

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

**IN THE MATTER OF THE APPLICATION)
OF IDAHO POWER COMPANY FOR) CASE NO. IPC-E-07-11
APPROVAL OF AN AGREEMENT FOR)
CONTINUATION OF ELECTRICAL)
SERVICE BETWEEN IDAHO POWER) ORDER NO. 30314
COMPANY AND THE UNITED STATES)
DEPARTMENT OF ENERGY)**

On April 19, 2007, Idaho Power Company (Idaho Power; Company) filed an Application requesting that the Commission approve a one-year extension of the 2006 special contract 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.

On May 8, 2006, in Order No. 30030 (Case No. IPC-E-06-12), the Commission approved a special contract between Idaho Power and DOE, with an initial term running from May 15, 2006 through May 14, 2007 (2006 Agreement). The estimated annual energy usage at INL is 225,000,000 kWh. The estimated demand is 27,000 to 45,000 kW. The 2006 Agreement gives DOE the option to request up to four one-year extensions of the 2006 Agreement. Authorization ¶ 1.2.

Following negotiations, Idaho Power and DOE have agreed to extend the 2006 Agreement for one year with a term of service running from May 15, 2007 through May 14, 2008 (the 2007 Extension). Application, Exhibit A. No other changes to the 2006 Agreement are proposed. Under the 2007 Extension, electric service to INL continues to be provided under tariff Rate Schedule 30. Authorization ¶ 6.1. The tariffed rates and charges for providing service under the 2007 Extension are subject to change in Commission ratemaking proceedings. Authorization ¶¶ 6.6; 12.1. Contract termination continues to require 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-07-11. We have also reviewed the underlying 2006 Agreement between Idaho Power and the U.S. Department of Energy for electric service at INL. Reference Case No. IPC-E-06-12, Order

No. 30030. The rates and charges under the 2006 Agreement and 2007 Extension are the rates provided in Idaho Power electric tariff rate Schedule 30 and are subject to change in rate proceedings. We find the underlying Agreement and proposed contract extension to be reasonable. We further find it reasonable to approve the proposed 2007 Extension without further notice or procedure for an effective date of May 15, 2007.

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-07-11 pursuant to Idaho Code, Title 61, and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

ORDER

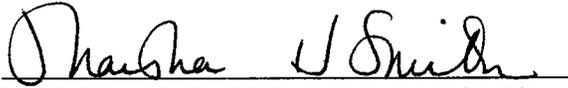
In consideration of the foregoing and as more particularly described above, IT IS HEREBY ORDERED and the Commission does hereby approve the 2007 Extension to the underlying April 20, 2006 Service Agreement between Idaho Power Company and the U.S. Department of Energy (DOE) for electric service at the Idaho National Laboratory (INL) for an effective date of May 15, 2007.

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 9th
day of May 2007.



PAUL KJELLANDER, PRESIDENT

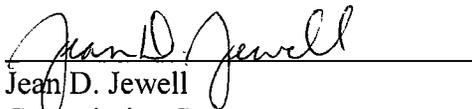


MARSHA H. SMITH, COMMISSIONER



MACK A. REDFORD, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

b1s/O:IPC-E-07-11_sw