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IDAHO PUBLIC
UTILITIES COMMISSION

LISA D. NORDSTROM
Lead Counsel
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February 29, 2012

VIA HAND DELIVERY

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
Boise, Idaho 83702

Re: IPC-E-09-03
Langley Gulch – Quarterly Progress Report

Dear Ms. Jewell:

In Order No. 30892, the Idaho Public Utilities Commission (“Commission”) directed Idaho Power Company to submit quarterly progress reports to the Commission describing the status of the Langley Gulch Power Plant construction. Enclosed with this letter is the tenth quarterly progress report.

Very truly yours,

Lisa D. Nordstrom

LDN:csb
Enclosures

Langley Gulch Power Plant
Quarterly PUC Update
March 1, 2012

PROGRESS UPDATE:

This quarterly update summarizes project costs through January 2012 and tasks associated with the Langley Gulch Power Plant through the end of February 2012. As of the date of this report, the overall project remains on schedule and Idaho Power Company ("Idaho Power" or "Company") expects total project costs at or below the Company's original Commitment Estimate filed in Case No. IPC-E-09-03.

Langley Gulch Power Island:

The Engineering, Procurement, and Construction ("EPC") contract is a joint venture between Kiewit Power Engineers ("KPE") and The Industrial Company ("TIC"). KPE, the engineering arm of the EPC contract, has completed all of the design drawings and continues to support the project by reviewing vendor submittals and construction drawing modifications. All major equipment has been procured, delivered to the site, and installed.

TIC continues construction activities on site while transitioning equipment systems to its start-up and commissioning team. Current construction activities include final connections of the water treatment equipment, installation of instrumentation components for the water treatment equipment, steam turbine electrical and instrumentation work, pipe heat tracing, insulation, checking control system loops, and overall final cleaning of equipment enclosures. Other activities by TIC's subcontractors include finish work on the water treatment building, concrete protective coatings, electrical relay testing, and fire protection systems. TIC ramped up construction staff in late November and December to nearly 200 people on site; however, it reduced staff in late February and presently has about 150 people on site, which includes its employees and subcontractors. The increased labor was a result of bringing in additional electrical staffing. TIC is utilizing a mix of local labor, vendors, suppliers, and subcontractors.

Idaho Power and the EPC contractor continue to work closely with Siemens on the owner-furnished equipment. The Orlando-based Siemens group, supplying the combustion turbine and generator, has shipped all of the equipment to the site. Installation of this equipment by TIC is nearly complete, and TIC is currently commissioning portions of the combustion turbine system including lube oil, control oil, and electrical systems. The Sweden-based Siemens group, supplying the steam turbines and generator, has shipped the equipment to the site. TIC has installed a majority of the equipment with only electrical and instrumentation work remaining. TIC has completed final alignment of the equipment, and it has commissioned the lube oil and control system.

TIC has moved its first fire date from March to early April; however, commercial operation remains scheduled for June 2012.

and laborers. Additionally, Idaho Power has employed 17 new full-time positions stationed at Langley Gulch.

PERMITTING UPDATE:

The permitting process is in the construction compliance phase. Idaho Power continues to monitor permit requirements and is coordinating with the regulatory agencies.

PROJECT COSTS:

The commitment summary is attached, which also identifies project costs expended through January 2012. All major components of the project have been contracted, and Idaho Power expects total project costs at or below the Company's original Commitment Estimate filed in Case No. IPC-E-09-03.

SCHEDULE:

The project remains on schedule with the following major milestones:

- Construction Full Notice to Proceed: Issued to contractor on July 1, 2010
- Gas Turbine Delivery: Arrived in New Plymouth, Idaho, on December 4, 2010
- Steam Turbine Delivery: Arrived on site August 1, 2011
- First Fire: April 2012
- Targeted Commercial Operation Date: June 2012

Idaho Power Company
Status Update Spending Report for Langley Gulch Power Plant
Through January 2012

	<u>January</u> <u>Dollars Spent to Date</u>	<u>Component Summary</u>
Gas Turbine	54,493,369	56,281,662
Steam Turbine	34,972,736	35,710,905
EPC Contract	203,287,526	221,421,431
Commitment Estimate Contingency	-	6,800,686
Site Procurement	1,957,322	2,000,000
Water Rights	2,083,419	2,200,000
NEPA Permitting	214,431	150,000
Air Permitting	350,547	320,000
Water Line Construction	4,560,042	8,850,000
Gas Line Construction	3,166,087	3,100,000
Miscellaneous Equipment (Idaho Power supplied)	1,668,066	662,300
Capitalized Property Taxes	953,926	2,881,277
Idaho Power Engineering and Oversight	2,408,918	3,800,000
RFP Pricing Components (includes start-up fuels)	399,303	2,250,000
Transmission	17,746,432	31,679,100
AFUDC	33,624,957	49,259,378
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Totals	361,887,082 *	427,366,739 **

