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IDAHO PUBLIC
UTILITIES COMMISSION

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)
IDAHO POWER COMPANY FOR APPROVAL)
OF A SCHEDULE 86, NON FIRM ENERGY)
SALES AGREEMENT FOR THE SALE AND)
PURCHASE OF NON FIRM ELECTRIC)
ENERGY BETWEEN IDAHO POWER)
COMPANY AND J.M. MILLER)
ENTERPRISES, INC)
_____)

CASE NO. IPC-E-05-25

APPLICATION

COMES NOW Idaho Power Company ("Idaho Power" or the "Company") and hereby requests that the Commission issues its Order approving a Uniform Agreement under Schedule 86 between Idaho Power and J. M. Miller Enterprises, Inc. ("Miller") for the purchase of non-firm energy dated September 7, 2005 ("Agreement").

1. Miller is developing a 500 kW hydroelectric generation project near Twin Falls, Idaho (the "Project"). The Project will be a qualified small power production facility under the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA").

2. Idaho Power and Miller have entered into the Agreement pursuant to Idaho Power's IPUC-approved Schedule 86, Cogeneration Small Power Production Non-

Firm Energy. The purchase price will be in accordance with Schedule 86. A copy of the Agreement is attached hereto as Exhibit A.

3. Section 8 of the Agreement provides that the Agreement shall not become effective until the Commission approves all terms and provisions thereof without change or condition and declares that all payments to be made hereunder shall be allowed as prudently incurred expenses for ratemaking purposes.

4. The Project has been under construction for the past two years. It's estimated Operation Date is October 15, 2005. Idaho Power is currently working with the Project to complete the necessary documentation and construction of interconnection equipment in accordance with the terms of the Agreement. As of the date of this Application, the Project appears to be on schedule to energize the Project, provided water is available, on the on the estimated Operation Date.

5. The Agreement, as signed and submitted by the parties, contains non-firm energy rates in conformance with posted tariffs and applicable Commission orders.

6. Service List. Service of pleadings, exhibits, orders and other documents relating to this proceeding should be served on the following:

Monica B. Moen, Attorney II
Barton L. Kline, Senior Attorney
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707

Randy C. Allphin
Contract Administrator
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707

NOW, THEREFORE, based on the foregoing, Idaho Power Company hereby requests that the Commission issue its Order:

(1) Approving the Schedule 86, Non-Firm Energy Sales Agreement between Idaho Power Company and J. M. Miller Enterprises, Inc. without change or condition; and

(2) Declaring that all payments for purchases of energy under the Non-Firm Energy Sales Agreement between Idaho Power Company and J. M. Miller Enterprises, Inc. be allowed as prudently incurred expenses for ratemaking purposes.

Respectfully submitted this 9th day of September 2005.



MONICA B. MOEN
Attorney for Idaho Power Company

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 9th day of September 2005, I served a true and correct copy of the within and foregoing APPLICATION upon the following named parties by the method indicated below, and addressed to the following:

James M. Miller
J. M. Miller Enterprises, Inc.
P. O. Box 1
Filer, ID 83328

<input type="checkbox"/>	Hand Delivered
<input checked="" type="checkbox"/>	U.S. Mail
<input type="checkbox"/>	Overnight Mail
<input type="checkbox"/>	FAX



MONICA B. MOEN

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-05-25

IDAHO POWER COMPANY

EXHIBIT 1

**IDAHO POWER COMPANY
SCHEDULE 86
UNIFORM AGREEMENT**

For the Purchase of Non-Firm Energy From Qualifying Facilities

THIS AGREEMENT made this 7th day of September, 2005, between J. M. Miller Enterprises, Inc. whose mailing address is P.O. Box #1, Filer Idaho 83328 hereinafter called Seller and IDAHO POWER COMPANY, a corporation with its principal office located at 1221 West Idaho Street, Boise, Idaho hereafter called "Company".

