

IDAHO PUBLIC UTILITIES COMMISSION

Case No. IPC-E-05-13, Order No. 29764

April 26, 2005

Contact: Gene Fadness (208) 334-0339

Website: www.puc.idaho.gov

Idaho Power seeks contract from Montana hydro project

Boise – Idaho Power Co. is asking the Idaho Public Utilities Commission to approve a 20-year contract to buy power from a hydroelectric project near Toston, Montana, southeast of Helena.

Dry Creek LLC, which leases and operates the Broadwater Hydroelectric Project, a 10-megawatt facility, would sell Idaho Power energy from the project for nine months of the year, from June through February. The manager of Dry Creek is Ted Sorenson of Idaho Falls.

The project qualifies as a small-power production facility under the provisions of PURPA, the Public Utility Regulatory Policies Act of 1978. PURPA, passed during the energy crisis of the late 1970s is to encourage development of renewable energy technologies as alternatives to burning fossil fuels or constructing new power plants. The federal act requires that electric utilities offer to buy power produced by small power producers or cogenerators who obtain Qualifying Facility (QF) status. The rate to be paid to project developers is to be equal to the cost the electric utility avoids if it would have had to generate the power itself or purchase it from another source.

The hydroelectric project is located in NorthWestern Energy's service territory. Under the proposed agreement, Dry Creek would be required to pay all costs associated with integrating the hydroelectric project's energy deliveries into the Idaho Power system.

The commission will proceed under a modified procedure that allows the case to be handled through written public comments rather than by public hearing. However, comments may request a public hearing. Those wishing to submit comments must do so by no later than May 16. Comments are accepted via e-mail by accessing the commission's homepage at www.puc.idaho.gov and clicking on "Comments & Questions." Fill in the case number (IPC-E-05-13) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

A full text of the commission's order, along with other documents related to this case, are also available on the commission's Web site. Click on "File Room" and then on "Electric Cases" and scroll down to the above case number.