



IDAHO POWER COMPANY
P.O. BOX 70
BOISE, IDAHO 83707

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PUBLIC UTILITIES COMMISSION

BARTON L. KLINE
Senior Attorney

April 25, 2006

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

Re: Case No. IPC-E-06-12
Application for Approval of Agreement for Electric Service
Between Idaho Power and the U.S. Department of Energy

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of Idaho Power Company's Application for approval of an agreement for electric service between the Company and the U.S. Department of Energy. An original copy of the Agreement is enclosed with the Application.

I would appreciate it if you would return a stamped copy of this transmittal letter to me in the enclosed self-addressed, stamped envelope.

Very truly yours,

Barton L. Kline

BLK:mg
Enclosures

BARTON L. KLINE ISB #1526
MONICA MOEN ISB #5734
Idaho Power Company
P. O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-2682
FAX Telephone: (208) 388-6936

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PUBLIC UTILITIES COMMISSION

Attorney for Idaho Power Company

Street Address for Express Mail:

1221 West Idaho Street
Boise, Idaho 83702

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR) CASE NO. IPC-E-06-12
APPROVAL OF AN AGREEMENT)
FOR ELECTRIC SERVICE BETWEEN) APPLICATION
IDAHO POWER COMPANY AND THE)
UNITED STATES DEPARTMENT)
OF ENERGY)
_____)

COMES NOW, Idaho Power Company (“Idaho Power” or “the Company”) and pursuant to RP 52 hereby applies to the Idaho Public Utilities Commission (“IPUC or “the Commission”) for an Order approving a continuation of service agreement dated April 21, 2006 for electric service between Idaho Power and the United States Department of Energy (“DOE”) acting through its Idaho operations office.

This Application is based upon the following:

I.

The United States Department of Energy, through its Idaho operations office, operates the site facilities at the Idaho National Laboratory Site located approximately 50 miles west of Idaho

Falls, Idaho. DOE and its predecessors have been customers of Idaho Power for many years. Idaho Power currently supplies electric service to DOE under a special contract in accordance with the rates and charges set out in Electric Service Rate Schedule 30 ("Schedule 30") and its successor schedules.

II.

In its April 5, 2005 decision meeting, the Commission approved a one-year contract running from May 15, 2005 through May 14, 2006 between Idaho Power and DOE ("2005 Agreement").

Following negotiations, Idaho Power and DOE have agreed to renew the 2005 Agreement with a term of service running from the end of the 2005 Agreement through May 15, 2007, (the "2006 Agreement"). The 2006 Agreement gives DOE the option to request up to four one-year extensions. This extension option is the only change from the terms and conditions of the 2005 Agreement. The 2006 Agreement provides that service is provided under Rate Schedule 30 and, as such, the rates and charges for providing service under the 2006 Agreement are subject to change in any appropriate ratemaking proceeding.

If approved by the Commission, the 2006 Agreement would remain in effect for one year, through May 15, 2007, subject to renewal in accordance with Section 1 of the Agreement or subject to termination for the convenience of the DOE in accordance with the provisions of Section 3 of the Agreement. Termination requires written notice and provides for termination for conveniences charges if notice of termination is less than 12 months.

III.

Enclosed with this Application is an original copy of the 2006 Agreement. Because the 2005 Agreement expires on May 15, 2006, Idaho Power requests that the Commission process

this application on an expedited basis and approve the extension of the term of the 2005 Agreement to run until it is replaced by the Commission's approval of the 2006 Agreement.

IV.

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

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

John R. Gale
VP, Regulatory Affairs
Idaho Power Company
P.O. Box 70
Boise, Idaho 83707

V.

Idaho Power requests that the Commission process this Application by modified procedure and limit the comment period to 10 days.

NOW, THEREFORE, BASED ON THE FOREGOING, Idaho Power hereby requests that the Commission issue its order (1) approving the 2006 Agreement for electric service between Idaho Power and the United States Department of Energy; and (2) approving the extension of the 2005 Agreement until the Commission issues its order approving the 2006 Agreement.

RESPECTFULLY SUBMITTED This ^{JK}25 day of April, 2006.



