

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF IDAHO POWER COMPANY FOR)	CASE NO. IPC-E-10-02
APPROVAL OF ITS FIRM ENERGY SALES)	
AGREEMENT WITH CARGILL)	NOTICE OF APPLICATION
INCORPORATED)	
)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 31014

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on January 29, 2010, Idaho Power Company ("Idaho Power" or "Company") filed an Application with the Commission seeking approval, in accordance with *Idaho Code* § 61-503, RP 52 and the applicable provisions of the Public Utility Regulatory Policies Act of 1978, of its Firm Energy Sales Agreement with Cargill Incorporated ("Cargill") under which Cargill would sell and Idaho Power would purchase electric energy generated by the Bettencourt Dry Creek Biofactory ("Facility") located near Hansen, Idaho.

YOU ARE FURTHER NOTIFIED that the parties entered into the aforementioned Agreement on January 22, 2010.

YOU ARE FURTHER NOTIFIED that the Agreement is for a 10-year term and utilizes the non-levelized published avoided cost rates as currently established by the Commission for energy deliveries of less than 10 average megawatts ("aMW").

YOU ARE FURTHER NOTIFIED that Idaho Power states that Cargill is an existing Schedule 86 partner providing energy to the Company and that it will utilize the compliance data (i.e., nameplate capacity rating, engineering certification, insurance certificates, etc.) previously provided under the Schedule 86 requirements to review and use for compliance with this Agreement if applicable.

YOU ARE FURTHER NOTIFIED that the nameplate rating of this Facility is 2.25 MW. Cargill will be required to provide data on the Facility that Idaho Power will use to confirm that under normal and/or average conditions the Facility will not exceed 10 aMW on a monthly basis. Any energy that exceeds 10 aMW per month, and that does not exceed the Maximum Capacity Amount, will be accepted but not purchased or paid for by Idaho Power.

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YOU ARE FURTHER NOTIFIED that the Scheduled Operation Date for the Agreement is 30 days after the approval of the Agreement by the Commission.

YOU ARE FURTHER NOTIFIED that the Agreement includes a formula for the assessment and calculation of Delay Liquidated Damages and associated Delay Security provisions if Cargill fails to achieve the targeted Operation Date. The Agreement states that it is effective once the Commission has approved all of the Agreement's terms and conditions and declared that all payments Idaho Power makes to Cargill for purchases of energy will be allowed as prudently incurred expenses for ratemaking purposes.

YOU ARE FURTHER NOTIFIED that the Agreement places various conditions and requirements in order for Idaho Power to accept energy from Cargill.

YOU ARE FURTHER NOTIFIED that Idaho Power states in its Application that if the Commission approves the Agreement the effective date of the Agreement will be January 22, 2010.

YOU ARE FURTHER NOTIFIED that the Agreement includes non-levelized published avoided cost rates consistent with past applicable IPUC Orders. Interconnections with the Facility and applicable charges have been completed in accordance with the parties' existing Schedule 86 Agreement transacted in 2008.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission within twenty-one (21) days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Donovan E. Walker
Barton L. Kline
Idaho Power Company
PO Box 70
Boise, Idaho 83707-0070
E-mail: dwalker@idahopower.com
bkline@idahopower.com

Randy C. Allphin
Energy Contract Administrator
Idaho Power Company
PO Box 70
Boise, Idaho 83707-0070
E-mail: rallphin@idahopower.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Applicant at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at www.puc.idaho.gov by clicking on the "File Room" and then "Electric Cases."

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* § 61-503. The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

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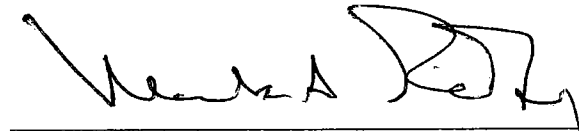
ORDER

IT IS HEREBY ORDERED that this Application will be processed under Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure should do so no later than 21 days from the service date of this Order.

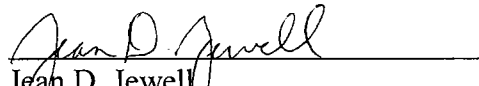
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25th day of February 2010.


JIM D. KEMPTON, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


MACK A. REDFORD, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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