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Idaho Public Utilities Commission
Office of the Secretary
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Boise, Idaho

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE)	
APPLICATION OF IDAHO POWER)	CASE NO. IPC-E-04-26
COMPANY FOR AUTHORITY TO)	
IMPLEMENT AN IRRIGATION PEAK)	APPLICATION
CLIPPING PROGRAM)	
_____)	

On February 5, 2004, Idaho Power Company ("Idaho Power" or "the Company") filed an Application with the Idaho Public Utilities Commission ("IPUC" or the "Commission") requesting authorization to institute the Irrigation Peak Clipping Pilot Program ("Pilot Program"). On April 2, 2004, the Commission issued Order No. 29462 granting the Company's request (reference Case No. IPC-E-04-3). Under the provisions of the optional, voluntary Pilot Program, agricultural irrigation Customers in selected areas within the Company's service territory permitted the Company to turn off the power to specified irrigation equipment between the hours of 4:00 P.M. and 8:00 P.M. on either one, two or three days per week during the months of June, July and

August in order to reduce the Company's system summer peak. The Pilot Program expired on October 1, 2004. However, based on the success of the Pilot Program and on the selected portfolio in the Company's most recent Integrated Resource Plan ("IRP"), Idaho Power herewith applies to the Commission for authority to implement throughout its service territory the Irrigation Peak Clipping Program (the "Program") by modifying Tariff Schedule 23 ("Tariff" or "Schedule 23"). In support of the Application, Idaho Power submits the following:

I.

INTRODUCTION

The purpose of the proposed Program is to turn off power to selected irrigation pumps during peak weekday hours ("Interruption") in the summer months in order to produce a decrease in the Company's system summer peak. The proposed Program would be an optional, supplemental service that would permit the Company's irrigation Customers to allow the Company to turn off the power to all specified irrigation equipment behind a Customer's metered service point ("Metered Service Point") on a regular basis with the use of an electric switch ("Timer"). In exchange for allowing the Company to turn off power to the specified irrigation equipment, participating Customers would receive a monthly monetary incentive ("Demand Credit") paid on the basis of the kilowatt ("kW") reduction as measured by the Customer's monthly Billing Demand.

The Company would like to begin enrolling Customers into the Program in early 2005 in order to meet Program capacity targets for the 2005 irrigation season. Idaho Power is making this tariff filing with the Commission because the method under

which the Company presently provides electrical service would change for those irrigation Customers participating in the Program.

The 2004 IRP identified the Irrigation Peak Clipping Program as a cost-effective capacity resource and included the Program in its final diversified resource portfolio. The IRP expects that the Program will provide approximately 30 MW of capacity during the summer peak. The irrigation summer load is a major portion of the Company's summer peak demand and, as a result, this Program has been identified to provide load reduction during that critical period.

The Company plans to operate the Program during the calendar months of June, July, and August. The Customers targeted for participation in the Program are those who determine they can have power turned off to specified irrigation equipment for four hours per day for periods of one, two or three times per week without impacting crop yield, the choice of crop planted or the design of the irrigation system. Idaho Power has taken the hot, dry climate of the Company's service territory into consideration in the design of the Program by limiting the number of hours of interruption per weekday and limiting the number of weekly Interruptions to three. Based on input received from various Customers, four hours of interruption per week appears to be a reasonable amount of interruption that can be accommodated without necessitating a change in the type of crop planted, altering the crop yield or requiring a redesign of the irrigation system. Some Customers have determined that due to their existing system configuration and/or crop type, they are able to accommodate two or up to three service interruptions per week.

In proposing the Program, the Company does not wish to create an incentive for irrigators to oversize their systems in order to better manage a multi-hour load reduction. Over-sizing irrigation systems to compensate for the reduction of water applied during the load reduction period would result in a higher peak demand on the irrigator's system during all other periods and would negate the benefits of the Program.

II.

PILOT PROGRAM FINDINGS

The Company successfully operated the Irrigation Peak Clipping Pilot Program over the months of June, July and August during the 2004 irrigation season. The Pilot Program provided valuable information that contributed to the design of the proposed Program.

The Company will provide a detailed report of the Pilot Program findings as specified in Order No. 29462. The report will include a Pilot Program evaluation of the load reduction impacts of the Pilot Program, the results of a participant survey, and a cost-effectiveness analysis of the proposed Program based upon Pilot Program results. The Company plans to provide the final Pilot Program report to the Commission by December 1, 2005.

The Company contracted with Summit Blue Consulting, LLC (Summit Blue) to evaluate the potential load reduction impacts associated with the operation of the Pilot Program. The evaluation showed that the Interruptions resulted in observable load reduction impacts over the three-month summer period. Furthermore, the evaluation provided the Company with an estimate of the average percentage of the Customer's monthly Billing Demand that can be quantified as a reduction in system load

in the form of a "Realization Rate." The evaluation also confirmed the Company's original assumption that under its proposed design, the Program does not result in a net effect on energy consumption for participating Customers. The Summit Blue evaluation served as the basis for the cost-effectiveness analysis and ultimately the overall program design.

The Realization Rate developed by Summit Blue is simply the percentage of the participant's monthly non-coincident peak demand, as measure by the Customer's monthly Billing Demand that can be expected or "realized" during an Interruption event. Summit Blue provided Realization Rates segmented into two-week increments for the months of June, July and August. They also provided average Realization Rates for the entire three-month period segmented by region. Summit Blue also calculated a single, average Realization Rate for the Pilot Program participants as a whole.

