

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF IDAHO POWER</b>	)	
<b>COMPANY'S APPLICATION FOR</b>	)	<b>CASE NO. IPC-E-08-15</b>
<b>APPROVAL OF AN AMENDMENT TO AN</b>	)	
<b>AGREEMENT BETWEEN AVIMOR, LLC,</b>	)	
<b>AND IDAHO POWER COMPANY AND FOR</b>	)	<b>ORDER NO. 30680</b>
<b>AUTHORITY TO IMPLEMENT A LINE</b>	)	
<b>CAPACITY CHARGE</b>	)	

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On July 29, 2008, Idaho Power Company filed an Application for approval of an amendment to an Agreement the Company has with Avimor LLC. Avimor agreed to pay Idaho Power \$4.3 million to construct facilities required to serve Avimor's development north of Boise. The contract allows Avimor to recover some or all of its investment as customers connect to the facilities provided by Avimor. Idaho Power requested Commission approval of the Agreement in an earlier case, and the Commission approved the Agreement if modified as stated by the Commission. Case No. IPC-E-06-23, Order No. 30322. The Application in this case accommodates the modifications, including a line capacity charge for customers who connect to the facilities but are outside the Avimor development. The Company filed testimony of Timothy Tatum to support the Application in this case.

The amendments to the contract for which the Company now requests approval include refunds for connections within the Avimor development at \$110 per kW of estimated demand for residential service connections. Refunds for non-residential loads are calculated by multiplying \$110 times the kVA rating of the distribution transformers serving each non-residential account. Another amendment allows contributions from customers connecting in a geographic area outside of the Avimor project. These line capacity charges will be assessed at \$1,100 per customer receiving service under Schedule 1, and non-residential service schedules will pay \$110 times the kVA rating of the distribution transformer service of each non-residential account. In subdivisions where Rule H applies, line capacity charges will be collected in addition to regular Rule H charges. Refunds, including refunds of line capacity charges, will be paid to Avimor only up to 10 years, or less if Avimor receives the full \$4.3 million amount it contributed for the construction of facilities.

On August 13, 2008, the Commission issued a Notice of Application and Notice of Modified Procedure to process the Application and establish a comment period. Written comments were filed only by the Commission Staff. Staff's comments state that the Company reasonably calculated the refund amounts of \$1,100 for each permanent residential connection and \$110 times the kVA rating of the distribution transformer for each non-residential connection within the Avimor project.

We find that the contract between Idaho Power and Avimor as amended should be approved. To determine the refund amount, Idaho Power used the same methodology approved by the Commission to calculate the refund amount in the original Agreement, in Case No. IPC-E-06-23, Order No. 30322. We also approve a line capacity charge, at the same amount as the refund amounts within the Avimor project, to be implemented for those customers requiring electric service connection outside the project boundaries who use the transmission and substation facilities paid for by Avimor. Based on the record in this case, the Commission approves the terms of the amended contract between Avimor LLC and Idaho Power Company, including implementation of a line capacity charge.

### **ORDER**

IT IS HEREBY ORDERED that Idaho Power Company's Application for approval of an amendment to an Agreement the Company has with Avimor LLC and authority to implement a line capacity charge is approved.

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.

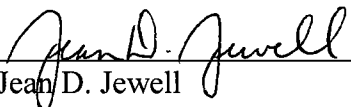
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 14<sup>th</sup>  
day of November 2008.

  
MACK A. REDFORD, PRESIDENT

Out of the Office On this Date  
MARSHA H. SMITH, COMMISSIONER

  
JIM D. KEMPTON, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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