issued an order approving a settlement stipulation in the general rate case that provided for a 7.86 percent authorized rate of return on an Idaho-jurisdiction rate base of approximately

CONDENSED NOTES TO FINANCIAL STATEMENTS (Continued)

\$2.36 billion. The approved settlement stipulation resulted in a \$34.0 million overall increase in Idaho Power's annual Idaho-jurisdictional base rate revenues, with new rates effective January 1, 2012. Neither the order nor the settlement stipulation specified an authorized rate of return on equity.

On July 29, 2011, Idaho Power filed a general rate case and proposed rate schedules with the Oregon Public Utility Commission (OPUC). Idaho Power, the OPUC Staff, and other interested parties executed and filed a partial settlement stipulation on February 1, 2012, resolving most matters in the general rate case. The settlement stipulation provided for a \$1.8 million base rate increase, a return on equity of 9.9 percent, and an overall rate of return of 7.757 percent in the Oregon jurisdiction. On February 23, 2012, the OPUC issued an order adopting the settlement stipulation, with new rates effective March 1, 2012. All open issues in the general rate case have been resolved.

On June 29, 2012, the IPUC issued an order approving a \$58.1 million increase in annual Idaho-jurisdiction base rates, effective July 1, 2012, for inclusion of the investment and associated costs of the Langley Gulch natural gas-fired power plant in rates. The order also provided for a \$335.9 million increase in Idaho rate base. On September 20, 2012, the OPUC issued an order approving an approximately \$3.0 million increase in annual Oregon jurisdiction base rates, effective October 1, 2012, for inclusion of the investment and associated costs of the plant in Oregon rates.

Settlement Stipulation — Investment Tax Credits and Idaho Sharing Mechanism

On December 27, 2011, the IPUC issued an order, separate from the then-pending Idaho general rate case proceeding, approving a settlement stipulation that provides as follows:

- if Idaho Power's actual Idaho ROE for 2012, 2013, or 2014 is less than 9.5 percent, then Idaho Power may amortize additional ADITC to help achieve a minimum 9.5 percent Idaho ROE in the applicable year. Idaho Power would be permitted to amortize additional ADITC in an aggregate amount up to \$45 million over the three-year period, but could use no more than \$25 million in 2012;
- if Idaho Power's actual Idaho ROE for 2012, 2013, or 2014 exceeds 10.0 percent, the amount of Idaho Power's Idaho-jurisdiction earnings exceeding a 10.0 percent and up to and including a 10.5 percent Idaho ROE for the applicable year would be shared equally between Idaho Power and its Idaho customers in the form of a rate reduction to become effective at the time of the subsequent year's PCA adjustment; and
- if Idaho Power's actual Idaho ROE for 2012, 2013, or 2014 exceeds 10.5 percent, the amount of Idaho Power's Idaho-jurisdiction earnings exceeding a 10.5 percent Idaho ROE for the applicable year would be allocated 75 percent to Idaho Power's Idaho customers as a reduction to the pension regulatory asset and 25 percent to Idaho Power.

The settlement stipulation provides that the Idaho ROE thresholds (9.5 percent, 10.0 percent, and 10.5 percent) will be automatically adjusted prospectively in the event the IPUC approves a change to Idaho Power's authorized return on equity as part of a general rate case proceeding seeking a rate change effective prior to January 1, 2015. The automatic adjustments would be as follows: (a) the 9.5 percent Idaho ROE trigger in the settlement stipulation would be replaced by the percentage equal to 95 percent of the new authorized rate of return on equity; (b) the 10.0 percent Idaho ROE trigger in the settlement stipulation would be re-established at the new authorized rate of return on equity; and (c) the 10.5 percent Idaho ROE trigger in the settlement stipulation would be replaced by the percentage equal to 105 percent of the new authorized rate of return on equity.

Revenue Sharing Under January 2010 and December 2011 Idaho Settlement Agreements

On March 2, 2012, Idaho Power filed an application with the IPUC requesting authority to share revenues with customers based on year-end 2011 financial results, in accordance with the terms of regulatory settlement agreements authorized in January 2010 and December 2011. Idaho Power's revenue-sharing arrangements had two components: (1) a power cost adjustment mechanism component, which reduced net rates by \$27.1 million effective June 1, 2012 through May 31, 2013, and (2) a pension balancing account component, which resulted in a \$20.3 million net reduction to Idaho Power's pension regulatory asset (reducing Idaho customers' future obligation). Idaho Power recorded the \$27.1 million revenue reduction as

CONDENSED NOTES TO FINANCIAL STATEMENTS (Continued)

a regulatory liability, and the \$20.3 million pension regulatory asset reduction, in 2011. On May 31, 2012, the IPUC approved Idaho Power's March 2, 2012 application requesting a corresponding adjustment to Idaho-jurisdiction rates, effective for the period from June 1, 2012 to May 31, 2013.

Idaho Power's 2012 Idaho ROE exceeded 10.5 percent, triggering the sharing mechanism of the December 2011 settlement stipulation for 2012. For 2012, Idaho Power recorded a \$7.2 million provision against revenues, to be refunded to Idaho customers through the Idaho power cost adjustment (PCA) mechanism during the 2013-2014 PCA collection period, and an additional \$14.6 million of pension expense, to benefit Idaho customers by reducing the amount of deferred pension expense that will be collected from customers in the future.

Annual Idaho PCA Mechanism Filing

Idaho Power has PCA mechanisms in its Idaho and Oregon jurisdictions that address the volatility of power supply costs and provide for annual adjustments to the rates charged to retail customers. The PCA tracks Idaho Power's actual net power supply costs (primarily fuel and purchased power less off-system sales) and compares these amounts to net power supply costs currently being recovered in retail rates. In the Idaho jurisdiction, the annual PCA adjustments are based on (a) a forecast component, based on a forecast of net power supply costs in the coming year as compared to net power supply costs in base rates, and (b) a true-up component, based on the difference between the previous year's actual net power supply costs and the previous year's forecast. The latter component also includes a balancing mechanism so that, over time, the actual collection or refund of authorized true-up dollars matches the amounts authorized.

On April 15, 2013, Idaho Power filed an application with the IPUC requesting a \$140.4 million increase in Idaho PCA rates, effective for the 2013-2014 PCA collection period from June 1, 2013 to May 31, 2014. However, to lessen the single-year rate impact on customers of the PCA rate increase, Idaho Power's application included a proposal to defer \$52.5 million of the PCA rate increase for inclusion in the June 1, 2014 to May 31, 2015 PCA collection period. The existing PCA mechanism includes a 1.0 percent carrying charge on the amount that would be, if approved, deferred to the 2014-2015 PCA collection period. While the PCA mechanism contemplates the ability to spread the recovery of a single year's PCA amount over multiple years, the IPUC has historically approved recovery of PCA amounts in most instances over a single PCA collection period.

Previously, in May 2012, the IPUC issued an order approving Idaho Power's April 2012 application requesting a \$43.0 million increase to Idaho PCA rates, effective for the period from June 1, 2012 to May 31, 2013. That PCA rate increase was offset by \$27.1 million to be shared with customers pursuant to the revenue sharing orders described above, resulting in a net rate increase of \$15.9 million for these orders.

Annual Idaho Fixed Cost Adjustment Filing

The fixed cost adjustment (FCA) is designed to remove Idaho Power's disincentive to invest in energy efficiency programs by separating (or decoupling) the recovery of fixed costs from the variable kilowatt-hour charge and linking it instead to a set amount per customer. The FCA is adjusted each year to collect, or refund, the difference between the allowed fixed-cost recovery amount and the actual fixed costs recovered by Idaho Power during the year. On March 15, 2013, Idaho Power filed an application with the IPUC requesting a decrease in the FCA rate, from \$10.3 million to \$8.9 million, effective for the period from June 1, 2013 to May 31, 2014.

