

IDAHO POWER COMPANY
Boise, Idaho

Supplement to Contract
Sym. & No. I74r-1506

June 18, 1952

Mr H T Nelson, Regional Director
Bureau of Reclamation
Box 937
Boise, Idaho

Dear Mr Nelson:

Reference is made to the request of the Milner Low Lift Irrigation District for an extension of its 1942 contract with the Bureau and to the understanding arrived at in our recent conferences concerning the District's request.

When the December 15, 1950 contract (No I74r-1506) between the Bureau and the Company was negotiated, the problem of power supply to the Milner District was recognized and provision was made under which the Bureau would supply the District power requirements under a new arrangement within the terms of the December 1950 contract. However, since the District now desires to continue to purchase power from the Minidoka power plant under an extension of approximately five years of your former agreement with it (limited to 2/5 of the power available from the Minidoka seventh unit) the Company will continue during the period of your proposed extension agreement, beginning at the commencement of the 1952 irrigation season, to supply the necessary transmission service to the District from the Minidoka power plant subject to the following operating arrangements and conditions:

1. Idaho Power Company will receive the power and energy provided for the Milner District (up to 2,000 kilowatts) at the 132-kv bus of the Government's Minidoka substation, for the account of the District. The amount of such energy shall be determined and computed from the readings on the meters as now installed at the District's pumps by dividing by 0.95. The maximum demand shall be the highest recorded maximum demand during the month involved (but not in excess of 1,900 kilowatts) divided by 0.95.

2. Idaho Power Company, under a separate agreement with the Milner District, will charge and receive from the District the sum of \$2,170 annually for transmission of power and energy from the Minidoka substation to the District's pumps (and will also supply the District's power requirements in excess of those hereinabove provided for). In view of this separate agreement, the United States is relieved during the term of such separate agreement of its obligation under the December 15, 1950 contract, to pay the Company (a) the distribution charge of 2.3 mills per kilowatt-hour provided for in subarticle 13(b)(3) of the December 15, 1950 contract, to the extent of the Milner District deliveries, and (b) the transmission charge of 1.5 mills per kilowatt-hour for energy delivered from the Minidoka power plant as set forth in paragraph 3 below.

3. The transmission charge of 1.5 mills per kilowatt-hour to be paid the Company under subarticle 13(b)(2) of the 1950 contract for transmitting power and energy eastward to (a) the Minidoka 132-kv substation, (b) the Milner District (as set forth in paragraph 1 above) and (c) the Government wells on the North Side Pumping Division of the Minidoka Project, will be based upon the hourly algebraic sums of the deliveries for these loads. The Minidoka power plant generation will be scheduled by the Company so as to supply the maximum energy possible, within the limits of the available water supply, for the Minidoka power system load and the loads of the Milner District and the aforesaid Government wells.

4. Inasmuch as the energy received by the Company at Minidoka substation for the account of the Milner District, over and above that delivered at the District pumps, as compensation for system losses as set forth in paragraph 1 above, duplicates an equal amount of energy furnished to the Company by the United States in compensation for system losses under the December 15, 1950 contract, the energy thus supplied by the United States will be considered as "additional secondary energy" purchased by the Company under subarticle 13(a)(4) of the 1950 contract.

If the arrangement outlined above is satisfactory to the Bureau, it is requested that you indicate your acceptance thereof by signing in the space provided in the lower left-hand corner of this letter and returning one of the duplicate copies to us for our files.

Very truly yours,

/s/ A. C. Inman

A C Inman
Vice-President

ACI:mb

Arrangement set out above is acceptable
to the Bureau of Reclamation.

By /s/ H. T. Nelson
Regional Director