The Realization Rate discounts the Customer's non-coincident peak demand to account for free riders, weather, and other behavioral factors that may affect the Customer's monthly load factor. The Realization Rate provides a quantifiable way to predict the load reduction impact of an average Customer and ultimately the Program as a whole. The overall Realization Rate experienced for the Pilot Program was approximately 50 percent, compared to the 80 percent factor that was assumed in the design of the Pilot Program. As a result, the actual load reduction provided per Customer was less than expected. For example, a Customer with a monthly Billing Demand of 100 kW was assumed to provide 80 kW of load reduction during the Pilot

Program. Based on the results of the Pilot Program, 50 kW is the actual load reduction that can be expected for a Customer with a monthly Billing Demand of 100 kW.

The results of the Pilot Program were used to determine the daily load reduction, which can reasonably be expected to result from the Program. The expected daily load reduction was calculated using a four-step process that assumes the average Billing Demand per Customer to be approximately 175 kW and an annual Program participation level of 1,100 total Customers. First, the 1,100 Customers were segmented into each of the four regions included in the Pilot Program which are classified as Eastern, Southern, Central and Western according to the following Pilot Program participant distribution:

- Eastern 35%
- Southern 35%
- Central 15%
- Western 15%

Next, a weighted average Billing Demand was calculated based on the distribution of Customers within each weekly Interruption option. The Pilot Program findings identified the following distribution:

- Option 1 (one interruption per week) 70%
- Option 2 (two interruptions per week) 20%
- Option 3 (three interruptions per week) 10%

The weighted average Billing Demand was then multiplied by the Realization Rate associated with each region to produce a net realizable kW reduction by region. Finally, the net realizable kW reduction by region was multiplied by the number of expected

participants by region. The regional kW amounts were then summed and multiplied by 1/5 to get the total expected daily load reduction of the Program. This calculation yielded an expected seasonal load reduction of 26,600 kW at the meter level and 30,058 kW after accounting for peak line losses of 13 percent.

III.

PROGRAM DESCRIPTION

The Irrigation Peak Clipping Program would be a voluntary program for irrigation Customers that would enable Idaho Power Company to directly address summer peaking requirements by reducing some of the irrigation load which contributes to Idaho Power's summer peak. The Company would install a Timer or Timers on the Customer's electrical panel(s) in order to turn off service to all irrigation pumps at that Metered Service Point. The Company would program the Timers to interrupt electrical service to the irrigation pump(s) on one, two or three regularly scheduled weekdays per week for a four-hour period between 4 P.M. and 8 P.M. These are the hours in which the daily summer peak demand normally occurs. The load reduction provided by each participant will be deemed to equal the Billing Demand for the enrolled Metered Service Point for the applicable billing period.

Participants would receive a Demand Credit for each month they successfully participate in the Program. The monthly Demand Credit would be calculated by multiplying the monthly Billing Demand for the Metered Service Point that is enrolled in the Program by the per kW Demand Credit according to the following schedule:

<u>Option</u>	<u>Demand Credit</u>
1. One weekday, 4:00 P.M. to 8:00 P.M.	\$2.01 per kW of Demand
2. Two weekdays, 4:00 P.M. to 8:00 P.M.	\$2.51 per kW of Demand
3. Three weekdays, 4:00 P.M. to 8:00 P.M.	\$2.76 per kW of Demand

The Incentive may be prorated for the months of June, July and August depending on the irrigation Customer's billing cycle.

Based on a survey of Pilot Program participants, the Demand Credit was identified as being the most important component influencing participation. The Demand Credit amounts proposed under each of the three options for the Program are greater than those in place for the Pilot Program. In addition to the flat monetary increase in the Demand Credits for each option, the differential in the Demand Credits between options has been increased from the Pilot Program level. The increase in the Demand Credit differential between options was designed to provide a greater incentive for Customers to select the multiple day interruption options. The proposed Demand Credit amount still increases at a decreasing rate between options as in the Pilot Program in order to discourage a decreased crop yield or the over-sizing of irrigation equipment. This proposed Demand Credit schedule was also developed to maintain cost-effectiveness for the Program.

Service under the proposed Schedule 23 would be available on an optional basis to the Company's irrigation Customers with a Metered Service Point or Points receiving service under Idaho Power's Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. If a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for interruption on the same weekday

cycle. The Company would retain the sole right to select the load reduction Schedule for each Metered Service Point. Metered Service Points eligible for this Program must provide electric service to irrigation pumps with at least 100 cumulative horsepower.

The Company will make this optional service available to all Idaho Customers taking service under Schedule 24 within the Company's interconnected system. Each eligible Customer who chooses to participate in this optional Program would be required to enter into an annual Uniform Irrigation Peak Clipping Service Application / Agreement ("Agreement") with the Company prior to being accepted into this Program. By entering into the Agreement, the Customer would agree, with prior notice, to grant the Company or its representative permission to enter the Customer's property to install a Timer or Timers on the electrical panel servicing the irrigation equipment that is associated with the Metered Service Point that is enrolled in the Program. The Customer must also allow Idaho Power or its representative reasonable access to the Timer following its installation.

Idaho Power would send potential participants an Agreement and a worksheet listing a Customer's eligible Metered Service Points. Customers interested in the Program would sign and return an Agreement specifying the Metered Service Point(s) to be enrolled in the Program. Customer participation would be at the Company's sole discretion.

If a Customer is selected for participation in the Program, the Company will return a signed Agreement to the Customer specifying which Metered Service Point(s) are accepted into the Program.

IV.