BARTON L. KLINE

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on this 25th day of April, 2006, I mailed a true and correct copy of the foregoing APPLICATION upon the following named parties by the method indicated below, and addressed to the following:

T. Wayne Hillebrant
Contracting Officer
U.S. Department of Energy
Idaho Operations Office
1955 Fremont Avenue
Idaho Falls, ID 83415
hillebtw@id.doe.gov

Hand Delivered
 U.S. Mail
 Overnight Mail
 Fax
 E-Mail



BARTON L. KLINE

EXHIBIT "A"

Contractor's ID NO: 1780
Ordering Agency's ID: DE-AD07-06ID14683

IDAHO POWER COMPANY
AUTHORIZATION FOR ELECTRIC SERVICE, CHANGE IN ELECTRIC SERVICE,
OR DISCONNECTION OF ELECTRIC SERVICE UNDER
CONTRACT NO. GS-OOP-99-BSD-0124 UTILITIES COMMISSION

APR 11 10:25 AM '06
IPC-E-06-12

Ordering Agency: U.S. DEPARTMENT OF ENERGY (DOE), IDAHO OPERATIONS OFFICE (ID)
Address: 1955 FREMONT AVE, IDAHO FALLS, ID 83401

Pursuant to Contract No. GS-OOP-99-BSD-0124 between the Contractor and the United States Government and subject to all the provisions thereof, service to the United States Government under such contract shall be rendered or modified as hereinafter stated. Contract Articles 2 and 4 shall be followed for the initiation of service under this contract.

PREMISES TO BE SERVED: U.S. DEPARTMENT OF ENERGY INL / SITE FACILITIES
SERVICE ADDRESS: SCOVILLE, IDAHO

NATURE OF SERVICE: CONTINUATION OF SERVICE
OTHER TERMS AND CONDITIONS: REFER ATTACHED ADDENDUM OF ADDITIONAL TERMS AND CONDITIONS
Attach any other relevant terms and conditions under which service will be provided.

POINT OF DELIVERY: REFER ADDENDUM PAGES DEFINING POINT OF DELIVERY

TERM OF SERVICE: From MAY 15, 2006 THROUGH MAY 14, 2007, WITH OPTIONS - REFER ATTACHED ADDENDUM PAGES FOR TERMS CONCERNING EXTENSION OPTIONS

SERVICE HEREUNDER SHALL BE UNDER RATE SCHEDULE NO. ELECTRIC SERVICE RATE SCHEDULE 30, Hereafter amended or modified by the regulatory body having jurisdiction. (see article 5 of this contract.)

ESTIMATED ANNUAL ENERGY USAGE: 225,000,000 KWH, ESTIMATED DEMAND: 27,000 TO 45,000 KW

ESTIMATED ANNUAL SERVICE COST: \$ 5.4 to 7.0 Million
ESTIMATED CONNECTION/SPECIAL FACILITIES CHARGE: \$NOT APPLICABLE**

ACCOUNTING AND APPROPRIATION DATA FOR SERVICE: PAYMENT SHALL BE BY CURRENT DOE ID MANAGEMENT AND OPERATIONS CONTRACTOR - AS OF DATE OF AUTHORIZATION, IS BATTELLE ENERGY ALLIANCE LLC (BEA)
FOR CONNECTION/SPECIAL FACILITIES CHARGE: NOT APPLICABLE

BILLS WILL BE RENDERED TO THE ORDERING AGENCY FOR PAYMENT AT THE FOLLOWING ADDRESS: REFER ADDENDUM PAGES REGARDING PAYMENT in 1 copy.
The foregoing shall be effective upon the return of the fully executed original Authorization by the Contractor to the ordering Agency.

ACCEPTED:

U.S. DEPARTMENT OF ENERGY
(Ordering Agency)
By: [Signature]
Authorized Signature
Title: Contracting Officer
Date: 20 April 2006

COMPANY
By: [Signature]
Authorized Signature
Title: VP-Regulatory Affairs
Date: 20 April 2006

* Include a reference to the applicable rate schedule, and attach a copy of such schedule.

** If necessary, attach and make part hereof supplemental agreements or sheets that cover required connection or extension charges and special facilities or service arrangements. (See Article 5 of this Contract for instructions.)