Annual Idaho Demand-Side Management Prudence and Cost Recovery Filings

On April 3, 2013, Idaho Power filed an application with the IPUC requesting an order finding Idaho Power's 2012 expenditures of \$25.9 million in energy efficiency rider funds, \$6.0 million in custom efficiency program incentives in a regulatory asset account, and \$14.5 million of demand response program incentives included in the 2013 PCA, as prudently incurred demand-side management program expenses. Separately, on April 15, 2013, Idaho Power filed an application with the IPUC for an accounting order authorizing transfer of the regulatory asset account associated with custom efficiency program expenditures for collection through the energy efficiency rider mechanism, effective June 1, 2013, for expenditures incurred during 2011 and

CONDENSED NOTES TO FINANCIAL STATEMENTS (Continued)

thereafter, so that it may commence collection of those expenditures through the rider mechanism. As of March 31, 2013, the Idaho-jurisdiction regulatory asset for custom efficiency program expenditures was \$14.0 million. A determination and order from the IPUC on each application is pending.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit E

June 14, 2013

COMMITMENTS AND CONTINGENCIES
IDAHO POWER COMPANY
MARCH 31, 2013

COMMITMENTS

Purchase Obligations

Idaho Power's purchase obligations outside of the ordinary course of business did not change materially during the three months ended March 31, 2013, except for the impact of the termination of four power purchase agreements resulting from either uncured breach by the respective counterparties or pursuant to IPUC-approved settlement arrangements between the parties. Termination of the contracts reduced Idaho Power's contractual payment obligations by approximately \$322 million over the 15-year to 20-year lives of the contracts.

Guarantees

Idaho Power has agreed to guarantee a portion of the performance of reclamation activities and obligations at BCC, of which IERCo owns a one-third interest. This guarantee, which is renewed annually, was \$74 million at March 31, 2013, representing IERCo's one-third share of BCC's total reclamation obligation. BCC has a reclamation trust fund set aside specifically for the purpose of paying these reclamation costs. At March 31, 2013, the value of the reclamation trust fund was \$69 million. During the three months ended March 31, 2013, the reclamation trust fund distributed approximately \$9 million for reclamation activity costs associated with the BCC surface mine. BCC periodically assesses the adequacy of the reclamation trust fund and its estimate of future reclamation costs. To ensure that the reclamation trust fund maintains adequate reserves, BCC has the ability to add a per-ton surcharge to coal sales, all of which are made to the Jim Bridger plant. Starting in 2010, BCC began applying a nominal surcharge to coal sales in order to maintain adequate reserves in the reclamation trust fund. Because of the existence of the fund and the ability to apply a per-ton surcharge, the estimated fair value of this guarantee is minimal.

Idaho Power enter into financial agreements and power purchase and sale agreements that include indemnification provisions relating to various forms of claims or liabilities that may arise from the transactions contemplated by these agreements. Generally, a maximum obligation is not explicitly stated in the indemnification provisions and, therefore, the overall maximum amount of the obligation under such indemnification provisions cannot be reasonably estimated. Idaho Power periodically evaluates the likelihood of incurring costs under such indemnities based on their historical experience and the evaluation of the specific indemnities. As of March 31, 2013, management believes the likelihood is remote that Idaho Power would be required to perform under such indemnification provisions or otherwise incur any significant losses with respect to such indemnification obligations. Idaho Power has not recorded any liability on its condensed consolidated balance sheets with respect to these indemnification obligations.

COMMITMENTS AND CONTINGENT LIABILITIES (continued)
IDAHO POWER COMPANY
MARCH 31, 2013

CONTINGENCIES

Idaho Power has in the past and expect in the future to become involved in various claims, controversies, disputes, and other contingent matters, including the items described in this Note 9. Some of these claims, controversies, disputes, and other contingent matters involve litigation and regulatory or other contested proceedings. The ultimate resolution and outcome of litigation and regulatory proceedings is inherently difficult to determine, particularly where (a) the remedies or penalties sought are indeterminate, (b) the proceedings are in the early stages or the substantive issues have not been well developed, or (c) the matters involve complex or novel legal theories or a large number of parties. In accordance with applicable accounting guidance, Idaho Power, as applicable, establishes an accrual for legal proceedings when those matters proceed to a stage where they present loss contingencies that are both probable and reasonably estimable. In such cases, there may be a possible exposure to loss in excess of any amounts accrued. Idaho Power monitors those matters for developments that could affect the likelihood of a loss and the accrued amount, if any, thereof, and adjust the amount as appropriate. If the loss contingency at issue is not both probable and reasonably estimable, Idaho Power does not establish an accrual and the matter will continue to be monitored for any developments that would make the loss contingency both probable and reasonably estimable. As of the date of this report, Idaho Power's accruals for loss contingencies are not material to its financial statements as a whole; however, future accruals could be material in a given period. Idaho Power's determination is based on currently available information, and estimates presented in financial statements and other financial disclosures involve significant judgment and may be subject to significant uncertainty. As available information changes, the matters for which Idaho Power is able to estimate the loss may change, and the estimates themselves may change. For matters that affect Idaho Power's operations, Idaho Power intends to seek, to the extent permissible and appropriate, recovery through the ratemaking process of costs incurred.

Western Energy Proceedings

High prices for electricity, energy shortages, and blackouts in California and in western wholesale markets during 2000 and 2001 caused numerous purchasers of electricity in those markets to initiate proceedings seeking refunds or other forms of relief and the FERC to initiate its own investigations. Some of these proceedings remain pending before the FERC or are on appeal to the United States Court of Appeals for the Ninth Circuit. Idaho Power believes that settlement releases it has obtained will restrict potential claims that might result from the disposition of pending proceedings and predict that these matters will not have a material adverse effect on Idaho Power's results of operations or financial condition. However, the settlements and associated FERC orders have not fully eliminated the potential for so-called "ripple claims" which involve potential claims for refunds from an upstream seller of power based on a finding that its downstream buyer was liable for refunds as a seller of power during the relevant period. The FERC characterized these ripple claims as "speculative." However, the FERC refused to dismiss Idaho Power from the proceedings in the Pacific Northwest and refused to approve a settlement that provided for waivers of all claims in those proceedings, despite only limited objections from two market participants. Idaho Power has petitioned for review of the FERC's decision in the D.C. Circuit. Based on its evaluation of the merits of such claims and the inability to estimate any potential exposure should the claims ultimately have merit, Idaho Power has no remaining amount accrued for financial statement purposes relating to the proceedings. To the extent the availability of any ripple claims materializes, Idaho Power will continue to vigorously defend its position in the proceedings.

COMMITMENTS AND CONTINGENT LIABILITIES (continued)
IDAHO POWER COMPANY
MARCH 31, 2013

Water Rights - Snake River Basin Adjudication

Idaho Power holds water rights, acquired under applicable state law, for its hydroelectric projects. In addition, Idaho Power holds water rights for domestic, irrigation, commercial, and other necessary purposes related to project lands and other holdings within the states of Idaho and Oregon. Idaho Power's water rights for power generation are, to varying degrees, subordinated to future upstream appropriations for irrigation and other authorized consumptive uses. Over time, increased irrigation development and other consumptive uses within the Snake River watershed led to a reduction in flows of the Snake River. In the late 1970s and early 1980s these reduced flows resulted in a conflict between the exercise of Idaho Power's water rights at certain hydroelectric projects on the Snake River and upstream consumptive diversions. The Swan Falls Agreement, signed by Idaho Power and the State of Idaho on October 25, 1984, resolved the conflict and provided a level of protection for Idaho Power's hydropower water rights at specified projects on the Snake River through the establishment of minimum stream flows and an administrative process governing future development of water rights that may affect those minimum stream flows. In 1987, Congress enacted legislation directing the FERC to issue an order approving the Swan Falls settlement together with a finding that the agreement was neither inconsistent with the terms and conditions of Idaho Power's project licenses nor the Federal Power Act. The FERC entered an order implementing the legislation in March 1988.