Accounting

The annual cost of the Program as currently designed will be approximately \$1,540,000. Program costs are expected to be incurred according to the following percentages:

- Administration and Promotion 7%
- Capital Equipment and Installation 31%
- Incentives Paid to Customers 62%

The Irrigation Peak Clipping Program was reviewed with the Energy Efficiency Advisory Group (EEAG) at its October 20 meeting. In general, the EEAG supported the implementation of the Program. The Company intends to use Energy Efficiency Rider funds, collected under Idaho Power Schedule 91, to finance this Program.

V.

Cost-Effectiveness Analysis

The Company conducted an analysis of the cost-effectiveness of the Program based on the Pilot Program findings. The analysis yielded a benefit-cost ratio of 1.23 for the first year of operation and a ratio of 1.39 over a 30-year operation period. These ratios were calculated using the Utility Cost Test perspective. According to these ratios, the Program benefits are expected to exceed program costs in all years of operation.

The Program benefit in this analysis was based on the avoided supply cost of a simple-cycle combustion turbine. The estimated program load reduction (calculated using the Realization Rates) was applied to the avoided supply costs on a per kW basis to calculate the Program benefit. The Program benefit and costs were discounted by the

Company's weighted-average cost of capital used for resource acquisition analysis to create the ratios stated above. This analysis method is the same as that utilized in evaluating this Program for inclusion in the 2004 IRP.

VI.

TARIFFS

Attachment No. 1 to this Application is a copy of Idaho Power's proposed Schedule 23 in both "final" and "legislative" format.

VII.

MODIFIED PROCEDURE

The Company believes that consideration by the Commission of the proposals contained in this Application does not require an evidentiary proceeding and, accordingly, the Company requests that this Application be processed under IPUC Rule of Procedure 201 allowing for consideration of issues under modified procedure, i.e., by written submissions rather than by an evidentiary hearing.

VIII.

NOTICES

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

Monica Moen
Idaho Power Company
P. O. Box 70
Boise, Idaho 83707

Timothy Tatum
Idaho Power Company
P. O. Box 70
Boise, Idaho 83707

WHEREFORE, Idaho Power respectfully requests that the Commission approve this Application and the attached proposed Tariff Schedule 23.

DATED this 1st day of November 2004.

A handwritten signature in black ink, appearing to read "Monica Moen". The signature is fluid and cursive, with the first name "Monica" written in a larger, more prominent script than the last name "Moen".

MONICA MOEN
Attorney for Idaho Power Company

ATTACHMENT 1

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

PURPOSE

The Irrigation Peak Clipping Program (the Program) is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off the power to specific irrigation equipment on a regular, pre-scheduled basis with the use of an electronic timer switch (Timer). In exchange for allowing the Company to turn off power to specified irrigation equipment, participating Customers will receive a monthly Demand Credit paid on the basis of the Customer's monthly Billing Demand, at the Customer's metered service point (Metered Service Point).

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. To be eligible for participation in this Program a Metered Service Point must provide electric service to irrigation pumps with at least 100 cumulative horsepower. If a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption on the same weekday cycle.

The Company shall have the right to select and reject Program participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past program participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Clipping Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to install a Timer or Timers on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled in this Program and to allow the Company or its representative reasonable access to the Timer following its installation.

TERM OF AGREEMENT AND TERMINATION

Customers shall be required to execute a new Agreement annually. The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall terminate on December 31 of each calendar year unless otherwise terminated as follows:

1. A Customer may terminate the participation of a Metered Service Point without penalty by notifying the Company or its representative before the Timer has been installed on the Metered Service Point.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
 (Optional)
 (Continued)

TERM OF AGREEMENT AND TERMINATION (Continued)

2. A Customer who terminates the participation of a Metered Service Point prior to satisfactorily participating in the Program through August 31 of each calendar year and who does not satisfy the provisions of item 1 above, shall pay the Company the sum of \$100.00, which sum will be included on the Customer's monthly bill. The Customer's Demand Credit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program.

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load reduction event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:

a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Timer, including labor and other related costs.

b. An early termination fee in the sum of \$100.00 will be applied to the Customer's monthly bill following the termination of participation.

c. The Company will reverse any and all Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

PROGRAM DESCRIPTION

Timer Installation and Service. At the Company's expense, the Company or its representative will install a Timer or Timers on the Customer's electrical panel controlling the irrigation equipment at the Metered Service Point enrolled in the Program. The Company or its representative will set the Timer or Timers to interrupt specified irrigation equipment on a designated weekday or designated weekdays according to the Option selected by the Customer. Each Timer will be set to interrupt electric service over a four-hour period between 4:00 P.M. and 8:00 P.M. on the designated weekday or weekdays during the months of June, July and August in accordance with the Option selected by the Customer.

	<u>Option</u>	<u>Demand Credit</u>
1.	One weekday, 4:00 P.M. to 8:00 P.M.	\$2.01 per kW of Demand
2.	Two weekdays, 4:00 P.M. to 8:00 P.M.	\$2.51 per kW of Demand
3.	Three weekdays, 4:00 P.M. to 8:00 P.M.	\$2.76 per kW of Demand

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)
(Continued)

PROGRAM DESCRIPTION (Continued)

Demand Credit. The Demand Credit is based upon the monthly Billing Demand at a Metered Service Point enrolled in the Program. The monthly Billing Demand will be multiplied by the corresponding Demand Credit for the Option selected by the Customer. This amount will then be prorated for the number of days of the months of June, July or August that fall in a Customer's billing cycle. The Demand Credit will be included on the Customer's monthly bill. The Demand Credit applies to the Billing Demand for the calendar months of June, July and August of each calendar year..