NOTE
A fully executed copy of this Authorization shall be transmitted by the ordering Agency to the Office of Public Utilities (PNEU), General Services Administration, Washington, DC 20405.

ADDENDUM TO GSA AUTHORIZATION FOR ELECTRIC SERVICE

No. DE-AD07-06ID14683

between

IDAHO POWER COMPANY

and

UNITED STATES DEPARTMENT OF ENERGY

IDAHO OPERATIONS OFFICE

under

GSA CONTRACT NO. GS-OOP-99-BSD-0124

This AUTHORIZATION, effective on MAY 16, 2006, is executed by the UNITED STATES DEPARTMENT OF ENERGY ("GOVERNMENT" or "DOE"), acting by and through its Idaho Operations Office and IDAHO POWER COMPANY ("COMPANY" or "CONTRACTOR"), a corporation with its principal office in Boise, Idaho. This Authorization replaces Authorization No. DE-AD07-00ID13888 as per the term requirements of Section 1 below. As a supplement to the GSA Areawide Public Utility contract, both parties agree to the following terms and conditions:

SECTION 1 - TERM OF AUTHORIZATION

1.1 This Authorization shall become effective on May 16, 2006, subject to the approval of the Commission and shall continue in effect for a period of one (1) year not to exceed May 15, 2007, unless extended according to the terms of subparagraph 1.2 below, or unless terminated by DOE pursuant to the provisions of Section 3.

1.2 This Authorization may be extended for up to four one-year extensions. DOE may request a one-year extension of this Authorization by providing to the Company written notification of its request to exercise this Authorization extension option by no later than six months prior to the expiration of the Authorization. The Company will respond in writing to DOE either accepting or rejecting the option by no later than four months prior to the expiration of the Authorization. If all extension options are exercised, the total duration of this Authorization will be through May 15, 2011.

SECTION 2 - DEFINITIONS

As used herein:

2.1 "Authorization" shall mean the Authorization face page and the Addendum pages as executed under the current GSA Areawide Public Utility contract.

2.2 "Commission" shall mean the Idaho Public Utilities Commission or its successor agency.

2.3 "Company" and/or "Contractor" shall mean the Idaho Power Company, a corporation with its principal offices in Boise, Idaho.

2.4 "Contract" or "contract" shall mean the GSA Areawide Public Utility contract No. GS-OOP-99-BSD-0124

2.5 "Contracting Officer" shall mean a person with the authority to act on behalf of the Government to enter into, administer, and/or terminate contracts and make related determinations and findings. The term includes certain authorized representatives of the Contracting Officer acting within the limits of their authority as delegated by the Contracting Officer.

2.6 "DOE" and/or the "Government" shall mean the United States Department of Energy.

2.7 The term "Head of Agency" shall mean the Secretary, Deputy Secretary or Under Secretary of the Department of Energy.

2.8 "INL" shall mean the Idaho National Laboratory site located approximately fifty (50) miles west of Idaho Falls, Idaho.

2.9 "Measured Demand" shall mean the maximum integrated 30-minute demand for a billing month determined from measurements made as specified in this contract.

2.10 "Point of Delivery" shall mean a change in ownership of electrical facilities between DOE and Company where power and energy is delivered by Company for the purposes of providing electrical service for the operations of DOE's facilities at INL.

2.11 "Point of Interconnection" shall mean the point of change of ownership of transmission or substation facilities.

2.12 "Prudent Utility Practices" shall mean any of the practices, methods, and acts engaged in or approved by a significant portion of the electrical utility industry, or any practices, methods, and acts which, in the exercise of reasonable judgment in light of the facts known at the time, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety, and expedition, and the requirements of governmental agencies having jurisdiction. Prudent Utility Practices are not intended to be limited to the optimum practice, method, or act to the exclusion of all others, but rather to be a range of possible practices, methods, or acts.

2.13 "System" or "Facilities" shall mean the generation and transmission facilities which are owned or controlled by either party, or which either party may use under lease, easement, permit or license.