The Swan Falls Agreement provided that the resolution and recognition of Idaho Power's water rights together with the State Water Plan provided a sound comprehensive plan for management of the Snake River watershed. The Swan Falls Agreement also recognized, however, that in order to effectively manage the waters of the Snake River basin, a general adjudication to determine the nature, extent, and priority of the rights of all water uses in the basin was necessary. Consistent with that recognition, in 1987 the State of Idaho initiated the Snake River Basin Adjudication (SRBA), and pursuant to the commencement order issued by the SRBA court that same year, all claimants to water rights within the basin were required to file water rights claims in the SRBA. Idaho Power has filed claims to its water rights and has been actively participating in the SRBA since its commencement. Questions concerning the effect of the Swan Falls Agreement on Idaho Power's water rights claims, including the nature and extent of the subordination of Idaho Power's rights to upstream uses, resulted in the filing of litigation in the SRBA in 2007 between Idaho Power and the State of Idaho. This litigation was resolved by the Framework Reaffirming the Swan Falls Settlement (Framework) signed by Idaho Power and the State of Idaho on March 25, 2009. In that Framework, the parties acknowledged that the effective management of Idaho's water resources remains critical to the public interest of the State of Idaho by sustaining economic growth, maintaining reasonable electric rates, protecting and preserving existing water rights, and protecting water quality and environmental values. The Framework further provided that the State of Idaho and Idaho Power would cooperate in exploring approaches to resolve issues of mutual concern relating to the management of Idaho's water resources. Idaho Power continues to work with the State of Idaho and other interested parties on these issues.

One such issue involves the management of the Eastern Snake Plain Aquifer (ESPA), a large underground aquifer in southeastern Idaho that is hydrologically connected to the Snake River. House Concurrent Resolution No. 28, adopted by the Idaho Legislature in 2007, directed the Idaho Water Resource Board to pursue the development of a comprehensive management plan for the ESPA, to include measures that would enhance aquifer levels, springs, and river flows on the eastern Snake River plain to the benefit of both agricultural development and hydropower

COMMITMENTS AND CONTINGENT LIABILITIES (continued)
IDAHO POWER COMPANY
MARCH 31, 2013

generation. In May of 2007, the Idaho Water Resource Board appointed an advisory committee, charged with the responsibility of developing a management plan for the ESPA. Idaho Power was a member of that committee. In January 2009, the Idaho Water Resource Board, based on the committee's recommendations, adopted a Comprehensive Aquifer Management Plan (CAMP) for the ESPA. The Idaho Legislature approved the CAMP that same year. Idaho Power is a member of the CAMP Implementation Committee and continues to work with the Idaho Water Resource Board, other stakeholders, and the Idaho Legislature in exploring opportunities for implementation of the CAMP management plan.

Idaho Power also continues its active participation in the SRBA in seeking to ensure that its water rights are protected and that the operation of its hydroelectric projects is not adversely impacted. While Idaho Power cannot predict the outcome, as of the date of this report Idaho Power does not anticipate any material modification of its water rights as a result of the SRBA process.

Other Proceedings

Idaho Power is party to legal claims and legal and regulatory actions and proceedings in the ordinary course of business that are in addition to those discussed above and, as noted above, records an accrual for associated loss contingencies when they are probable and reasonably estimable. As of the date of this report the companies believe that resolution of those matters will not have a material adverse effect on their respective consolidated financial statements. Idaho Power is also actively monitoring various environmental regulations that may have a significant impact on its future operations. Given uncertainties regarding the outcome, timing, and compliance plans for these environmental matters, Idaho Power is unable to estimate the financial impact of these regulations but does believe that future capital investment for infrastructure and modifications to its electric generating facilities to comply with these regulations could be significant.

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit G

June 14, 2013

IDAHO POWER COMPANY
STATEMENT OF INCOME
For the Twelve Months Ended March 31, 2013

	<u>Actual</u>
Operating Revenues.....	<u>1,100,610,321</u>
Operating Expenses:	
Purchased power.....	205,514,596
Fuel expense.....	175,827,964
Power cost adjustment.....	(84,808,822)
Other operation and maintenance expense.....	350,305,371
Energy efficiency programs.....	27,292,632
Depreciation expense.....	117,909,702
Amortization of limited-term electric plant.....	7,400,043
Taxes other than income taxes.....	30,559,875
Income taxes - Federal.....	1,932,043
Income taxes - Other.....	1,594,311
Provision for deferred income taxes.....	240,654,737
Provision for deferred income taxes - Credit.....	(213,101,758)
Investment tax credit adjustment.....	<u>6,578,854</u>
Total operating expenses.....	<u>867,659,548</u>
Operating Income.....	<u>232,950,773</u>
Other Income and Deductions:	
Allowance for equity funds used during construction.....	18,432,278
Earnings of unconsolidated equity method investments.....	5,078,343
Income taxes - Other income and deductions	1,245,770
Other - Net.....	<u>(5,605,982)</u>
Net other income and deductions.....	<u>19,150,409</u>
Income Before Interest Charges.....	<u>252,101,182</u>
Interest Charges:	
Interest on first mortgage bonds.....	70,386,250
Interest on other long-term debt.....	8,705,916
Interest on short-term debt.....	835,862
Amortization of debt premium, discount and expense, net.....	2,592,352
Other interest expense.....	<u>3,097,243</u>
Total interest charges.....	<u>85,617,623</u>
Allowance for borrowed funds used during construction - Credit.....	<u>9,911,155</u>
Net interest charges.....	<u>75,706,468</u>
Net Income.....	<u>\$ 176,394,714</u>

The accompanying Notes to Financial Statements are an integral part of this statement

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit H

June 14, 2013

IDAHO POWER COMPANY
Statement of Retained Earnings
and
Undistributed Subsidiary Earnings
For the Twelve Months Ended March 31, 2013

Retained Earnings

Retained earnings (at the beginning of period)	665,702,412
Balance transferred from income.....	171,316,371
Dividends received from subsidiary.....	-
Total.....	<u>837,018,783</u>

Dividends:

Common Stock	71,283,193
Total.....	<u>71,283,193</u>
Retained earnings (at end of period).....	<u>\$ 765,735,590</u>

Undistributed Subsidiary Earnings

Balance (at beginning of period).....	78,850,954
Equity in earnings for the period.....	5,078,343
Dividends paid (Debit).....	-
Balance (at end of period).....	<u>\$ 83,929,297</u>

The accompanying Notes to Financial Statements are an integral part of this statement

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit J

June 14, 2013

BRIDGER COAL COMPANY SELF-BOND

Idaho Power Company's Portion SBC-064

DOCUMENTS INCLUDE:

- (1) Coal Self-Bond Corporate Guaranty**
- (2) Coal Self-Bond Indemnity Agreement**
- (3) Coal Self-Bond Agreement**

WITNESSE.