Interruption Schedule. The Company will set each Timer to interrupt service during the weekday hours of 4 P.M. to 8 P.M. Mountain Daylight Savings Time. Each Metered Service Point's Timer will be set to interrupt service on one, two or three regularly scheduled weekdays per week for each week of the months of June, July and August in accordance with the Option selected by the Customer. The Company retains the sole right to select the load reduction weekday(s) for each Metered Service Point. Mass memory meters will be installed on a sample of the participants' Metered Service Points for Program monitoring and evaluation purposes. The sample of Metered Service Points selected for monitoring and evaluation will be chosen at the Company's sole discretion.

Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, the Company will return a signed Agreement to the Customer specifying which Metered Service Point(s) are accepted into the Program. Notification of acceptance into the Program will be mailed to participants.

Early Termination of the Program. Before a selected participant's Timer has been installed, a Customer may decide not to participate in the Program and may terminate the Agreement without penalty by notifying the Company or its representative.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Customer, Energy or Demand Charges associated with a Customer's standard service schedule.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement

THIS AGREEMENT Made this ____ day of _____, _____
between _____ hereinafter called
Customer, whose billing address is _____,
and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho
Street, Boise, Idaho, hereinafter called Company. This Agreement shall expire without notice on
December 31, _____. This Agreement is for the Metered Service Point(s) identified on the attached
worksheet (Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: _____
Phone: _____ Cell Phone: _____
Fax: _____
Email: _____

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Clipping Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified on the Worksheet.

2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Demand Credit amounts are estimates based on the previous year's Billing Demands for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient usage history will be provided an estimated Demand Credit based on the stated cumulative horsepower at the Metered Service Point. The Demand Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the interruption Option selected for each specified Metered Service Point.

3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Timer(s) on the electrical panel that services the Customer's irrigation equipment. The Timer(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement
(Continued)

4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt the specified irrigation equipment at the Metered Service Point(s) enrolled in the Program on the regularly scheduled weekday or weekdays, for the hours of 4:00 P.M. to 8:00 P.M. Mountain Daylight Savings Time. The Company retains the sole right to select the load reduction weekday(s) for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption on the same weekday cycle.

5. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit corresponding to the Option selected by the Customer. The Demand Credit is based upon the Billing Demand for the Metered Service Point(s) specified on the Worksheet, for the three calendar months of June, July and August of each year. The Demand Credit will be paid in the form of a credit on the Customer's monthly bill. The Demand Credit may be prorated for the months of June, July and August depending on the Customer's billing cycle.

6. If the Customer terminates this Agreement prior to the Customer satisfactorily participating in the Program through August 31 of the current calendar year while the Metered Service Point(s) are still connected for service and the Customer remains responsible for paying the bills for electrical service, the Customer agrees to pay the Company the sum of \$100.00, which sum will be included on the Customer's monthly bill. The Customer's Demand Credit for the month of termination shall be prorated for the number of days in that month that the Customer is a participant in good standing in the Program.

7. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load reduction event at a Metered Service Point(s), the Agreement as it applies to that Metered Service Point will be automatically terminated. The Customer will also be required to reimburse the Company for all costs of replacement or repair of the Timer, including labor and other related costs, pay the Company the sum of \$100.00 which sum will be included on the Customer's monthly bill and the Company will reverse any Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

8. The Company's Schedule 23, any revisions to that schedule and any/or successor Schedule are to be considered part of this Agreement.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement
(Continued)

9. This Agreement and the rates, terms and conditions of service set forth or incorporated herein and the respective rights and obligations of the Parties hereunder shall be subject to valid laws and to the regulatory authority and orders, rules and regulations of the Idaho Public Utilities Commission and such other administrative bodies having jurisdiction.

10. Nothing herein shall be construed as limiting the Idaho Public Utilities Commission from changing any terms, rates, charges, classification of service or any rules, regulations or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Customer to unilaterally make application to the Commission for any such change.

11. In any action at law or equity under this Agreement and upon which judgment is rendered, the prevailing Party, as part of such judgment, shall be entitled to recover all costs, including reasonable attorneys fees, incurred on account of such action.

12. The Company retains the sole right to select and reject the participants to receive service under Schedule 23. The Company retains the sole right for its employee and its representatives to install or not install Timers on the Customer's electrical panel at the time of installation depending on, but not limited to, safety, reliability, or other issues that may not be in the best interest of Idaho Power, its employees or its representatives.

13. Under no circumstances shall the Company or any subsidiary, affiliates or parent Company be held liable to the Customer or any other party for damages or for any loss, whether direct, indirect, consequential, incidental, punitive or exemplary resulting from the Program or from the Customer's participation in the Program. The Customer assumes all liability and agrees to indemnify and hold harmless the Company and its subsidiaries, affiliates and parent company for personal injury, including death, and for property damage caused by the Customer's decision to participate in the Program and to reduce loads.

The Company makes no warranty of merchantability or fitness for a particular purpose with respect to the Timer and any and all implied warranties are disclaimed.

