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IDAHO PUBLIC
UTILITIES COMMISSION

January 15, 2007

Ms. Jean D. Jewell
Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Subject: IPC-E-06-09 - Quarterly Update on Danskin CT1 Construction Project

Dear Ms. Jewell:

Enclosed please find the quarterly update on the Danskin CT1 Construction Project for the fourth quarter of 2007. Total project costs through December 31, 2007 are \$61,896,439.

Very truly yours,

Michael J Youngblood
Michael J Youngblood

Attachments

c: Ric Gale
Greg Said
Bart Kline
Legal Files

Danskin CT1 Construction Project Update
Jan. 10, 2007

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Construction of the new combustion turbine at the Evander Andrews Power Complex is nearing completion. Commercial operation is scheduled for Feb. 17, 2008 which is ahead of schedule. Siemens Power Generation has begun the important commissioning phase of the project. Notices have been filed with the EPA in anticipation of "first fire" on Feb. 2, 2008. Although the project will be operational in February, the project is scheduled for Provisional Acceptance from Siemens on April 1 for completion. This will insure that punch list items are complete and final site grading can be done in better weather.

The back feed power is available at the new 230 KV substation and the combustion turbine is scheduled to be placed on "turning gear" Jan. 14. This important process is the first time that the combustion turbine rotor shaft is turned at the project. The final gas line connections are complete and commissioned. The new 230 KV line from Evander Andrews to Bennett Mountain is complete. Current focus is the final check out of the computerized control system and operator stations in the control room. Siemens contractor, INCO Construction has reduced its staff at the site.

Below are the expenditures to date:

Idaho Power Company
Danskin CT1 Construction Project

	<u>Expenses</u> <u>Through 12-31-07</u>
Siemens Turnkey Contract	\$42,499,150
Change Orders	493,386
Sales Tax	1,311,727
Other Idaho Power Costs	<u>1,351,957</u>
Subtotal: Plant Costs	\$45,656,220
Transmission Interconnection & Network Upgrades	<u>16,240,219</u>
Total Project Costs:	<u>\$61,896,439</u>

Note: AFUDC is not included