Permit No. 338-T3

Self-Bond No. SBC-064

WHEREAS Idaho Power Company, (hereinafter referred to as Guarantor) owns or controls Bridger Coal Company, a Joint Venture of, (hereinafter referred to as Operator). Pacific Minerals, Inc. (a subsidiary of Pacificorp) and Idaho Energy Resources Company (a subsidiary of Idaho Power Co.)

WHEREAS, Guarantor satisfies the financial requirements and criteria set by the Department of Environmental Quality, Land Quality Division rules and regulations;

WHEREAS, Operator has requested and desires to place with the State of Wyoming its self-bond to secure reclamation obligations;

WHEREAS, Guarantor desires to guarantee the funds pledged under the Operator's self-bond;

WHEREAS, Guarantor has the full authority under the laws of the State of its incorporation, its articles of incorporation and bylaws to enter into this guaranty;

WHEREAS, Guarantor has full approval from its Board of Directors to enter into this guaranty;

WHEREAS, it is in the best interests of Guarantor, in the legitimate furtherance of its purposes and business, to enter into this guaranty;

WHEREAS, the Department of Environmental Quality, pursuant to the Wyoming Environmental Quality Act, has the legal authority to administer the bonding requirements for mine operations in the State of Wyoming.

- I. NOW, for value received, and in consideration of the approval and execution of self-bond, number SBC-064 Guarantor, a corporation created and existing under the laws of the State of Idaho, their successors and assigns, jointly and severally, do hereby covenant, guarantee, promise and agree to the State of Wyoming and the United States - Office of Surface Mining to make prompt payment upon demand of the full amount, or portions thereof, of the self-bond of Operator, self-bond no. SBC-064, on the terms and conditions described herein, said payment of monies to be used for the reclamation of all lands affected under permit 338-T3 in accordance with the provisions and requirements of the Wyoming Environmental Quality Act, and any amendments thereto, with Land Quality Division regulations and any amendments thereto, applicable federal laws and regulations, the provisions of the permanent program Cooperative Agreement between the Department of the Interior and the State of Wyoming, and the terms and conditions of the permit. This Guaranty covers any and all demands, liabilities, charges, and expenses of whatsoever kind or nature, which the State of Wyoming or the United States - Office of Surface Mining may at any time sustain or incur by reason of or in consequence of having accepted the self-bond of the Operator, including all litigation costs and all administrative costs reasonably incurred by the State of Wyoming in any successful effort to enforce obligations and requirements of the Operator with respect to the operation or activity that is bonded.
- II. This guaranty is a continuing guaranty and is to be in full force and effect until all of the terms of the Operator's self-bond have been satisfactorily performed or otherwise discharged to the satisfaction of the State of Wyoming and the United States - Office of Surface Mining.
- III. Guarantor hereby fully consents to the following, any of which shall not affect nor change or discharge the obligations of this Guaranty:
 1. Any renewals, amendments, modifications, or riders to the terms of the self-bond, number SBC-064, including increases or decreases in the dollar amount of the bond, or the lands to which it applies, in accordance with the requirements of the Environmental Quality Act and the rules and regulations promulgated thereunder.

2. Any extension of time for performance of the whole or any part of the conditions of the self-bond, number SBC-064

3. Any changes, amendments, or modifications to the terms of the permit, number 338-T3 including the mining and reclamation plans contained therein.

4. The acceptance by the State of Wyoming of any collateral of any kind to further secure the self-bond, number SBC-064.

IV. Guarantor expressly waives the following:

1. Notice of the acceptance of this guaranty by the State of Wyoming.

2. Notice of renewals, amendments, modifications or riders to the self-bond, number SBC-064.

3. Notice of changes, amendments, modifications or renewals to the terms of the permit of the Operator, permit number 338-T3.

4. Notice of any extensions of time for performance of the whole or any part of the conditions of the self-bond, number SBC-064

5. Notice of bond forfeiture proceedings; notice of any demand for payment of the self-bond; or, any dishonor thereof.

6. All other notices to which Guarantor might otherwise be entitled in connection with this guaranty or the obligation hereby guaranteed.

7. The institution of any civil actions or the exhaustion of legal remedies against the Operator as a condition to enforcement of this guaranty.

8. It is understood that any notice provided by the State of Wyoming or the United States - Office of Surface Mining to the Guarantor shall not constitute a release or modification of the above waivers.

V. This guaranty is subject to the following conditions, to wit:

1. Any demand for funds shall be accompanied by one of the following:

a) A signed statement from the Director of the Department of Environmental Quality that the Environmental Quality Council has forfeited, in whole or in part, the self-bond, number SBC-064 and a copy of the Order of Forfeiture is attached; OR

b) A signed statement from the Department of Interior, Office of Surface Mining, Bond Approving officer that the self-bond no. SBC-064, has been forfeited.

2. This guaranty shall be limited in amount as follows:

a) Reclamation costs: the indebtedness reflected by the approved self-bond existing at the time of bond forfeiture by the Environmental Quality Council.

b) Litigation and administrative costs: the actual amount of such costs reasonably incurred in any successful effort to enforce requirements and obligations of the operator and/or the obligations of the Guarantor under this agreement. Litigation and administrative costs shall not be limited by the indebtedness reflected by the approved self-bond.

3. If the Operator fails to complete the reclamation as required by the Environmental Quality Act and any amendments thereto, the Land Quality Division rules and regulations and any amendments thereto, the terms and conditions of the permit, applicable Federal laws and regulations, or the provisions of the permanent program Cooperative Agreement between the Department of the Interior and the State of Wyoming, the Guarantor may complete said reclamation in lieu of the payment of funds.

4. The Guarantor shall commit in writing to the State of Wyoming to complete the reclamation, or pay the full amount of the funds demanded by the State of Wyoming or the United States - Office of Surface Mining within ten (10) days of any demand. Guarantor hereby agrees that demands for payment may be based and are payable on projections of costs or their actual accrual and that liability for payment shall not be contingent on the costs having been presently sustained.

5. This guaranty may be canceled only upon notice of said cancellation being sent to the operator and the administrator of the Land Quality Division at least ninety (90) days in advance of the proposed cancellation date and then only upon acceptance of the cancellation by the administrator. The cancellation shall be accepted by the administrator if the operator obtains a suitable replacement bond before the proposed cancellation date, or if the lands for which the self-bond was accepted have not and will not be disturbed under the terms of the permit, or the self-bond has been released in accordance with the provisions of the Environmental Quality Act and the rules and regulations promulgated thereunder.

- VI. This guaranty shall be and continue effective notwithstanding any present or future legal disability of the Operator.
- VII. There are no conditions or limitations to this guaranty except those contained herein at the date hereof, and thereafter no alteration, change or modification hereof shall be binding or effective unless executed in writing, signed by the guarantor, and approved by the administrator of the Land Quality Division.
- VIII. Guarantor agrees to pay all costs and expenses incurred by the State of Wyoming and/or the United States - Office of Surface Mining which are expended in any successful action instituted to enforce the terms of this guaranty.
- IX. This guaranty shall be good and effective notwithstanding any change or changes in the business name of the Operator.
- X. No changes, amendments, modifications or renewals to the self-bond of the Operator or the terms of permit number 338-T3 shall act as a release of the Guarantor from this guaranty.
- XI. All notices required to, or which may be given shall be effective when received by the addressee at the addresses specified below:

- 1. For the Guarantor:
Idaho Power Company
P.O. Box 70
Boise, ID 83707
- 2. For the State of Wyoming:

Department of Environmental Quality
Land Quality Division
Herschler Building, 3rd Floor West
122 West 25th Street
Cheyenne, WY 82002

Personal delivery shall have the same effect as notice given by mail. Notices given by mail shall be sent certified.