(Appropriate Signatures)

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PILOT PROGRAM
(Optional)

PURPOSE

The Irrigation Peak Clipping ~~Pilot Program~~ (the Program) is ~~intended to test the viability of decreasing the Company's system summer peak with the use of electronic timer switches (Timer) to turn off power to selected irrigation equipment during peak weekday hours in the summer months.~~ The Program is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off the power to specific irrigation equipment on a regular, pre-scheduled basis with the use of an electronic timer switch (Timer). In exchange for allowing the Company to turn off power to specified irrigation equipment, participating Customers will receive a monthly ~~monetary incentive Demand Credit~~ paid on the basis of the kW of load reduction, as measured by the Customer's monthly Billing Demand, at the Customer's metered service point (Metered Service Point). ~~The Program will be piloted during the 2004 irrigation season and will expire on October 1, 2004, unless extended by the Company.~~

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. ~~Metered Service Points~~ To be eligible for participation in this Program a Metered Service Point must provide electric service to irrigation pumps with at least 100 cumulative horsepower. If a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption on the same weekday cycle. Metered Service Points eligible for this Program must provide electric service to irrigation pumps with at least 150 cumulative horsepower. The Company will make this optional service available to up to 50 Metered Service Points in each of four areas of the Company's service territory. Customers will be selected from the Kuna/Melba/Nampa area, the Mountain Home/Bruneau/Grand View area, the Rupert/Paul area, and the American Falls area of Idaho Power's service territory. A total of not more than 200 Metered Service Points will be selected for this Program.

The Company shall have the right to select and reject Program participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past program participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

~~The Company may choose to accept Metered Service Points for participation based on demand, location, size of pump(s) or other factors aimed at creating a diverse participation in the Program. The Company may also choose to solicit participants to fill any vacancies caused by attrition in order to maintain the participation objectives. The Company retains the sole right to select and reject the participants under this schedule.~~

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Clipping Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to install a Timer or

Timers on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled ~~on~~ in this Program and to allow the Company or its representative reasonable access to the Timer following its installation.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PILOT PROGRAM
 (Optional)
 (Continued)

TERM OF AGREEMENT AND TERMINATION

Customers shall be required to execute a new Agreement annually. The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall terminate on December 31, 2004 of each calendar year unless otherwise terminated as follows:

1. A Customer may terminate the participation of a Metered Service Point without penalty by notifying the Company or its representative before the Timer has been installed on the Metered Service Point.

2. A Customer who terminates the participation of a Metered Service Point prior to satisfactorily participating in the Program until through August 31, 2004 of each calendar year and who does not satisfy the provisions of item 1 above, shall pay the Company the sum of \$100.00, which sum will be included on the Customer's monthly bill. The Customer's ~~load control service~~ Demand eCredit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program.

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load reduction event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will also be required to reimburse the subject to each of the following:

a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Timer, including labor and other related costs.

b. An early termination fee in the sum of \$100.00 will be applied to the Customer's monthly bill following the termination of participation. ~~pay the Company the sum of \$100.00 which sum will be included on the Customer's monthly bill and the Company will~~

c. The Company will reverse any and all load control service Demand eCredits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

PROGRAM DESCRIPTION

Timer Installation and Service. At the Company's expense, the Company or its representative will install a Timer or Timers on the Customer's electrical panel controlling the irrigation equipment at the Metered Service Point enrolled in the Program. The Company or its representative will set the Timer or Timers to interrupt electric service specified irrigation equipment on a designated weekday or designated weekdays according to the Option selected by the Customer. Each Timer will be set to interrupt electric service ~~for over~~ a four-hour period between 4:00 P.M. and 8:00 P.M. on the designated weekday or weekdays during the months of June, July, and August, in accordance with the Option selected by the Customer.

<u>Option</u>	<u>IncentiveDemand Credit</u>
1. One weekday, 4:00 P.M. to 8:00 P.M.	\$1.75 <u>2.01</u> per kW of Demand
2. Two weekdays, 4:00 P.M. to 8:00 P.M.	\$1.88 <u>2.51</u> per kW of Demand
3. Three weekdays, 4:00 P.M. to 8:00 P.M.	\$2.00 <u>2.76</u> per kW of Demand

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PILOT PROGRAM
(Optional)
(Continued)

PROGRAM DESCRIPTION (Continued)

~~Load Control Service Demand Credit.~~ The load control service Demand Credit applies to the load reduction as measured by the Billing Demand of the specific Metered Service Point enrolled in the Program. ~~It is based upon the monthly Billing Demand of at a Metered Service Point enrolled on in the Program. The monthly Billing Demand will be multiplied by the corresponding Incentive Demand Credit for the Option selected by the Customer. This amount will then be prorated for the number of days of the months of June, July or August that fall in a Customer's Billing Cycle. The load control service Demand Credit will be included on the Customer's monthly bill. The load control service Demand Credit applies to the Billing Demand for the calendar months of June, July and August of each calendar year. 2004.~~

~~Load Control Hours Interruption Schedule.~~ The Company will set each Timer to interrupt service during the weekday hours of 4 P.M.p.m. to 8 P.M.p.m. Mountain Daylight Savings Time. Each Metered Service Point's Timer will be set to interrupt service on one, two, or three regularly scheduled weekdays per week for each week of the months of June, July and August 2004 in accordance with the Option selected by the Customer. The Company retains the sole right to select the load reduction weekday(s) for each Metered Service Point. Mass memory meters will be installed on a sample of the participant's s' Metered Service Points for Program monitoring and evaluation purposes. The sample of Metered Service Points selected for monitoring and evaluation will be chosen at the Company's sole discretion.