SECTION 3- TERMINATION

3.1 During the term of this Authorization, DOE shall have the right to terminate this Authorization in whole or in part for convenience of the Government at any time by the delivery to Company of six (6) months advance written notice of the effective date of termination. In the event of such termination for convenience, DOE shall not be liable for any charges other than those charges which have accrued, in accordance with the terms and provisions hereof prior to the effective date of termination and a termination charge in accordance with this paragraph and the provisions of paragraph 3.2 below. The right of DOE to terminate for convenience under this paragraph shall be in addition to, and not in substitution for, any other rights which DOE may have under this Authorization, contract and/or at law. No termination charges shall be required in the event of termination of this Authorization for convenience of the Government, if DOE continues to receive electric service from Company under either the terms of a subsequent contract or a published rate schedule. With written notice of twelve (12) months or more, the provisions of Paragraph 3.2.2 shall not apply. No termination charges will be required in the event that the Commission fails to approve this Authorization.

3.2 Termination for Convenience Charges are determined as follows:

3.2.1 DOE shall pay to Company the amount of Three Thousand, Three Hundred Dollars (\$3,300.00) per day for each day that the notice is less than twelve (12) months.

3.2.2 In the event of termination for convenience of the Government, DOE shall reimburse the Company for any investment made by the Company pursuant to Section 5.2 for facilities necessary for service to INL. The termination charges for facilities shall be defined as the net book value (original cost less depreciation) plus the costs associated with the removal of such facilities less credit, if any, for subsequent Company use of those facilities.

3.2.3 In the event of termination for convenience of the Government, DOE shall reimburse the Company for any costs incurred by the Company pursuant to Section 6.5.

3.3 Payment of termination charges is subject to Paragraph 7.4 of this Authorization and shall be made by DOE within thirty (30) days of the effective date of termination of this Authorization for convenience of the Government. There shall be deducted from such termination charge: 1) any valid claims hereunder which DOE may have against Company, and 2) any credits due under the terms of this contract and Authorization and not otherwise recovered by or credited to DOE. Acceptance of said termination charge by Company shall constitute complete satisfaction and final settlement of any and all claims of Company resulting from such termination, except for payment for any charges for service hereunder then due or to become due.

3.4 In the event that Company fails to fulfill its obligations under this contract and/or Authorization during its term and fails to cure within a reasonable time any such defect and performance, after failure to cure by Company and upon receipt of a written notice from DOE specifying such defect, DOE may terminate this Authorization for the default of Company. Termination for default shall be accomplished by delivering to Company a written notice to this effect; provided, however, that if after notice of termination for default has been given, it is

determined for some reason that Company was not in default or that Company's defective performance is due to causes beyond its reasonable control and without sole negligence of the Company or that the default was excusable under the provisions of this Section, the Authorization may be reinstated by written notice, and the rights and obligations of the parties hereto shall be governed accordingly. Causes to be considered beyond the reasonable control of the Company, include, but are not restricted to, acts of God or the public enemy, acts of the Government, acts of another contractor in the performance of its contract with the Government, fire, floods, epidemics, quarantine restrictions, strikes and freight embargoes.

3.5 In the event that DOE terminates this Authorization for the default of Company, DOE shall not be liable for the payment of any charge on account of such termination. Nothing in this Section shall limit any other rights which DOE may have as a result of Company's default.

SECTION 4 - SERVICES TO BE PROVIDED BY CONTRACTOR

4.1 Company is obligated to furnish to DOE its requirements for all electric power and energy which DOE may request during the term of this Authorization, up to 45,000 kilowatts monthly for the operation of its facilities located at the INL site. DOE may increase the maximum amount of 45,000 kilowatts monthly that Company is obligated to supply by an amount up to, but not exceeding, 10,000 kilowatts monthly, provided that DOE notifies Company in writing of such additional power requirements not less than twelve (12) months in advance of the time for such additional requirements. DOE may also request additional power requirements in excess of a total amount of 55,000 kilowatts monthly for service to the INL site. This request for additional power requirements shall be subject to the approval of Company.

