

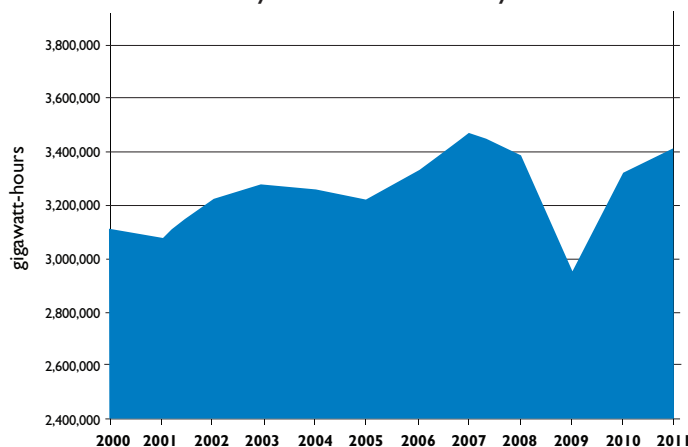
Planning for Idaho's electricity needs

Facts about electric prices in today's challenging economy

Our job: keep the power flowing; invest for the future

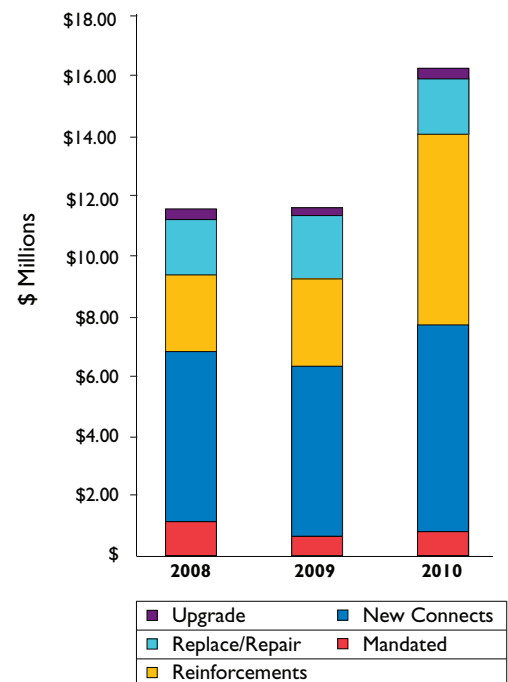
- For nearly 100 years, Rocky Mountain Power has provided safe, reliable, reasonably priced electricity to our customers in Idaho.
- Over the past 10 years, overall electricity use by Idaho customers has grown about 13 percent, and, despite the economic downturn, our forecasts show electricity use will continue to grow over the next decade.
- The cost of producing electricity is rising. These costs are primarily the fuel Rocky Mountain Power uses to generate electricity and the electricity the company purchases from other providers to serve customers. While the company is able to keep these costs very low, they are increasing.
- To meet the needs of customers, we plan and build power plants, transmission lines, and neighborhood distribution equipment to ensure electric service is ready for customers today and in the future.
- Our newest power plants are primarily natural gas and wind projects. While among the lowest cost options today, either one is about twice as expensive as the generating plants built in the 1970s and early 1980s.
- The last major additions to the company's main transmission system were made about 20 years ago. The transmission additions recently completed are urgently needed to move power from where it's generated to where customers use it. Additional projects are in the planning and permitting phase. See our website for more details: rockymountainpower.net/transmission.

10-year Idaho electricity use



- When we build something, from the smallest neighborhood power line to our largest power plants and transmission lines, we build because our customers need it. We must be able to demonstrate to utility regulators that these decisions are prudent and the best deal for customers.
- Idaho customers pay only for what they use from shared electric system resources such as power plants and main transmission lines – about 6 percent of the total cost.

Idaho capital investment spending



The future of electricity prices in Idaho

- For years, Idaho electricity prices have been among the lowest in the nation and the world.
- The next decade will bring new challenges, however, as new generation sources are built to meet increasing customer use and environmental goals
- Plain and simple: prices could almost double over the next ten years. We're not alone; utilities across the country are facing similar challenges.
- Even with these increases, Rocky Mountain Power is committed to remaining a low-cost electricity provider.
- We work hard to keep controllable costs down. Between 2006 and 2010, we reduced our own administrative costs by 32 percent. We will continue to work to hold the line on the costs we can control.