~~Notification of Load Control Schedule Program Acceptance.~~ An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, the Company will return a signed Agreement to the Customer specifying which Metered Service Point(s) are accepted into the Program. ~~Notification of acceptance into the Program will be mailed to participants. The Company's goal is to have sufficient time to enroll Customers and install all Timers by June 1, 2004. Customers may be enrolled in the Program after June 1, 2004 to achieve desired participation levels, but no later than July 1, 2004.~~

~~Early Termination of the Program.~~ Before a selected participant's Timer has been installed, a Customer may decide not to participate in the Program and may terminate the Agreement without penalty by notifying the Company or its representative.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Customer, Energy or Demand Charges associated with a Customer's standard service schedule.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PILOT PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement

THIS AGREEMENT Made this _____ day of _____, 2004, _____ between _____ hereinafter called Customer, whose billing address is _____, and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho Street, Boise, Idaho, hereinafter called Company. This Agreement shall expire without notice on December 31, _____ This Agreement is for the Metered Service Point(s) identified on the attached worksheet (Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: _____
Phone: _____ Cell Phone: _____
Fax: _____
Email: _____

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Clipping Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified ~~in~~ on the Worksheet.
2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Incentive Demand Credit amounts are estimates based on 2003—the previous year's Billing Demands for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient usage history will be provided an estimated Demand Credit based on the stated cumulative horsepower at the Metered Service Point. The Demand Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the interruption Option selected for each specified Metered Service Point.
3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Timer(s) on the electrical panel that services the Customer's irrigation equipment. The Timer(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PILOT PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement
(Continued)

4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt ~~electric service~~ the specified irrigation equipment ~~to~~ at the Metered Service Point(s) enrolled in the Program on the regularly scheduled weekday or weekdays, for the hours of 4:00 ~~P.M., p.m.~~ to 8:00 ~~P.M., p.m.~~ Mountain Daylight Savings Time. The Company retains the sole right to select the load reduction weekday(s) for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption on the same weekday cycle.

5. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the ~~Incentive Demand Credit~~ Incentive Demand Credit corresponding to the Option selected by the Customer. The ~~Incentive Demand Credit~~ Incentive Demand Credit is based upon each kW per month of load reduction measured by the Billing Demand for the Metered Service Point(s) specified on the Worksheet, for the three calendar months of June, July and August of each year, 2004. The ~~Incentive Demand Credit~~ Incentive Demand Credit will be paid in the form of a credit on the Customer's monthly bill. The ~~Incentive Demand Credit~~ Incentive Demand Credit may be prorated for the months of June, July and August 2004 depending on the Customer's billing cycle.

6. If the Customer terminates this Agreement prior to the Customer satisfactorily participating in the Program through ~~October 1, August 31, 2004~~ of the current calendar year while the Metered Service Point(s) are still connected for service and the Customer remains responsible for paying the bills for electrical service, the Customer agrees to pay the Company the sum of \$100.00, which sum will be included on the Customer's monthly bill. The Customer's ~~Incentive Demand Credit~~ Incentive Demand Credit for the month of termination shall be prorated for the number of days in that month that the Customer is a participant in good standing in the Program.

7. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load reduction event at a Metered Service Point(s), the Agreement as it applies to that Metered Service Point will be automatically terminated. The Customer will also be required to reimburse the Company for the all costs of replacement or repair of the Timer, including labor and other related costs, pay the Company the sum of \$100.00 which sum will be included on the Customer's monthly bill and the Company will reverse any ~~Incentive Demand Credits~~ Incentive Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

8. The Company's Schedule 23, any revisions to that schedule and any/or successor Schedule are to be considered part of this Agreement.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PILOT PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement
(Continued)

9. This Agreement and the rates, terms and conditions of service set forth or incorporated herein and the respective rights and obligations of the Parties hereunder shall be subject to valid laws and to the regulatory authority and orders, rules and regulations of the Idaho Public Utilities Commission and such other administrative bodies having jurisdiction.

10. Nothing herein shall be construed as limiting the Idaho Public Utilities Commission from changing any terms, rates, charges, classification of service or any rules, regulations or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Customer to unilaterally make application to the Commission for any such change.

11. In any action at law or equity under this Agreement and upon which judgment is rendered, the prevailing Party, as part of such judgment, shall be entitled to recover all costs, including reasonable attorneys fees, incurred on account of such action.

12. The Company retains the sole right to select and reject the participants to receive service under Schedule 23. The Company retains the sole right for its employee and its representatives to install or not install Timers on the Customer's electrical panel at the time of installation depending on, but not limited to, safety, reliability, or other issues that may not be in the best interest of Idaho Power, its employees, or its representatives.

13. Under no circumstances shall the Company or any subsidiary, affiliates or parent Company be held liable to the Customer or any other party for damages or for any loss, whether direct, indirect, consequential, incidental, punitive, or exemplary resulting from ~~Peak Clipping~~ the Program or from the Customer's participation in the Program. The Customer assumes all liability and agrees to indemnify and hold harmless the Company and its subsidiaries, affiliates and parent company for personal injury, including death, and for property damage caused by the Customer's decision to participate in the Program and to reduce loads.

The Company makes no warranty of merchantability or fitness for a particular purpose with respect to the Timer and any and all implied warranties are disclaimed.

(Appropriate Signatures)

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

PURPOSE

The Irrigation Peak Clipping Program (the Program) is an optional, supplemental service that permits participating agricultural irrigation Customers taking service under Schedule 24 to allow the Company to turn off the power to specific irrigation equipment on a regular, pre-scheduled basis with the use of an electronic timer switch (Timer). In exchange for allowing the Company to turn off power to specified irrigation equipment, participating Customers will receive a monthly Demand Credit paid on the basis of the Customer's monthly Billing Demand, at the Customer's metered service point (Metered Service Point).

AVAILABILITY

Service under this schedule is available on an optional basis to Customers with a Metered Service Point or Points receiving service under Schedule 24 where the Metered Service Point serves a water pumping or water delivery system used to irrigate agricultural crops or pasturage. To be eligible for participation in this Program a Metered Service Point must provide electric service to irrigation pumps with at least 100 cumulative horsepower. If a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption on the same weekday cycle.