4.2 DOE, upon execution of this Authorization and on each October 1 thereafter, will provide Company with DOE's forecast of demand and energy expected to be actually supplied and delivered by Company for each month during the next 15 months together with a forecast of the annual firm power load requirements (demand and energy) expected to be supplied by Company during the remaining term of service of this Authorization. Parties agree that such forecasts will reflect the most recent information available at the time of preparation and may be subject to revision. Consistent with Prudent Utility Practice, DOE will provide Company in advance with information as to conditions affecting DOE's load requirements necessary for Company in load dispatching and in planning of power system operation including the probable times of substantial load changes, upward or downward. In addition, DOE shall provide Company with prompt notice of any abnormal system operating conditions as well as all known or anticipated increases or decreases in DOE's power requirements other than normal load growth.

4.3 Point of Delivery. Electric power and energy shall be delivered by Company to DOE at the Point of Interconnection with DOE's slack spans located at DOE's Scoville substation or at a location mutually agreed by the parties.

4.4 Possession of Power. Company shall be deemed to be in control and possession of power deliverable hereunder until Company has delivered to DOE at the Point of Delivery after which DOE shall be deemed to be in control and possession thereof.

4.5 Description of Electric Service. Company shall supply three-phase, 60 Hz alternating current at nominal 138,000 volts, with a maximum steady state variation of plus or minus five percent (5%) under normal system conditions. Company will make every effort within the capability of its existing system to minimize voltage level fluctuations, the normal frequency variation to be within plus or minus 0.05 Hz on a 60 Hz base.

4.6 Metering. All service furnished by Company shall be measured at 138,000 volts and shall be measured by suitable metering equipment of standard manufacture to be furnished, installed, maintained, calibrated and read by Company. In the event it is determined that an error exists in the metering or billing thereof, and such error is due to a cause, the date of which can be reliably established, DOE shall receive a refund or credit in the amount of any overcharge or shall pay Company the amount of any undercharge resulting thereby computed back to but not beyond such established date. In the event of an error in metering and where the erroneous metering date commenced cannot be reliably established, the following shall govern:

4.6.1 In the event that a meter is found to be registering more than two percent (2%) fast, Company shall refund or credit to DOE the amount of any overcharge resulting therefrom based on corrected meter readings for either the period that the meter was known to be in error, if discernible, or for a period of six (6) months, whichever is shorter.

4.6.2 In the event that a meter is found to be registering more than two percent (2%) slow, DOE shall pay Company the amount of undercharge resulting therefrom based on corrected meter readings for either the period the meter was known to be in error, if discernible, or for the preceding six (6) months, whichever is shorter.

4.6.3 In the event that any meter is found to be non-registering, Company may bill DOE, and DOE shall pay, for the estimated power consumed for either the period since the date the meter was last known to be registering or for the preceding three (3) months, whichever is shorter. Such estimate of power consumed shall be mutually agreed upon and shall be based upon such factors as DOE's prior or subsequent consumption which was correctly metered, and the general characteristics of DOE's operations.

4.6.4 Company, so far as possible, shall read all meters at periodic intervals of approximately 30 days.

4.6.5 Company, at its expense, shall test its metering installations associated with this Authorization, as necessary. At the written request of the Contracting Officer, Company shall make additional tests of any or all such meters in the presence of DOE representatives. DOE shall pay to Company the costs associated with such meter tests requested by DOE if the percentage of error revealed by such tests is not found to be more than two percent (2%) slow or fast.

4.6.6 DOE may install, with prior review and approval of Company, check or submetering equipment, coordinating such metering installations with Company.

4.7 The parties agree that daily operating procedures, including scheduling and dispatching, shall be as mutually agreed by the parties and set forth in a Letter of Standard Operating Practices.

SECTION 5 - FACILITIES FOR DELIVERY TO INL

5.1 Company shall provide the facilities required, at its own expense, except as provided in Sections 5.2, 5.3 and 6.5, for the delivery of power and the associated energy to the INL Point of Delivery. This provision of facilities shall be in accordance with the rules, regulations and orders of the applicable regulatory body.

5.2 In the event that Company is required to install, improve, modify, expand, replace or relocate facilities required for service to the INL, and the costs for such dedicated facilities would be chargeable to DOE directly, Company shall provide a notice of such facilities requirements to DOE. This notice will include engineering and service details of the requirements, estimates of costs and payment alternatives available to DOE. This notice shall be provided prior to starting the required facilities change. Any such changes shall require specific agreement of both parties as to the facilities and payment alternatives prior to the commencement of such changes.