You can help keep electricity prices low

- We offer award-winning programs to help you use less electricity and lower your energy bills. This helps individuals with their personal finances and helps keep electricity prices low for everyone because it delays the need to build costly new power plants.
- Cash incentives for efficient appliances, refrigerator recycling, better home insulation, irrigation curtailment and other programs are popular with customers and highly effective. Participation by customers in these programs saves electricity equivalent to the output of 120 wind turbines for a year. Visit rockymountainpower.net/wattsmart to learn more.

Company profits in Idaho are modest

- There is no guaranteed profit for Rocky Mountain Power. Compared with our largest industrial customers, the company's returns are modest and in line with other electricity providers. Regulatory commissions in each state establish an upper limit for utility profits, or return on the money invested. We have not reached this limit for more than a decade.
- A financially stable utility is good for customers. A fair return makes borrowing money for construction projects less costly through lower interest rates. As borrowing costs are lower, customer prices are lower.

Helping those in need

State Energy Assistance

The Low Income Home Energy Assistance Program (LIHEAP) is federally funded through the U.S. Department of Health and Human Services. This assistance program designed to help low income households with home energy costs. It is administrated by the Idaho Department of Health and Welfare through local agencies.

Lend a Hand

Lend a Hand is a nonprofit program providing energy assistance with donated funds. Contact the agencies below to learn how to qualify for LIHEAP and Lend a Hand.

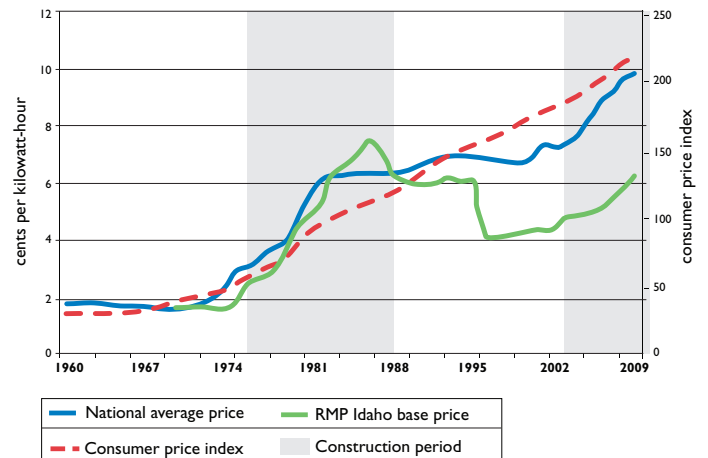
SouthEastern Idaho Community Action Agency

Bannock County, Bear Lake County, Bingham County, Caribou County, Franklin County, Oneida County and Power County please call (208) 232-1114.

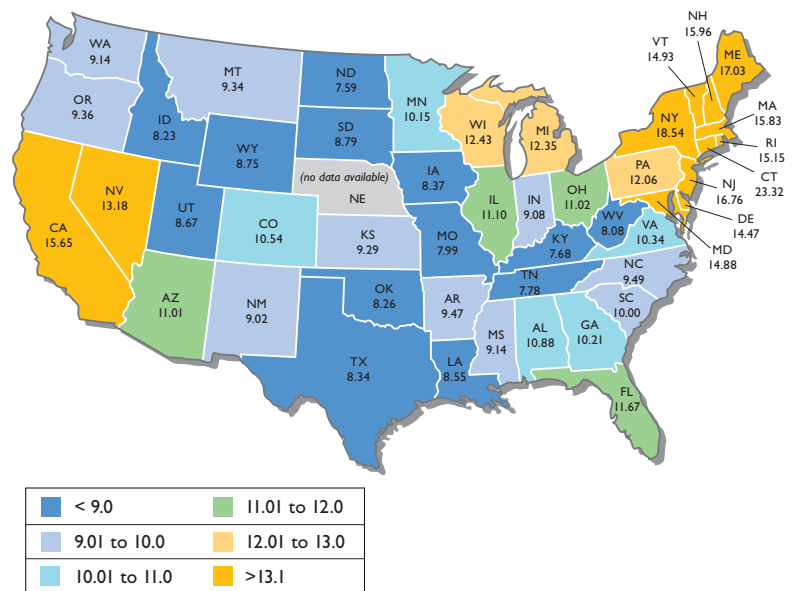
Eastern Idaho Community Action Partnership

Bonneville County, Butte County, Clark County, Fremont County, Jefferson County, Lemhi County, Madison County and Teton County please call (208) 522-5391 or toll free at 1-800-632-4813.

Price of electricity in relation to build cycle



Total average residential rates by state (cents per kilowatt-hour)



Reflects average residential utility rates in cents per kilowatt-hour for 12 months ending in June 2010. Source: Typical Bills and Average Rates Report, Summer 2010, Edison Electric Institute.



Let's turn the answers on.