The Company shall have the right to select and reject Program participants at its sole discretion based on criteria the Company considers necessary to ensure the effective operation of the Program. Selection criteria may include, but will not be limited to, Billing Demand, location, pump horsepower, pumping system configuration, or electric system configuration. Past program participation does not ensure selection into the Program in future years. Participation may be limited based upon the availability of Program equipment and funding.

Each eligible Customer who chooses to take service under this optional schedule is required to enter into a Uniform Irrigation Peak Clipping Service Application/Agreement (Agreement) with the Company prior to being served under this schedule. The Agreement will grant the Company or its representative permission, on reasonable notice, to enter the Customer's property to install a Timer or Timers on the electrical panel servicing the irrigation equipment associated with the Metered Service Points that are enrolled in this Program and to allow the Company or its representative reasonable access to the Timer following its installation.

TERM OF AGREEMENT AND TERMINATION

Customers shall be required to execute a new Agreement annually. The term of the Agreement, as it applies to each Metered Service Point accepted for participation, shall commence on the date the Agreement is signed by both the Customer and the Company and shall terminate on December 31 of each calendar year unless otherwise terminated as follows:

1. A Customer may terminate the participation of a Metered Service Point without penalty by notifying the Company or its representative before the Timer has been installed on the Metered Service Point.

IDAHO

Issued - November 1, 2004

Effective - December 1, 2004

Issued by IDAHO POWER COMPANY

John R. Gale, Vice President, Regulatory Affairs

1221 West Idaho Street, Boise, Idaho

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
 (Optional)
 (Continued)

TERM OF AGREEMENT AND TERMINATION (Continued)

2. A Customer who terminates the participation of a Metered Service Point prior to satisfactorily participating in the Program through August 31 of each calendar year and who does not satisfy the provisions of item 1 above, shall pay the Company the sum of \$100.00, which sum will be included on the Customer's monthly bill. The Customer's Demand Credit shall be prorated for the number of days in that month the Customer satisfactorily participated in the Program.

3. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load reduction event at a Metered Service Point, the Agreement as it applies to that Metered Service Point will be automatically terminated. In addition, the Customer will be subject to each of the following:

a. The Customer will be required to reimburse the Company for the cost of replacement or repair of the Timer, including labor and other related costs.

b. An early termination fee in the sum of \$100.00 will be applied to the Customer's monthly bill following the termination of participation.

c. The Company will reverse any and all Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.

Note: A service disconnection for any reason does not terminate the Agreement.

PROGRAM DESCRIPTION

Timer Installation and Service. At the Company's expense, the Company or its representative will install a Timer or Timers on the Customer's electrical panel controlling the irrigation equipment at the Metered Service Point enrolled in the Program. The Company or its representative will set the Timer or Timers to interrupt specified irrigation equipment on a designated weekday or designated weekdays according to the Option selected by the Customer. Each Timer will be set to interrupt electric service over a four-hour period between 4:00 P.M. and 8:00 P.M. on the designated weekday or weekdays during the months of June, July and August in accordance with the Option selected by the Customer.

<u>Option</u>	<u>Demand Credit</u>
1. One weekday, 4:00 P.M. to 8:00 P.M.	\$2.01 per kW of Demand
2. Two weekdays, 4:00 P.M. to 8:00 P.M.	\$2.51 per kW of Demand
3. Three weekdays, 4:00 P.M. to 8:00 P.M.	\$2.76 per kW of Demand

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)
(Continued)

PROGRAM DESCRIPTION (Continued)

Demand Credit. The Demand Credit is based upon the monthly Billing Demand at a Metered Service Point enrolled in the Program. The monthly Billing Demand will be multiplied by the corresponding Demand Credit for the Option selected by the Customer. This amount will then be prorated for the number of days of the months of June, July or August that fall in a Customer's billing cycle. The Demand Credit will be included on the Customer's monthly bill. The Demand Credit applies to the Billing Demand for the calendar months of June, July and August of each calendar year..

Interruption Schedule. The Company will set each Timer to interrupt service during the weekday hours of 4 P.M. to 8 P.M. Mountain Daylight Savings Time. Each Metered Service Point's Timer will be set to interrupt service on one, two or three regularly scheduled weekdays per week for each week of the months of June, July and August in accordance with the Option selected by the Customer. The Company retains the sole right to select the load reduction weekday(s) for each Metered Service Point. Mass memory meters will be installed on a sample of the participants' Metered Service Points for Program monitoring and evaluation purposes. The sample of Metered Service Points selected for monitoring and evaluation will be chosen at the Company's sole discretion.

Notification of Program Acceptance. An interested Customer must sign and return to the Company an Agreement specifying the Metered Service Point(s) to be included in the Program. If a Customer is selected for participation in the Program, the Company will return a signed Agreement to the Customer specifying which Metered Service Point(s) are accepted into the Program. Notification of acceptance into the Program will be mailed to participants.

Early Termination of the Program. Before a selected participant's Timer has been installed, a Customer may decide not to participate in the Program and may terminate the Agreement without penalty by notifying the Company or its representative.