5.3 DOE agrees to assign rights and control of the below listed equipment located in the Antelope Substation to Company for its use in meeting the requirements of this Authorization. Title shall remain in the Government.

- 5.3.1 Oil Circuit Breaker B103, Govt. Prop. No. 85420
Westinghouse Type BM-4B, De-Ion Grid Oil Circuit
Breaker. Acquired 1957, Moved from TRA 1981.
Serial No. 1-71-578-B
Rated Voltage 138 kV
Rate Amps 1200 A
Impulse kV 650 kV
Interrupting MVA 3500 MVA
810 gallons of oil per tank
Weight 39,500 lbs.
- 5.3.2 Oil Circuit Breaker B164, Bus Tie Breaker
Westinghouse Type 169GM31.5, Acquired 1982.
Serial No. 1-38Y5468
Rated Voltage 169 kV
Rated Amps 2000 A
Impulse kV 750 kV
Short Circuit Amps 31,500 A
1315 Gallons of oil per tank
Weight 54,000 lbs.
- 5.3.3 Circuit Switcher 165A, Govt. Prop. No. 83712
S&C Circuit Switcher/Mark V, Acquired 1982.
Catalog No. 157320-T
Serial No. 81-31857
kV Nominal 161 kV

Maximum Design Voltage 169 kV
BIL 750 kV
Amps, Continuous 1200 A
Amps, RMS Asym Momentary 61,000 A
Amps, RMS Symmetrical Fault, Closing, 30 duty cycle
30,000 A
S&C Operator, Type CS-1A
Operator Voltage 125 V DC
Catalog No. 38846R3-BHPW
Serial No. 181400

- 5.3.4 Circuit Switcher 162A, Acquired 1982
S&C Circuit Switcher/Mark V
Serial No. 81-31735
Same information as item 3 above
S&C Operator Type CS-1A
Serial No. 81-31735
- 5.3.5 Transformer, Govt. Prop. No. 5-220, Acquired 1957.
161 kV/138 kV
Feeds #1 Antelope-Scoville Tie Line
Westinghouse
137,600 lbs.
Serial No. 6534543
55 MVA, OA
73-1/3 MVA, FOA, with fans on both sets of fins
(3 fans are already on 1 set of fins)
91-2/3 MVA, FOA, with 3rd stage cooling (addition of
2 oil pumps, one pump is already installed).
Y-Y auto transformer with delta tertiary
Includes no-load tap changer, 5 steps, for voltages
from 169050 volts to 152950 volts. Tap lever is
locked on step 3.
% Z - 1.5% at 55 MVA. 161 kV/138 kV
- 5.3.6 Transformer, Govt. Prop. No. 5-587, Acquired 1982.
161 kV/138 kV
Feeds #2 Antelope-Scoville Tie Line
General Electric
Serial No. M101875
167,000 lbs
55 MVA, OA
73.3 MVA, FA
91.6 MVA, FOA, 55EC, has 1 set of fins with oil

pump and 3 fans and oil.

102.7 MVA, FOA, 65EC, expansion tank on top, Y-Y auto transformer with delta tertiary. Includes no-load tap changers, 5 steps for voltages from 169050 volts to 152950 volts. Tap lever is locked on step 3.

% Z volts - 1.47 at 55 MVA, 161 kV/138 kV

5.4 The parties agree that Company will operate and maintain the facilities set forth above in paragraphs 5.3.1 through 5.3.6 for the purpose of providing service to INL. The parties also agree that the actual costs incurred by the Company to maintain the facilities set forth above including repair, removal, replacement or relocation of those facilities shall be billed directly to DOE within ninety (90) days of work completion. As set forth in the Letter of Standard Operating Practices described in Section 4.7 above, the Company shall notify DOE of the necessary work scope and schedule prior to beginning work.