- XII. In case of the insolvency, bankruptcy or dissolution of the Operator, all funds represented by the self-bond shall immediately become due and payable and this guaranty may thereupon be enforced.
- XIII. This guaranty is one of payment and not of collection.
- XIV. The failure of any person or persons to sign this guaranty shall not release or affect the liability of Guarantor.
- XV. This guaranty is a Wyoming contract and shall be construed under and subject to the laws of the State of Wyoming.

XVI. SIGNATURES OF GUARANTOR:

BY: R Gunnos

(Corporate Seal)

BY: JB Packwood

STATE OF IDAHO)
) SS.
COUNTY OF ADA)

The foregoing instrument was acknowledged, subscribed and sworn to before me this 12th day of April, 1993.

Witness my hand and official seal.

BV Schaufelberger
NOTARY PUBLIC

My Commission Expires: July 27, 1993

XVII. Corporate Acknowledgements:

Attached and incorporated herein as Exhibit A.

XVIII. APPROVED AS TO FORM AND EXECUTION:

Attorney General

BY: _____ Date: _____
Assistant Attorney General

XIX. STATE OF WYOMING SIGNATURES:

BY: _____
Director, Department of Environmental Quality

BY: _____
Administrator, Land Quality Division

STATE OF WYOMING)
) SS.
COUNTY OF LARAMIE)

The foregoing instrument was acknowledged and subscribed to before me this ____ day of _____, 19____.

Witness my hand and official seal.

NOTARY PUBLIC

My Commission Expires: _____

COAL SELF-BONDING INDEMNITY AGREEMENT

Permit No. 338-T3

Self-Bond No. SBC-064

THIS AGREEMENT OF INDEMNITY, by and between the State of Wyoming, Department of Environmental Quality, (hereinafter referred to as the "Department") and the United States Department of the Interior, (hereinafter referred to as the USDI), as indemnitees, and Bridger Coal Company, duly authorized to do business in the State of Wyoming, as indemnitor, (hereinafter referred to as the "Operator");

WITNESSETH

WHEREAS, Operator has filed with the Department an application to self-bond in compliance with provisions of Wyoming Statutes, Section 35-11-417(d), as amended, and the rules and regulations promulgated thereunder, in connection with Operator's Mining Permit No. 338-T3;

WHEREAS, Operator presents this agreement for the purpose of meeting the requirements of Wyoming Statutes, Section 35-11-417(d), as amended, and the rules and regulations promulgated thereunder;

WHEREAS, Operator has satisfied the self-bonding requirements and criteria set by the Department;

WHEREAS, Operator desires to indemnify the Department from all loss and costs associated with it's self-bond No. SBC-064;

WHEREAS, Operator has the full authority under the laws of the State of its incorporation, its articles of incorporation and bylaws to enter into this Indemnity Agreement;

WHEREAS, Operator has full approval from its Board of Directors to enter into this Indemnity Agreement;

WHEREAS, it is in the best interests of Operator, in the legitimate furtherance of its purposes and business, to enter into this Indemnity Agreement;

WHEREAS, the Department, pursuant to the Wyoming Environmental Quality Act, has the legal authority to administer the bonding requirements for mine operations in the State of Wyoming.

NOW THEREFORE, effective upon the execution of this agreement by both parties, for value received, and in consideration of the approval and execution of self-bond, number SBC-064 it's agreed by and between the Operator and the Department as follows:

I. Operator, their successors and assigns, jointly and severally do hereby covenant and agree to indemnify the Department and the USDI of, from and against any and all demands, liabilities, charges, costs and expenses of whatsoever kind or nature, which the Department and the USDI may sustain or incur by reason of or in consequence of the failure by the Operator to faithfully perform all the requirements of the Wyoming Environmental Quality Act and any amendments thereto, Land Quality Division regulations and any amendments thereto, applicable Federal laws and regulations, and in accordance with the provisions of the permanent program Cooperative Agreement between USDI and the State of Wyoming as it applies to mining operations under the aforesaid mining permit no. 338-T3 and the mining and reclamation plans approved therewith. With the exception of litigation costs as referenced in paragraph VI, Operator's liability hereunder shall not exceed the principal amount set forth in Operator's self-bond, bond no. SBC-064

II. Upon this agreement becoming effective, the Department shall deliver and execute, as necessary, to Operator any and all documents and forms needed to allow Operator to release any existing bonds, letters of credit, certificates of deposit, cash or government securities that are being replaced by this self-bond and self-bonding indemnity agreement.

III. This indemnity agreement is continuing and is to be in full force and effect until all of the terms of the Operator's self-bond have been satisfactorily performed or otherwise discharged to the satisfaction of the State of Wyoming and when applicable, the USDI.

IV. Operator hereby fully consents and agrees that any of the following shall not affect nor change or discharge the obligations of this indemnity agreement:

1. Any renewals, amendments, modifications or riders to the terms of the self-bond, no. SBC-064, including increases or decreases in the dollar amount of the bond, or the lands to which it applies, in accordance with the requirements of the Environmental Quality Act and the rules and regulations promulgated thereunder.

2. Any extension of time for performance of the whole or any part of the conditions of the self-bond, number SBC-064

3. Any changes, amendments, modifications or renewals to the terms of the permit, number 338-T3 including the mining and reclamation plans contained therein.

4. The acceptance by the State of Wyoming of any collateral of any kind to further secure the self-bond, number SBC-064

V. If in the Department's opinion Operator has violated the Wyoming Environmental Quality Act as it applies to the mining operations under said Mining Permit No. 338-T3, the Department may institute bond forfeiture proceedings against Operator in accordance with the forfeiture proceedings set forth in the Wyoming Environmental Quality Act, W.S. 35-11-421, as amended (1981).

In the event an order of forfeiture is entered by the Wyoming Environmental Quality Counsel or an authorized representative of the USDI against Operator as a result of such bond forfeiture proceedings requiring the forfeiture of all or any part of the self-bond, the Department or the USDI may mail to Operator written demand for payment or the amount of the self-bond which was so ordered forfeited and Operator shall pay such amount in full to the indemnitee making the demand in immediately available Federal funds, within three (3) business days after receipt of such demand. Payment shall be made to such bank account as the Department or the USDI shall specify in the demand notice to Operator. If such order is vacated, reversed, or otherwise made unenforceable by court or administrative agency of competent jurisdiction, any amount previously paid to the Department by Operator hereunder shall be refunded to Operator in full within three (3) business days after receipt of a certified copy of the ruling, order or other action by such court or administrative agency. Any refund to Operator by the Department or the USDI shall be in immediately available Federal funds and shall be made to such bank account at Operator may specify in writing to the Department.

VI. In the event the Department initiates, pursues or is brought into litigation, as a result of attempts to enforce bonding requirements, the Operator agrees to pay all litigation costs incurred by the state in any successful effort to enforce this agreement against the Operator with respect to the operation or activity for which this agreement is made. This agreement pertains to all costs reasonably connected to the litigation costs and all administrative costs reasonably incurred in the course of enforcing or in preparation to enforce the rules and regulations for self-bonding against the Operator with respect to the operation or activity for which this agreement is made. Liability for payment of litigation costs shall not be limited by the principal amount of the Operator's self-bond. Operator agrees that vouchers or other proper evidence showing payment shall be conclusive evidence of the fact and amount of liability of such costs.