SPECIAL CONDITIONS

The provisions of this schedule do not apply for any time period that the Company interrupts the Customer's load for a system emergency or any other time that a Customer's service is interrupted by events outside the control of the Company. The provisions of this schedule will not affect the calculation or rate of the regular Customer, Energy or Demand Charges associated with a Customer's standard service schedule.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement

THIS AGREEMENT Made this ____ day of _____, _____
between _____ hereinafter called
Customer, whose billing address is _____,
and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho
Street, Boise, Idaho, hereinafter called Company. This Agreement shall expire without notice on
December 31, _____. This Agreement is for the Metered Service Point(s) identified on the attached
worksheet (Worksheet):

The Customer designates the following person as the Customer's authorized contact:

Authorized Contact: _____
Phone: _____ Cell Phone: _____
Fax: _____
Email: _____

NOW, THEREFORE, The Parties agree as follows:

1. The Uniform Irrigation Peak Clipping Service Application/Agreement must be signed by the Customer and the Customer must be the person who is responsible for paying bills for retail electric service provided by the Company at the Metered Service Point(s) identified on the Worksheet.
2. The Customer understands that the information concerning the Metered Service Point(s) on the Worksheet is based on the best information currently available to the Company. The Demand Credit amounts are estimates based on the previous year's Billing Demands for the Metered Service Point(s) specified on the Worksheet. Customers without sufficient usage history will be provided an estimated Demand Credit based on the stated cumulative horsepower at the Metered Service Point. The Demand Credit estimates are provided for illustration purposes. The Customer agrees to specify which Metered Service Point(s) listed on the Worksheet the Customer wishes to enroll in the Program and the interruption Option selected for each specified Metered Service Point.
3. From time to time during the term of this Agreement and with prior reasonable notice from the Company, the Customer shall permit the Company or its representative to enter the Customer's property on which the enrolled Metered Service Point(s) are located to permit the Company or its representative to install, service, maintain and/or remove Timer(s) on the electrical panel that services the Customer's irrigation equipment. The Timer(s) may remain in place on the Customer's property upon termination of the Agreement unless the Customer specifically requests removal.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement
(Continued)

4. The Customer understands and acknowledges that by participating in the Program, the Company shall, at its sole discretion, have the ability to interrupt the specified irrigation equipment at the Metered Service Point(s) enrolled in the Program on the regularly scheduled weekday or weekdays, for the hours of 4:00 P.M. to 8:00 P.M. Mountain Daylight Savings Time. The Company retains the sole right to select the load reduction weekday(s) for each Metered Service Point. The Customer also understands and acknowledges that if a Metered Service Point provides electricity to more than one irrigation pump, each pump will be scheduled for service interruption on the same weekday cycle.
5. For the Customer's satisfactory participation in the Program, the Company agrees to pay the Customer the Demand Credit corresponding to the Option selected by the Customer. The Demand Credit is based upon the Billing Demand for the Metered Service Point(s) specified on the Worksheet, for the three calendar months of June, July and August of each year. The Demand Credit will be paid in the form of a credit on the Customer's monthly bill. The Demand Credit may be prorated for the months of June, July and August depending on the Customer's billing cycle.
6. If the Customer terminates this Agreement prior to the Customer satisfactorily participating in the Program through August 31 of the current calendar year while the Metered Service Point(s) are still connected for service and the Customer remains responsible for paying the bills for electrical service, the Customer agrees to pay the Company the sum of \$100.00, which sum will be included on the Customer's monthly bill. The Customer's Demand Credit for the month of termination shall be prorated for the number of days in that month that the Customer is a participant in good standing in the Program.
7. If there is evidence of alteration, tampering, or otherwise interfering with the Company's ability to initiate a load reduction event at a Metered Service Point(s), the Agreement as it applies to that Metered Service Point will be automatically terminated. The Customer will also be required to reimburse the Company for all costs of replacement or repair of the Timer, including labor and other related costs, pay the Company the sum of \$100.00 which sum will be included on the Customer's monthly bill and the Company will reverse any Demand Credits applied to the Customer's monthly bill(s) for the Metered Service Point as a result of the Customer's participation in the Program during the current year.
8. The Company's Schedule 23, any revisions to that schedule and any/or successor Schedule are to be considered part of this Agreement.

SCHEDULE 23
IRRIGATION PEAK CLIPPING
PROGRAM
(Optional)

Uniform Irrigation Peak Clipping Service
Application/Agreement
(Continued)

9. This Agreement and the rates, terms and conditions of service set forth or incorporated herein and the respective rights and obligations of the Parties hereunder shall be subject to valid laws and to the regulatory authority and orders, rules and regulations of the Idaho Public Utilities Commission and such other administrative bodies having jurisdiction.

10. Nothing herein shall be construed as limiting the Idaho Public Utilities Commission from changing any terms, rates, charges, classification of service or any rules, regulations or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Customer to unilaterally make application to the Commission for any such change.

11. In any action at law or equity under this Agreement and upon which judgment is rendered, the prevailing Party, as part of such judgment, shall be entitled to recover all costs, including reasonable attorneys fees, incurred on account of such action.

12. The Company retains the sole right to select and reject the participants to receive service under Schedule 23. The Company retains the sole right for its employee and its representatives to install or not install Timers on the Customer's electrical panel at the time of installation depending on, but not limited to, safety, reliability, or other issues that may not be in the best interest of Idaho Power, its employees or its representatives.

13. Under no circumstances shall the Company or any subsidiary, affiliates or parent Company be held liable to the Customer or any other party for damages or for any loss, whether direct, indirect, consequential, incidental, punitive or exemplary resulting from the Program or from the Customer's participation in the Program. The Customer assumes all liability and agrees to indemnify and hold harmless the Company and its subsidiaries, affiliates and parent company for personal injury, including death, and for property damage caused by the Customer's decision to participate in the Program and to reduce loads.

The Company makes no warranty of merchantability or fitness for a particular purpose with respect to the Timer and any and all implied warranties are disclaimed.

(Appropriate Signatures)