SECTION 6 - CONTRACT CHARGES TO BE PAID TO COMPANYY

6.1 Electric Service Rate Schedule (Schedule 30 - or its successor), as filed by Company with the Commission, shall be revised as set forth below. Schedule 30 shall be applicable to electric power and energy delivered by Company for service to DOE at the Point of Delivery. For electric service provided by Company, DOE shall pay to Company the monthly charges applied to the billing demand and kilowatt-hours determined in accordance with this contract and Authorization. Schedule 30 shall remain under the continuing jurisdiction of the Commission and subject to revision as set forth in paragraph 6.6 below and Section 12.

6.2 Schedule 30 is for the firm retail service of electric power and energy to DOE for the operation of Facilities located at the INL site.

6.3 The Billing Demand shall be the average kilowatts supplied during the 30-minute period of maximum use during the month.

6.4 When the INL power factor is less than 95% during the 30-minute period of maximum load for the month, Company may adjust the measured demand to determine the Billing Demand by multiplying the measured kW of demand by 0.95 and dividing by the actual power factor. Based on the power factor data collected by the Company, the parties agree that at the end of or during the first 12 month period of this Authorization, the parties shall review and modify this paragraph as necessary, to reflect the power factor conditions at INL. At that time, such modification may include the installation of corrective equipment at DOE's expense or as mutually agreed by the parties.

6.5 If during the term of this Authorization, with the prior written approval of DOE, Company incurs any costs associated with the use of facilities owned by Pacificorp, d.b.a. Utah Power and Light Company (Utah Power), or its successor, solely to provide service to DOE, such costs shall be paid by DOE in the same amount, form and manner as those costs are incurred by Company. The parties agree that these costs shall not be added to DOE's rate for electric service

but will be shown as a separate charge in Company's invoices to DOE as described in Section 7 below.

6.6 If during the term of this Authorization, DOE or Company files and receives authority from the Commission for rates that are higher or lower than those in effect hereunder, Company shall continue to supply electricity to DOE as provided in this Authorization and DOE shall pay for such electricity at the adjusted higher or lower rate from and after the date when such rates are made effective by the Commission.

SECTION 7 - PAYMENT OF BILLS/SETTLEMENTS

7.1 DOE shall pay Company for all services provided under this Authorization. Invoices for payment for electric services shall be prepared and submitted monthly as specified. All invoices or bills shall contain such data as may be required by DOE to substantiate the billing, including statements of the meter readings at the beginning and end of the billing period, meter constants, consumption during the billing period, and such other available pertinent data as may be requested by DOE.

7.2 Payments hereunder shall not be made in advance of services rendered. All bills or accounts owed by DOE to Company hereunder shall be due and payable at Company's general office in Boise, Idaho, within thirty (30) days following receipt of a bill. All billings submitted under the terms of this Authorization shall be submitted to:

Battelle Energy Alliance LLC
P. O. Box 1625
Idaho Falls, ID 83415
Attn: Accounts Payable

7.3 DOE shall have the right, at all reasonable times, to review and audit the books, records and documents of Company directly pertaining to the billings and power flow data relating to service under this Authorization.

7.4 Nothing herein contained shall be construed as binding DOE to expend in any one fiscal year, any sum in excess of the appropriation made by Congress for that fiscal year in furtherance of the subject matter of this Authorization or to involve DOE in any contract or other obligation for the further expenditure of money in excess of such appropriation.

SECTION 8 - CONTRACTING OFFICER'S REPRESENTATIVE

8.1 The DOE Contracting Officer (CO) may designate a representative to act as Contracting Officer's Representative (COR) under this Authorization. Such representative if appointed, will be specifically designated in a letter from the CO to Company. The COR will represent the CO in the technical aspects of the work including establishment of operating procedures, auditing of Company's billing under the Authorization and related matters. The COR is not authorized to change any of the terms and conditions of the contract or Authorization. Such

changes, if any, shall be made only by the appropriate Contracting Officer (i.e. DOE for the Authorization, and GSA for the contract.)

SECTION 9 - ON-SITE GENERATION SOURCES

9.1 DOE, in the future, may increase its on-site generation resource capabilities. Such generation capabilities will not be increased without at least twelve (12) months notice to Company or decreased without at least six (6) months notice to the Company. All such increases in generation capabilities and related electric power service shall be coordinated with Company to avoid any interference with either the Company's or INL's electric system.