VII. This agreement shall be deemed terminated in whole or in part; (a) when and as the Department certifies in writing to the Operator that Operator has successfully completed as required by the Environmental Quality Act and any amendments thereto, Land Quality Division regulations and any amendments thereto, applicable Federal laws and regulations, and applicable requirements of the permanent program Cooperative Agreement between the USDI and the State of Wyoming, the mining and reclamation activities pursuant to Mining Permit No. 338-T3, for which this agreement is posted; or (b) when and as the Department certifies in writing to the Operator that the Operator has provided an acceptable corporate surety bond, letter of credit or other security complying with W.S. 35-11-418 in substitution for this agreement; or (c) when the Department otherwise authorizes release of this agreement in whole or in part to the Operator pursuant to the Environmental Quality Act and the rules and regulations promulgated thereunder.

Operator shall have the right at any time to post a corporate surety bond, letter of credit or other securities complying with W.S. 35-11-418 with the Department in substitution for and release of all or part of this agreement. Operator shall notify the Department in writing of any such substitution, and the Department shall notify the Operator in writing of the acceptability of any such substitution. Said substitution shall not be valid and effective until the Department certifies in writing as such.

VIII. There are no conditions or limitations to this indemnity agreement except those contained herein at the date hereof, and thereafter no alteration, change or modification hereof shall be binding or effective unless executed in writing, signed by the Operator, and approved by the Administrator of the Land Quality Division.

IX. Operator agrees to pay all costs and expenses incurred by the Department which are expended in any successful action instituted to enforce the terms of this indemnity agreement.

X. This indemnity agreement shall be good and effective notwithstanding any change or changes in the business name of the Operator.

XI. No changes, amendments, modifications or renewals to the self-bond of the Operator or the terms of Mining Permit number 338-T3 shall act as a release of the Operator from this indemnity agreement.

XII. All notices required to, or which may be given shall be effective when received by the addressee at the addresses specified below.

1. For the Operator:
 Bridger Coal Company
 P.O. Box 2068
 Rock Springs, WY 82902

2. For the Department:

Department of Environmental Quality
 Land Quality Division
 Herschler Building, 3rd Floor West
 122 West 15th Street
 Cheyenne, WY 82002

Personal delivery shall have the same effect as notice given by mail. Notices given by mail shall be sent certified.

XIII. In case of the insolvency, bankruptcy or dissolution of the Operator, all funds represented by the self-bond shall immediately become due and payable.

XIV. The failure of any person or persons to sign this indemnity agreement shall not release or affect the liability of Operator.

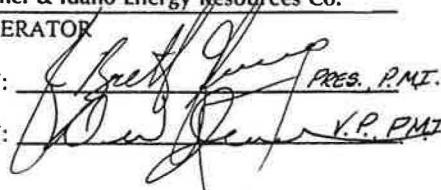
XV. This indemnity agreement is a Wyoming contract and shall be construed under and subject to the laws of the State of Wyoming.

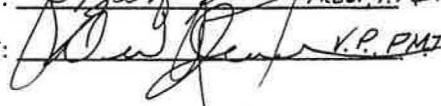
XVI. This agreement, together with the application for self-bonding applicable to Mining Permit No. 338-T3 contains the entire agreement of the parties hereto with respect to indemnification.

XVII. EXECUTION BY THE OPERATOR:

Bridger Coal Company, a Joint
 Venture between Pacific Minerals,
 Inc. & Idaho Energy Resources Co.

OPERATOR

BY:  PRES. PMI.

BY:  V.P. PMI.

ATTEST:

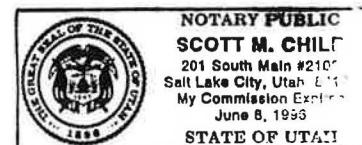
STATE OF UTAH)
) SS.
 COUNTY OF SALT LAKE)

The foregoing instrument was acknowledged, subscribe and sworn to before me this 8TH day of APRIL, 1993.

Witness my hand and official seal.


 NOTARY PUBLIC

My Commission Expires: 6-8-98

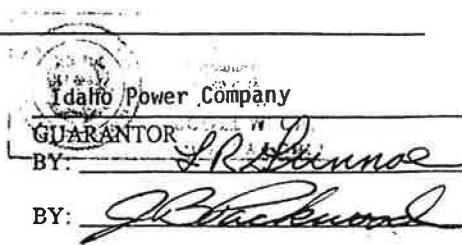


XVIII. CORPORATE ACKNOWLEDGEMENTS:

Attached and incorporated herein as Exhibit A.

XIX. EXECUTION BY GUARANTORS:

(Corporate Seal)



ATTEST:

STATE OF IDAHO)
) SS.
 COUNTY OF ADA)

The foregoing instrument was acknowledged, subscribed and sworn to before me this 12th day of
April, 1993.

Witness my hand and official seal.

NOTARY PUBLIC

My Commission Expires: July 27, 1993

XX. CORPORATE ACKNOWLEDGEMENTS:

Attached and incorporated herein as Exhibit B.

XXI. APPROVED AS TO FORM AND EXECUTION:

Attorney General

BY: _____ Date: _____
 Assistant Attorney General

XXII. EXECUTION BY THE DEPARTMENT

In witness whereof, this Agreement is dated and effective as of this _____ day of _____, 19____.

STATE OF WYOMING
 DEPARTMENT OF ENVIRONMENTAL QUALITY
 BY: _____

Director

BY: _____
 Administrator - Land Quality Division

STATE OF WYOMING)
) SS.
 COUNTY OF LARAMIE)

The foregoing instrument was acknowledged, subscribed and sworn to before me this _____ day of
 _____, 19____.

Witness my hand and official seal.

NOTARY PUBLIC

My Commission Expires: _____

State of Wyoming
Department of Environmental Quality
Land Quality Division
Herschler Building, 3rd Floor, 122 West 25th Street
Cheyenne, WY 82002

SELF-BOND AGREEMENT

COAL

Permit No. 338-T3
Bond No. SBC-064

KNOW ALL MEN BY THESE PRESENTS, THAT
Bridger Coal Company, a Joint Venture of Pacific Minerals, Inc. (a subsidiary of
PaciCorp) and Idaho Energy Resources Company (a subsidiary of Idaho Power Company)

(State Name and Form of Business Organization)

of Rock Springs, Wyoming being duly
authorized to do business in the State of Wyoming, as principal, is held and firmly bound unto the State of
Wyoming in the sum of Thirty One Million, Seven Hundred Eight Thousand
Dollars (\$ 31,708,000.00), lawful money of the United States, to be paid to the
State of Wyoming upon order of forfeiture by the Environmental Quality Council or to the United States -
Office of Surface Mining Reclamation and Enforcement upon order of forfeiture by an authorized representative
of the Secretary of the Interior, for the payment of which sum, well and truly to be made, we hereby jointly
and severally bind ourselves, our heirs, executors, administrators, successors and assigns.

Whereas, the Department of Environmental Quality, Land Quality Division, issued Permit to Mine Number 338-T3 and dated Dec 14, 1992, and amendments(s) numbered _____ and dated _____ pursuant to the application of the Principal.

Whereas, check one of the following:

(a) This is an original agreement,

(b) This is an agreement in addition to previous bonding agreement(s) for the above mentioned permit to mine and which agreement(s) remain(s) in full force and effect.

(c) This is a replacement agreement for: Idaho Power's portion (one-third) of:
Brider Coal Company, a Joint
Venture between Pacific Minerals,
1. Bond Number 400GM3925 Principal Inc. & Idaho Energy Resources Co.
Surety St. Paul Fire & Marine Insurance Dated August 12, 1992

2. Bond Number _____ Principal _____
Surety _____ Dated _____

Whereas, the Principal has completed an initial application for self-bonding and an Indemnity Agreement which are incorporated herein and made a part of this Self-Bond Agreement;

Whereas, said bonding agreement(s) shall cover any and all land affected or to be affected by the mining operation under the above mentioned permit and amendment(s) since the date of issuance of the permit, upon the following described land, as given within said permit, amendment(s), and permit renewal(s), inclusive of all lands within the approved Bridger Coal Mine Permit #338-T3 dated December 14, 1992, and as further described in Appendix C-1 and C-2 of the permit application package.

