March 15, 1996

Douglas J. Balfour

Quane, Smith, Howard & Hull

PO Box 4229

Pocatello, ID 83205-4229

RE: American Heritage v. Idaho Power Company, Case No. IPC-E-95-13

Dear Doug:

Pursuant to our conversation yesterday morning, I have confirmed with Idaho Power that it agrees to refund both the transmission upgrade and the applicable line extension charges as set out in the Company’s tariffs in effect in August 1995.  This arrangement is also agreeable to the Staff.

I will look forward to receiving your Motion to Dismiss the Complaint.  Should you have any further questions, please contact me.

Yours sincerely,

Donald L. Howell, II

Deputy Attorney General

DLH/vld:LBalfour.dh

cc:Larry Ripley, IPCo

Don Oliason

Wayne Hart