NOW, THEREFORE, The parties agree as follows:

1. Company shall purchase Energy produced by the Seller's Qualifying Facility located at or near Near Twin Falls, nearest intersection 4400 N, 2100E, County of Twin Falls State of Idaho, located in the NE ¼ of Section 13 Township 9S, Range 15E, BM, in the form of three phase 60 Hz and at a nominal phase to phase potential of 46,500 volts, subject to emergency operating conditions of the Company. Purchases under this Agreement are subject to the Company's applicable Tariff provisions, including but not limited to Schedules 86 and 72 approved by and as may be hereafter modified by the Idaho Public Utilities Commission ("Commission") and the provisions of this Agreement.
2. Seller shall pay Company for all costs of Interconnection Facilities as provided for in Exhibit A of this Agreement and Schedule 72.
3. In addition to the charges provided under Paragraph 2, Seller shall pay to the Company the monthly Operations and Maintenance Charge specified in Schedule 72 on the Investment by the Company in Interconnection Facilities which investment is set forth in Exhibit A, attached hereto and made a part hereof. As such investment changes, in order to provide facilities to serve Seller's requirements, Company shall notify Seller in writing of additions or deletions of facilities by forwarding a dated revised Exhibit A, which shall become part of this Agreement. The monthly Operation & Maintenance Charge will be adjusted to correspond to the Revised Exhibit A.
4. The initial date of acceptance of Energy under this Agreement is subject to the Company's ability to obtain required labor, materials, equipment, satisfactory rights of way, and comply with governmental regulations.
5. The term of this Agreement shall become effective on the date first above written, and shall continue to full force and effect until canceled by Seller upon sixty (60) days prior written notice.
6. 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 Commission and such other administrative bodies having jurisdiction.
7. Nothing herein shall be construed as limiting the Commission from changing any rates, charges, classification or service, or any rules, regulation or conditions relating to service under this Agreement, or construed as affecting the right of the Company or the Seller to unilaterally make application to the commission for any such change.
8. This Agreement shall not become effective until the Commission approves all terms and provisions hereof without change or condition and declares that all payments to be made hereunder shall be allowed as prudently incurred expenses for ratemaking purposes.

J.M. MILLER ENTERPRISES, INC

(Seller)

BY

ITS

DATED

James M. Miller
President

Sept. 1, 2005

IDAHO POWER COMPANY

BY

DATED

Jim C. Miller, Sr. Vice President, Power Supply

SEPT 7, 2005

EXHIBIT A

SPECIAL FACILITIES, POINT OF DELIVERY AND METERING

PROJECT NUMBER - 31617100

SAHKO SMALL HYDROELECTRIC PROJECT

A-1 DESCRIPTION OF FACILITY

The Facility will consist of a single 500 kW, Westinghouse synchronous generator.

A-2 LOCATION OF FACILITY

Near: Twin Falls, Idaho – NE ¼ of Section 13, Township 9S, Range 15E, Boise Meridian, Twin Falls County.

A-3 SCHEDULED FIRST ENERGY AND OPERATION DATE

Seller has selected October 15, 2005 as the estimated Scheduled Operation Date.

Idaho Power, based on the information supplied by the Seller, will schedule its construction in accordance with Schedule 72 and the Generation Interconnection Process.

A-4 MAXIMUM CAPACITY AMOUNT: This value will be 500 kW which is consistent with the value provided by the Seller to Idaho Power in the Generation Interconnection process. This value is the maximum energy (MW) that potentially could be delivered by the Seller's Facility to the Idaho Power electrical system at any moment in time.

A-5 POINT OF DELIVERY

"Point of Delivery" means, unless otherwise agreed by both Parties, the point of where the Sellers Facility's energy is delivered to the Idaho Power electrical system. The Idaho Power Generation Interconnection process will determine the specific Point of Delivery for this Facility. Upon completion of the Generation Interconnection process the Point of Delivery identified by this process will become an integral part of this Agreement.

A-6 LOSSES

If the Idaho Power Metering equipment is capable of measuring the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, no Losses will be calculated for this Facility. If the Idaho Power Metering is unable to measure the exact energy deliveries by the Seller to the Idaho Power electrical system at the Point of Delivery, a Losses calculation will be established to measure the energy losses (kWh) between the Seller's Facility and the Idaho Power Point of Delivery. This loss calculation will be initially set at 2% of the kWh energy production recorded on the Facility generation metering equipment. At such time as Seller provides Idaho Power with the electrical equipment specifications (transformer loss specifications, conductor sizes, etc) of all of the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power will configure a revised loss calculation formula to be agreed to by both parties and used to calculate the kWh Losses for the remaining term of the Agreement. If at anytime during the term of this Agreement, Idaho Power determines that the loss calculation does not correctly reflect the actual kWh losses attributed to the electrical equipment between the Facility and the Idaho Power electrical system, Idaho Power may adjust the calculation and retroactively adjust the previous months kWh loss calculations.