Said principal herein agrees that this obligation shall be non-cancelable and that the liability hereunder is for the duration of the above specified surface coal mining and reclamation operations and continues thereafter for a period coincident with the principal's responsibility for the establishment of revegetation on the affected areas pursuant to the requirements of the Wyoming Environmental Quality Act and the applicable Land Quality Division rules and regulations promulgated thereunder, EXCEPT THAT the obligation herein may be reduced beforehand when such reduction is approved by the Administrator of the Land Quality Division for changes in the permittee's method of operation or other circumstances which reduce the estimated cost of reclamation in accordance with Land Quality Division regulations, Chapter VIII, Section 2, OR where bond acceptable to the Administrator of the Land Quality Division has been submitted to replace this obligation.

The principal herein further understands and agrees that the procedures for the adjustment of the amount under this bond are specified in Article 4 of the Wyoming Environmental Quality Act and applicable Land Quality Division regulations; that procedures governing the release of all or part of this bond are specified in W.S. 35-11-423 and Land Quality Division regulations, Chapter XVI; and that the procedures for the forfeiture of this bond are specified in W.S. 35-11-421.

NOW, THEREFORE, the conditions of this obligation are that if the said principal herein shall comply with the terms and conditions of said permit, amendments, and renewals thereto, the provisions of and obligations imposed by the Wyoming Environmental Quality Act and any amendments thereto, and with Land Quality Division regulations and any amendments thereto, applicable federal laws and regulations, and with the provisions of the permanent program Cooperative Agreement between the Department of the Interior and the State of Wyoming, then the release of this obligation shall proceed as specified in W.S. 35-11-423 and Land Quality Division regulations, Chapter XVI.

The principal herein further agrees that this bond is posted to insure the permittee's performance upon all acres contained in the above permit. Upon bond forfeiture pursuant to W.S. 35-11-421, all bond or bonds which continue to be held by the Department of Environmental Quality, Land Quality Division for all bonding within the above permit may be forfeited and the forfeited bond or bond increments may be used by the Department of Environmental Quality, Land Quality Division to complete the reclamation plan or a modified plan for any or all acres in the above permit and to cover associated administrative expenses.

The principal herein further agrees and understands that this self-bond carries with it the right for successive yearly renewals as long as all information required by Land Quality Division regulations, Chapter XII, for Self-Bond renewal is submitted in a timely manner to the Land Quality Division and demonstrates the permittee remains qualified. The failure by the principal to file timely renewals shall in no manner impinge upon or prejudice the rights held by the State of Wyoming or the United States - Office of Surface Mining under this Agreement. Further, this agreement remains in full force and effect until released or substituted in accordance with the requirements of the Wyoming Environmental Quality Act and the regulations promulgated thereunder.

The principal herein further agrees and understands that this self-bond may continue while the principal or its parent guarantor qualify under the regulations. The principal must notify the Administrator immediately at any time it or its guarantor no longer meets the limitation of Land Quality Rules and Regulations at Chapter XII, Section 2.(a)(xii) or the criteria specified at Chapter XII, Section 2.(a)(vii).

The principal herein further agrees and understands that the Administrator of the Land Quality Division may require a substitution of this self-bond by good and corporate surety licensed to do business in the state of Wyoming if the Administrator determines in writing that the self-bond fails to provide the protection consistent with the objectives and purposes of the Act.

The principal further agrees that in the event the Wyoming State - Federal Cooperative Agreement is terminated, the bond shall be payable only to the United States - Office of Surface Mining to the extent that lands covered by the Federal lands program are involved.

In witness whereof, we, the said parties, have set our hands and seals.

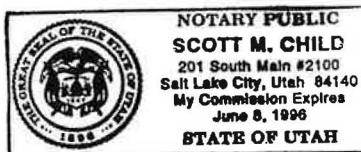
PRINCIPAL

✓ Signed and executed this 8 day of APRIL 8, 1993.
 BY: Brett Harvey BY: D. W. Jense
 TITLE: President, Pacific Minerals, Inc. TITLE: Vice President, Pacific Minerals, Inc.
 State of UTAH) SS.
 County of SALT LAKE)
 (Corporate Seal)

ALL APPLICABLE CORPORATE ACKNOWLEDGEMENTS ARE ATTACHED HERETO AS PART OF THIS AGREEMENT.

The foregoing instrument was acknowledged before me by J. BRETT HARVEY AND D. W. JENSE, this 8th day of APRIL, 1993.

Witness my hand and official seal.



(Notary Public or other authorized officer)

My Commission Expires: 6-8-96

RESIDENT AGENT FOR SERVICE

Resident Agent: John Metzke for: Date: March 31, 1993
CT Corporation Systems Address: 1720 Carey Ave., Cheyenne, WY 82001

Approved as to form and execution:

Attorney General

BY: _____ Date: _____
Assistant

APPROVED: _____ Date: _____
Administrator, Land Quality Division

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit K

June 14, 2013



State of Wyoming
Department of Environmental Quality - Land Quality
Herschler Building, Third Floor West Wing
122 West 25th Street
Cheyenne, Wyoming 82002



Coal Application for Renewal of Self-Bonding

Self-Bond No. SBC-064

Attach additional page(s) as needed and reference form item number to which addition(s) apply.
The Operator may request to the Administrator that information be labeled as a trade secret and held confidential by the Department.

Identification of Operator: BRIDGER COAL COMPANY (a joint venture)
A Joint Venture of Pacific Minerals, Inc. a Wyoming corporation (2/3 interests and a subsidiary of PacifiCorp, an Oregon corporation) and Idaho Energy Resources Company, a Wyoming Corporation (1/3 interest and a subsidiary of Idaho Power Company, an

1. Type of Business Organization: Idaho corporation

2. Permit to Mine No.: 338

3. Changes in the identity of the Operator, location of the Operator, identity of the record mineral owner or nature of activity to be covered by the bond:

a. Corporations: Address: Idaho Power Company (Parent Guarantor)
Telephone: 1221 West Idaho Street, Boise, ID 83702
State of Incorporation: Idaho
Principal Place of Business: Boise, Idaho

Name, Title and Authority of person signing this application: Daniel B. Minor
Executive Vice President and Chief Operating Officer - Idaho Power Company

Certification of Authority to do business in Wyoming: Refer to original application

If Corporation is a wholly owned subsidiary or if more than 10% of stock is owned by one enterprise detail ownership: Idaho Power Company is a wholly-owned subsidiary of
IDACORP, Inc., an Idaho corporation

b. OTHER forms of business entities:
Address: N/A
Telephone: N/A
State of Formation: N/A
Principal Place of Business: N/A

Name, Title and Authority of person signing this application: N/A

c. Type of Operation for which this application pertains: Surface and Underground Coal Mine

4. a. Amount of Bond required in accordance with W.S. §35-11-417(c)(ii): \$198,874,000.00
b. Amount which is proposed to be under a self-bond: \$66,291,333.33 (1/3 of \$198,874,000.00)

(The amount in (b) above plus all other outstanding and proposed self-bonds may not exceed 25% of a coal operator's tangible net worth in the United States. Operators and parent corporations may be allowed to increase the bond amount to 35% or 30% respectively, provided the requirements in Chapter 11, Section 2(a)(xi)(A) or (B) are met.)