* Reported on accrual based accounting

** Idaho Power filed Commitment Estimate (Case No. IPC-E-09-03)

Langley Gulch Subcontractor / Vendor List

3Di West – Boise, ID
4T – Payette, ID
A Company – Boise, ID
Action Door – Nampa, ID
Advanced Heating and Cooling – Boise, ID
Aggregate Construction – Nampa, ID
Airgas – Nampa, ID
Allied Barton – Boise, ID
AME Electric – Caldwell, ID
American Geotechnics – Boise, ID
Anderson & Wood – Meridian, ID
Anvil Fence – Boise, ID
Applied Graphyx Dennis Lopez – Boise, ID
Benchmark Electric – New Plymouth, ID
Big D Builders – Meridian, ID
Blackstone Security – Boise, ID
Boise Peterbilt – Boise, ID
Boise Rigging Supply – Boise, ID
Bonneville Industrial – Boise, ID
Bowen Floor Covering – Nampa, ID
Brown & Caldwell – Boise, ID
Brundage Bone – Meridian, ID
Builders Masonry – Meridian, ID
Burks Tractor – Caldwell, ID
C T I Corporation – Boise, ID
Campbell Tractor – Fruitland, ID
Carrier's Clean All – New Plymouth, ID
Cesco – Meridian, ID
CH2MHill – Boise, ID
Cintas – Nampa, ID
Clearview Cleaning – Boise, ID
Cloud Painting – Boise, ID
CMC Construction Services – Boise, ID
Concrete Construction Supply – Meridian, ID
Crane West Inc – Boise, ID
Crown Industrial, LLC – New Plymouth, ID
CTA – Boise, ID
Cummins Rocky Mountain – Boise, ID
Curtis Clean Sweep Inc – Garden City, ID
Dominick's Quick Print – Ontario, ID
Donoho Sand & Gravel – Payette, ID
Downright Well Drilling – Caldwell, ID
Duane Bellows Construction – Ontario, OR
Dusty's Filter Service – Payette, ID
E C Power Systems – Boise, ID
Edge Construction Supply – Boise, ID
Erosion Control Services L T D – Homedale, ID
Farmers Mutual Telephone Coop. – Fruitland, ID
Fastenal – Ontario, OR
Ferguson Pipe Supply – Meridian, ID
Ferrell Gas – Nampa, ID
Fluid Connector Products – Meridian, ID
Franklin Building Supply – Fruitland, ID
Franklin United Inc – Twin Falls, ID
G & B Redi Mix – Nampa, ID
G 2 B Concrete Pumping – Boise, ID
Garred Automotive – New Plymouth, ID
Gem State Oil Recovery – Kuna, ID
Grainger – Boise, ID
Granite Excavation – Cascade, ID
Greens Truck Trailer Sales Inc – Boise, ID
Ground FX – Boise, ID
H & E Equipment Services – Boise, ID
H D Supply Waterworks – Meridian, ID
Hardin Sanitation Inc – Payette, ID
Harris Rebar – Meridian, ID
Hiddleston Drilling & Pump Co. - Boise, ID
High Country Fusion – Boise, ID
Hilti – ID
Idaho Concrete – Eagle, ID
Idaho Electrical – Melba, ID
Idaho Northern & Pacific Railroad – Emmett, ID
Idaho Sand & Gravel - Boise, ID
Idaho Tool & Equipment – Nampa, ID
Ikon – Meridian, ID
Inland Crane – Boise, ID
Inland Foundation Specialties – Boise, ID
Jenkins Appliances – Caldwell, ID