A-7 METERING

The Idaho Power Generation Interconnection process will determine the specific metering requirements for this Facility. At the minimum the Metering Equipment must be able to provide and record energy deliveries to the Point of Delivery in a manner that provided adequate energy delivery data to administer this Agreement. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this

Agreement. Idaho Power provided equipment will be owned and maintained by Idaho Power, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to Idaho Power by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total metering cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

A-8 SPECIAL FACILITIES

The Idaho Power Generation Interconnection process will determine the Special Facility requirements for this Facility. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Idaho Power owned equipment will be maintained by Idaho Power, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to Idaho Power by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total Special Facility cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

A-9 REACTIVE POWER

The Idaho Power Generation Interconnection process will determine the reactive power required to be supplied by Idaho Power to the Seller, based upon information provided by the Seller. The Generation Interconnection process will specify the equipment required on the Idaho Power system to meet the Facility's reactive power requirements. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. The entire Generation Interconnection process, including

but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Idaho Power owned equipment will be maintained by Idaho Power, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to Idaho Power by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total reactive power cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

A-10 DISCONNECTION EQUIPMENT

Disconnection Equipment is required to insure that the Seller's Facility will be disconnected from Idaho Power's system in the event of (1) the Seller's delivery of energy exceeds the Maximum Capacity Amount or (2) Idaho Power or the Seller require interruption or curtailment of energy deliveries to Idaho Power or (3) a disturbance on either Idaho Power's system or the Seller's Facility. The Idaho Power Generation Interconnection process will determine the Disconnection Equipment specifications and requirements for this Facility, this equipment is for protection of the Idaho Power system and equipment only. These specifications will include but not be limited to equipment specifications, equipment location, Idaho Power provided equipment, Seller provided equipment, and all costs associated with the equipment, design and installation of the Idaho Power provided equipment. Seller will install all Seller provided equipment, control wire and conduit necessary for the operation of the Disconnection Equipment. Through the Generation Interconnection process, Idaho Power will supply details for the disconnection panel and will test the equipment prior to any operations of the Facility, Seller will provide drawings of their interconnection wiring for engineering approval prior to installation. The entire Generation Interconnection process, including but not limited to the equipment specifications and requirements will become an integral part of this Agreement. Idaho Power owned equipment will be maintained by Idaho Power, with total cost of purchase, installation, operation, and maintenance, including administrative cost to be reimbursed to Idaho Power by the Seller. Payment of these costs will be in accordance with Schedule 72 and the total Disconnection

Equipment cost will be included in the calculation of the Monthly Operation and Maintenance Charges specified in Schedule 72.

A-11 COSTS

The Idaho Power Generation Interconnection process and this Agreement will identify all cost for this Facility to interconnect to the Idaho Power system, including but not limited to the cost of Metering equipment, Special Facilities, Reactive Power, Disconnection equipment, Protection equipment and Interconnection Equipment. As specified in the Generation Interconnection process and in accordance with Schedule 72 and this Agreement the Seller will reimburse Idaho Power for all costs associated with this equipment. In addition to the equipment, installation and construction charges as specified above, during the term of this Agreement, Seller will pay Idaho Power the monthly operation and maintenance charge specified in Schedule 72 or its successor schedules(s). The monthly operations and maintenance charge will begin on the first day of the month following the date which Idaho Power has completed installation of the Idaho Power provided equipment and the interconnection equipment is available for use by the Facility. The monthly operations and maintenance charge will be based upon the initial cost paid by the Seller in accordance with Schedule 72. Upon reconciliation of the actual costs, in accordance with Schedule 72 the monthly operations and maintenance charge will be adjusted to reflect the actual cost incurred by Idaho Power and previously charged monthly operation and maintenance expense will be revised to reflect the actual cost incurred by Idaho Power. Idaho Power will refund or Seller will remit any underpayment of the adjusted monthly operations and maintenance charge within sixty (60) days of the determination of this amount.

A-12 SALVAGE

No later than sixty (60) days after the termination or expiration of this Agreement, Idaho Power will prepare and forward to Seller an estimate of the remaining value of those Idaho Power furnished Interconnection Facilities as required under Schedule 72, the Generation

Interconnection Process and/or described in this Agreement, less the cost of removal and transfer to Idaho Power's nearest warehouse, if the Interconnection Facilities will be removed. If Seller elects not to obtain ownership of the Interconnection Facilities but instead wishes that Idaho Power reimburse the Seller for said Facilities the Seller may invoice Idaho Power for the net salvage value as estimated by Idaho Power and Idaho Power shall pay such amount to Seller within thirty (30) days after receipt of the invoice. Seller shall have the right to offset the invoice amount against any present or future payments due Idaho Power.