See Attachments "A" (Credit ratings) and "B" (Total self-bonds & net worth calculations)

5. Audited financial statements for the most recently complete fiscal year with the accountant's audit or review opinion of the financial statement with no adverse opinion, with financial information is sufficient detail to show that the Guarantor still meets one of the criteria in Land Quality Division (LQD) Coal Rules and Regulations, Chapter 11, Section 2(a)(ii) and the limitation in Chapter 11, Section 2(a)(xii).

See Attachments "C" (IDACORP, Inc. Annual Report) and "D" (IDACORP, Inc. Form 10-Q)

Form: Coalsbr.app
DH 8/02; JM 03/06 LKA 10/08
Page 1 of 3 Initial ABM (Principal) Date 12/16/2017 Self-bond No. SBC-064

6. If the Administrator has authorized a parent or non-parent corporate guarantee, the guarantor shall supply all information required under LQD Coal Rules & Regulations, Chapter 11, Section 4(a)(ii).

See Attachments "C" (IDACORP, Inc. Annual Report) and "D" (IDACORP, Inc. Form10-Q)

7. If a mortgage has been accepted as a collateral bond, indicate changes in evidence of value, title and possession of the real property securing the bond amount in accordance with LQD Coal Rules and Regulations, Chapter 11, Section 3.

8. If personal property has been accepted as a collateral bond, attach evidence of ownership and a market value appraisal conducted by an appraiser(s) selected by the Administrator.

9. List the dollar value of this proposed self-bond plus all of the parent or non-parent guarantor's outstanding and proposed self-bonds for any operations in the United States \$ 66,291,333.33

10. a. Tangible net worth in the United States \$ 1,715,000,000
b. Fixed assets in the United States \$ 4,960,000,000
c. Fixed Assets outside of the United States \$ -0-
d. Total tangible net worth \$ 1,715,000,000

11. Registered office for service on the applicant of notices, processes, or demands:

(Note: Any change in the registered agent or office must be filed immediately with the Land Quality Division.)

Name: CT Corporation System
Address: 1720 Carey Avenue, Cheyenne, WY 82001
Telephone Number: (307) 632-0541

12. Registered Agent for Service on the applicant of notices, processes or demands:

Name: CT Corporation System
Address: 1720 Carey Avenue, Cheyenne, WY 82001
Telephone Number: (307) 632-0541

13. Indemnity Agreement by all parties bound to the self-bond agreement to pay all litigation costs as detailed in Chapter 11, Section 4(b) of the LQD Coal Rules and Regulations if any changes in applicant's (guarantor's) identification or legal status. Otherwise the agreement approved under initial self-bond will remain in effect.

14. Parent or Non-Parent Corporation guarantee: indicate if any changes in applicant's (guarantor's) identification or legal status have occurred. Otherwise the agreement approved Self-Bond No. SBC-064 will remain in effect. Parent Corporation guarantors must attach documentation to the application verifying the corporation's power and authority to enter into guaranty agreement on behalf of third parties.

PRINCIPAL

State of Idaho)
County of Ada)

I, Daniel B. Minor (Please print or type) am the applicant for the foregoing application to renew self bonding; I have read the application and fully know the contents thereof; and all statements contained in the application to renew self-bonding are true and correct to my best knowledge and belief.

Dated and signed this 16th day of December, 2012.

By: 12/2015 | RATS

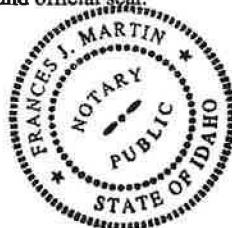
Title: Daniel B. Minor
Executive Vice President and Chief Operating Officer
(Please print or type)

(Corporate Seal)

State of Idaho)
County of Ada)

The foregoing instrument was acknowledged before me by Daniel B. Minor
this 6th day of December, 2012. (Name of Principal Signatory – please print or type)

Witness my hand and official seal.



Frances Martin
(Notary Public or other Authorized Officer)

Frances J Martin

My Commission Expires: 4-10-17

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UF 4059

IDAHO POWER COMPANY

Supplemental Application

Exhibit L

June 14, 2013



State of Wyoming
Department of Environmental Quality – Land Quality
Herschler Building, Third Floor West Wing
122 West 25th Street
Cheyenne, Wyoming 82002

RECEIVED
APR 15 2013
QD

Coal Self-Bond Agreement

Reclamation Performance Bond Increase/Decrease Rider

Permit to Mine

Permit No. 338

Self-Bond No. SBC-064

To be attached to and form a part of Self-Bond No. SBC-064 (Guarantor – Idaho Power Company's portion), EXECUTED BY Bridger Coal Company, a Joint Venture of Pacific Minerals, Inc. (a subsidiary of PacifiCorp) and Idaho Energy Resources Company (a subsidiary of Idaho Power Company) AS PRINCIPAL, in the sum of Sixty-Six Million Two Hundred Ninety-One Thousand Three Hundred Thirty-Three and 33/100 Dollars (\$66,291,333.33), in favor of the State of Wyoming and the United States – Office of Surface Mining and executed on June 15, 1993. Whereas, the Department of Environmental Quality, Land Quality Division, issued Permit to Mine No. 338, dated May 22, 1975, pursuant to the application of the Principal.

Whereas, said bonding agreement(s) shall cover any and all lands affected or to be affected by the mining operation under the above mentioned permit, and shall remain in full force and effect after subsequent permit renewals, revisions and/or amendments. Nothing stated herein shall prevent the Department of Environmental Quality from requiring additional bond riders adjusting the amount of the bond to adequately cover increased or decreased reclamation costs under the above permit.

Now, therefore, the amount of the bond is increased/decreased by Seven Million Three Hundred Eighty-Three Thousand Eight Hundred Thirty-Three and 34/100 Dollars (\$7,383,833.34), to a total sum of Seventy-Three Million Six Hundred Seventy-Five Thousand One Hundred Sixty-Six and 67/100 Dollars (\$73,675,166.67), to cover the additional/reduced cost of reclaiming all affected lands. It is further understood and agreed that all other terms and conditions of Self-Bond No. SBC-064 shall remain unchanged.

PRINCIPAL

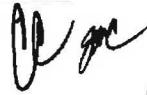
Signed and executed this 8 day of April, 2013.

Name of Business: Bridger Coal Company

By: Michael M. Dunn

Title: Micheal G. Dunn, President of Pacific Minerals, Inc.
on behalf of Bridger Coal Company

(Please print or type)



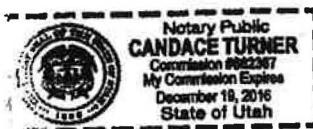
(Corporate Seal)

State of Utah)
ss

County of Salt Lake)

The forgoing instrument was acknowledged before me by Micheal G. Dunn
this 8 day of April 2013.

(Name of Principal Signatory- please print or type)



Candace Turner
(Notary Public or other authorized officer)

Candace Turner
(Title) (Name printed or typed)

My Commission Expires: December 19, 2016

RESIDENT AGENT FOR SERVICE

Resident Agent: Nancy Lydon
(Signature)

Date: 4/9/13

Nancy Lydon
(Printed Name)

Address: CT Corporation
1712 Pioneer Avenue, #120
Cheyenne, WY 82001

Approved as to form and execution:

Gregory A. Phillips
Attorney General

RECEIVED
APR 15 2013
JPD

By: Mary Soder #99605
Assistant Attorney General

Date: April 18, 2013

By: Carol Batey
Administrator, Land Quality Division

Date: 04/19/2013