(text box: 1)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 SNAKE RIVER POTTERY POWER CO., INC. (SNAKE RIVER POTTERY HYDRO PROJECT) | )  )  )  )  )  )  ) | CASE NO. IPC-E-97-3  MINUTE ENTRY |

On March 12, 1997, Idaho Power Company (Idaho Power; Company) filed an Application with the Idaho Public Utilities Commission (Commission) requesting approval of an Amendment to a Firm Energy Sales Agreement (Agreement) between Idaho Power and Snake River Pottery Power Co., Inc. (formerly Snake River Pottery).

The Snake River Pottery hydro project is a 65 kW facility located in the Southwest Quarter of the Southeast Quarter of Section 21, Township 6 South, Range 13 East, Boise Meridian, Gooding County, Idaho.  The annual net energy production is 389,316 kWh.  The underlying Agreement dated July 6, 1984, was approved by Commission Order No. 18997.  The Agreement is for a 35-year term beginning August 1, 1984.

The proposed Amendment dated March 4, 1997, 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 incorporates various security provisions of Commission Order Nos. 21690 and 21800 in the -292 security case and the insurance requirements of Order No. 25240 to provide security for the levelized rate payment obligation.  Changes were made to the original Agreement in the following sections: Article I: Definitions, ¶¶ 1.19 Replacement Cost, 1.20 Total Cost of the Facility; Article XIV Indemnification and Insurance, and Article XXI Default, Notice and Liquidated Damages.  The following new sections are added: Article XXVIII Additional Terms and Conditions—Reference to Appendix F—Engineer Certifications; and Article XXX Security.

◆A change is proposed to Agreement Article XXVII Notices

◆Article VII ¶ 7.1.2 Adjustable Payment is amended as per Order No. 25880 in Case No. IPC-E-97-5.

◆Appendix B Special Facilities, Point of Delivery, Metering and Operation Date is deleted in its entirety and replaced with a revised Appendix B to accurately reflect the description of what was actually installed and the amounts paid to interconnect the facility to Idaho Power’s system.

◆A new Appendix F—Engineer’s Certificate is added to the Agreement.

The Company requests that the  Amendment be approved and that all costs related 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-97-3, the underlying Agreement, and has reviewed the Commission’s Order approving same.  The Commission has reviewed the terms of the submitted first Amendment and finds the amended terms to be reasonable and acceptable.  The Commission finds payments made under the amended Agreement to be prudently incurred expenses for ratemaking purposes.

DATED at Boise, Idaho this                day of March 1997.

                                                                                                                                      RALPH NELSON, PRESIDENT

                                                                                           MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

cm\N:ipce973.sw

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

April 1, 1997