BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AN ORDER APPROVING A FIRST AMENDMENT TO A FIRM ENERGY SALES AGREEMENT WITH RICHARD H.  KASTER(BRIGGS CREEK HYDRO PROJECT). | ))))))) | CASE NO. IPC-E-96-13MINUTE ENTRY |

On July 1, 1996, Idaho Power Company (Idaho Power; Company) filed an Application with the Idaho Public Utilities Commission (Commission) for approval of a June 25, 1996, First Amendment (attached) to a Firm Energy Sales Agreement (Agreement) with Richard H. Kaster regarding the Briggs Creek Hydro Project.  The underlying Agreement dated June 21, 1984, was approved on July 13, 1984 by Commission Order No. 18996 in Idaho Power Case No. U-1006-236.

The Briggs Creek Hydro Project is a 650 kilowatt facility located in the Northeast Quarter of Section 4, Township 9 South, Range 14 East, Boise-Meridian, Twin Falls County, Idaho.  The estimated annual generation is 5,256,000 kilowatt hours.

The proposed amendment incorporates several changes that have occurred since the Agreement was first signed:

∙As a substitute for the Agreement requirement of valued loss of income insurance, the Amendment to provide security for the levelized rate payment obligation incorporates various of the security provisions of Commission Order Nos. 21690 and 21800 in the Commission’s generic -292 security case and the insurance requirements of Order No. 25240.  Reference Agreement Article I: Definitions ¶¶ 1.19 and 1.20 (new); Article XIV: Indemnification and Insurance; Article XXVIII: Additional Terms and Conditions; Article XXX: Security (new); and Appendix E—Engineer Certifications (new).

∙The adjustable portion of the purchase price is amended per Commission Order No. 25880.

∙A routine change in the Notices article is reflected.  Reference Agreement Article XXVII: Notices.

The Company requests that the First Amendment be approved and that all costs relating thereto be allowed to Idaho Power as prudently incurred expenses for ratemaking purposes.

The Commission has reviewed the filings of record in Case No. IPC-E-96-13 and has reviewed its prior approval of the Briggs Creek Hydro Project.  The Commission has reviewed the June 25, 1996, First Amendment and finds the amended terms to be reasonable and acceptable.  The Commission also finds payments made under the Agreement (as amended) to be prudently incurred expenses for ratemaking purposes.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this                  day of July 1996.

                                                                                                                                       RALPH NELSON, PRESIDENT

                                                                                            MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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