SECTION 10 - ACCESS TO PREMISES

10.1 Company shall have access to the INL site premises at all reasonable times with proper notice to DOE during the term of this contract or Authorization and at its termination for the purposes of reading meters, making installations, repairs and removal of Company equipment and for other proper purposes hereunder; provided, however, that proper military or other Governmental authority may limit or restrict such right of access in any manner considered by such authority to be necessary or advisable. In having such access, Company shall abide by such health, safety, security, and other regulations of DOE as may be applicable.

SECTION 11 - MAINTENANCE

11.1 DOE agrees to maintain in good repair all Government-owned INL facilities, except those assigned to the Company in Section 5.3 above, as required to ensure adequate delivery of service to INL.

11.2 Company agrees to maintain its electric facilities and system in accordance with Prudent Utility Practices, including those facilities assigned to the Company by the Government in Section 5.3 above.

SECTION 12 - JURISDICTION OF REGULATORY AUTHORITIES

12.1 This Authorization and the rates, terms and provisions herein set forth, and the respective rights and obligations of the parties hereunder, shall be subject to the regulatory authority and to valid laws, orders, rules and regulations of, and authorizations or approvals by regulatory bodies having jurisdiction over the provisions of this Authorization and as specifically set forth in the GSA Areawide contract. Company or DOE shall each have the right hereafter, from time to time, to unilaterally make the appropriate filing with the appropriate regulatory body, which would either increase or decrease the rates and/or charges and change the terms and conditions applicable to said Authorization. Either party shall have the right to oppose or contest any such increase, decrease, change or amendment as filed.

SECTION 13 - UNCONTROLLABLE FORCES

13.1 Except for DOE's obligation to pay the charges described herein, neither party hereto shall be considered in default in the performance of its obligations hereunder to the extent that the performance of any such obligation is prevented or delayed by any cause, existing or future, which is beyond the reasonable control of such party.

SECTION 14 - LIMITATION OF LIABILITY

14.1 Company will perform its services under this Authorization as an independent contractor in accordance with its own methods, this Authorization, and applicable laws and regulations. Except for actual damages caused by the sole negligence of the Company, Company shall not be liable to DOE for any loss or damage arising out of or in connection with Company's performance of this Authorization including any consequential damages including, but not limited to, loss of use or profit.

14.2 Any payment for damages caused by Company are limited to actual damages caused by the sole negligence of the Company and does not include damages by causes beyond the reasonable control of the Company as described in Paragraph 3.4 above and does not include consequential or indirect damages.

SECTION 15 - ASSIGNMENT

15.1 This Authorization shall not be assigned by either party without the prior written approval of the other.

15.2 DOE shall assign administration of this Authorization to its prime operating contractor, currently Battelle Energy Alliance. DOE shall notify Company of changes in this administration assignment.

SECTION 16 - AMENDMENTS

16.1 This Authorization may be amended at any time upon mutual agreement of the parties.

SECTION 17 - NOTICES

17.1 All written notices to be given to Company under this Authorization shall be directed to:

Manager – Pricing and Regulatory Services
Idaho Power Company
P. O. Box 70
Boise, Idaho 83707

Any written notices to be given to DOE under this Authorization shall be directed to:

Contracting Officer
United States Department of Energy
Idaho Operations Office
1955 Fremont Ave. MS 1221
Idaho Falls, Idaho 83401-1221

Any notice, demand or request provided for in this Authorization or given in connection with this Authorization to either party shall be deemed properly given or made if delivered in person or sent certified mail, return receipt requested, to the officer and address designated above. Either party may amend the officer and address to which subsequent notices are to be delivered by providing notice in the manner described in this Section.

17.2 If during the term of this Authorization, the Company applies to any such regulatory body for a change in rates or terms & conditions of services or in the type of service to be performed under this Authorization, it shall take steps to see that the Government-GSA and DOE, Idaho Operations Office, receives at least the same notice of such application as is received by all other customers affected by such application. A copy of such rate filing shall be mailed by the Company to DOE at the address shown above in 17.1, concurrently with the filing of the change in rates, terms or conditions or type of service with the regulatory body.