

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 IDAHO)
POWER COMPANY AND THE UNITED) ORDER NO. 30030
STATES DEPARTMENT OF ENERGY)**

On April 25, 2006, Idaho Power Company (Idaho Power; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting that the Commission approve an April 20, 2006 service contract (2006 Agreement; Authorization) between Idaho Power and the U.S. Department of Energy (DOE) for electric service at the Idaho National Laboratory (INL), a site located approximately 50 miles west of Idaho Falls. The initial contract term is one year. The estimated annual energy usage at INL is 225,000,000 kWh. The estimated demand is 27,000 to 45,000 KW. The proposed effective date is May 15, 2006.

The 2006 Agreement is a special contract between Idaho Power and DOE and is identical to the existing 2005 service contract with one exception, i.e., the new 2006 Agreement gives DOE the option to request up to four one-year extensions of the special contract. Authorization ¶ 1.2. The 2006 Agreement provides that Idaho Power will provide electric service under tariff Rate Schedule 30. Authorization ¶ 6.1. The rates and charges for providing service to DOE under Schedule 30 are subject to change in Commission ratemaking proceedings. Authorization ¶¶ 6.6; 12.1. Contract termination requires written notice and provides for the assessment of Convenience Charges if notice of termination is less than 12 months in advance. Authorization ¶ 3.2.

Commission Findings

The Commission has reviewed and considered the filings of record in Case No. IPC-E-06-12. We have reviewed the 2006 Agreement between Idaho Power and the U.S. Department of Energy for electric service at INL and the prior 2005 service contract between the parties. The rates and charges under the 2006 Agreement are the rates provided in Idaho Power electric tariff rate Schedule 30 and are subject to change in rate proceedings. We find the Agreement and contract extension terms to be reasonable. We further find it reasonable to approve the Agreement without further notice or procedure for an effective date of May 15, 2006.

CONCLUSIONS OF LAW

The Idaho Public Utilities Commission has jurisdiction over Idaho Power Company, an electric utility, and the issues presented in Case No. IPC-E-06-12 pursuant to Idaho Code, Title 61, and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED and the Commission does hereby approve the April 20, 2006 Service Agreement between Idaho Power and the U.S. Department of Energy (DOE) for electric service at the Idaho National Laboratory (INL) for an effective date of May 15, 2006.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8th day of May 2006.



PAUL KJELLANDER, PRESIDENT

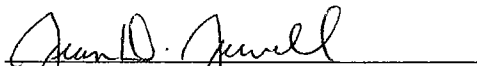


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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