Langley Gulch Project Overview

ID	Task Name	Duration	Start	Finish
1	Langley Gulch Project Milestone Schedule	970 days	Mon 10/13/08	Fri 6/28/12
2	Idaho PUC Certification Grant	0 days	Tue 9/7/09	Tue 9/7/09
3	Air Permitting	251 days	Wed 7/8/09	Fri 6/25/10
4	Submit Air Permit to Construct to IDEQ	0 days	Wed 7/8/09	Wed 7/8/09
5	DEC Review Time (13 Months)	215 days	Thu 5/8/10	Wed 6/16/10
6	Public Comment Period	30 days	Fri 6/25/10	Fri 6/25/10
7	Received Air Permit to Construct	99 days	Tue 10/20/09	Fri 9/5/10
8	County Permitting	0 days	Tue 10/20/09	Tue 10/20/09
9	Submit CUP / Rezone / Dev Agreement App.	0 days	Mon 12/14/09	Mon 12/14/09
10	Commissioners Hearing and Approval	60 days	Mon 12/14/09	Fri 3/5/10
11	Finalize Development Agreement	518 days	Mon 10/13/08	Mon 10/4/10
12	NEPA Permitting	0 days	Mon 10/13/08	Mon 10/13/08
13	Submit BLM ROW Application	0 days	Wed 1/6/10	Wed 1/6/10
14	Submit Public Scoping Document	30 days	Wed 3/17/10	Tue 4/27/10
15	BLM Public Comment Period	0 days	Mon 3/8/10	Mon 3/8/10
16	Submit Final Biological Assessment	60 days	Mon 3/8/10	Fri 5/29/10
17	USFWS Review and Issuance of Biological Opinion	0 days	Thu 9/9/10	Thu 9/9/10
18	Submit Final EA	0 days	Mon 10/4/10	Mon 10/4/10
19	BLM Right of Way Grant and NTP	0 days	Tue 9/1/09	Fri 6/29/12
20	EPC Contract	738 days	Tue 9/1/09	Tue 9/1/09
21	Issue FNTTP to EPC Contractor	0 days	Wed 6/2/09	Mon 6/2/10
22	Design / Engineering	400 days	Mon 6/2/10	Mon 6/2/11
23	Mobilization to Site / Start Construction	530 days	Mon 6/2/10	Fri 6/29/12
24	Construction	0 days	Mon 12/6/10	Mon 12/6/10
25	Gas Turbine Delivery	0 days	Fri 7/29/11	Fri 7/29/11
26	Steam Turbine Delivery	0 days	Tue 4/10/12	Tue 4/10/12
27	Start-up / Commissioning / FIRST FIRE	0 days	Fri 6/29/12	Fri 6/29/12
28	Targeted Commercial Operation Date	440 days	Tue 11/24/09	Mon 8/1/11
29	Raw Water Supply Line	160 days	Tue 11/24/09	Mon 7/6/10
30	Water Line / Pump Station Design	0 days	Tue 5/25/10	Tue 5/25/10
31	File for Permits	40 days	Tue 7/6/10	Mon 8/30/10
32	Bid Water Pipeline and Pump Station Project	240 days	Tue 8/3/10	Mon 8/1/11
33	Water Line / Pump Station Construction	0 days	Mon 8/1/11	Mon 8/1/11
34	Raw Water To Site	566 days	Mon 2/8/10	Mon 4/8/12
35	Gas Pipeline	0 days	Mon 2/8/10	Mon 2/8/10
36	File Interconnection Request	150 days	Mon 10/4/10	Fri 4/29/11
37	Gas Pipeline Design	0 days	Mon 3/2/11	Mon 3/2/11
38	File for Permits	60 days	Mon 5/30/11	Fri 8/19/11
39	Gas Lateral Construction	60 days	Mon 7/1/11	Fri 8/30/11
40	Gas Tap and Metering Station Construction	0 days	Fri 8/30/11	Fri 8/30/11
41	Complete Gas Pipeline Components	3 days	Thu 4/9/12	Mon 4/9/12
42	Commissioning (Williams) - When EPC Ready	753 days	Fri 6/12/08	Tue 5/1/12
43	Transmission	0 days	Fri 6/12/08	Thu 1/4/12
44	Transmission Lines	670 days	Fri 6/12/08	Thu 1/4/12
45	Design	90 days	Tue 1/19/10	Mon 3/14/11
46	Construction of 230-kV to Ontario - Caldwell	0 days	Mon 3/14/11	Mon 3/14/11
47	230-kV Loop In-out Service Completed / BLM	125 days	Mon 1/17/11	Fri 4/27/12
48	Construction of 138-kV to Caldwell - Willis	0 days	Tue 5/1/12	Tue 5/1/12
49	Completion of Caldwell-Willis Tap	691 days	Tue 9/8/09	Thu 10/7/10
50	Substation	283 days	Tue 9/8/09	Thu 10/7/10
51	Design	200 days	Mon 1/18/10	Fri 8/12/11
52	Phase 1 Substation Construction	100 days	Mon 3/28/11	Fri 8/12/11
53	Control Wiring, Testing, Commissioning	3 days	Mon 1/17/11	Wed 1/19/11
54	Energize Substation	0 days	Thu 11/10/11	Thu 11/10/11
55	Backfeed Power to Site	150 days	Mon 10/9/11	Fri 4/27/12
56	Phase 2 Substation Construction	0 days	Tue 5/1/12	Tue 5/1/12
57	Substation Completion	0 days	Tue 5/1/12	Tue 5/1/12

Task: Progress: Milestone: Summary: Project Summary: Deadline:

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