

Neighborhood News

July 2010

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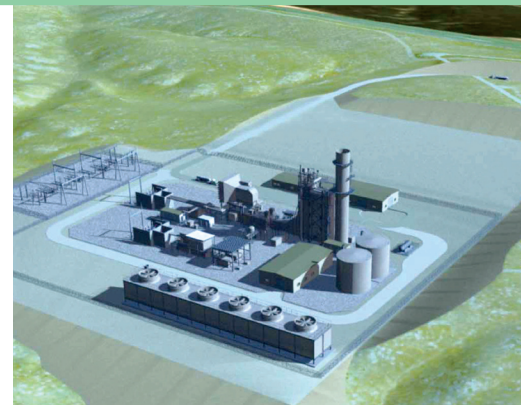
Dear Community Partners,

You may have noticed recent activity at the site of the Langley Gulch Power Plant off exit 9 near New Plymouth. Idaho Power and contractor crews began primary construction on the 300-megawatt natural gas-fired power plant. We're contacting you now to answer questions you may have about current and upcoming activities at the Langley Gulch site.

In this newsletter you'll find an overview of the permitting process, site preparation, transmission, an updated project timeline and contact information for Idaho Power.

We want to ensure that all residents of the New Plymouth and the larger project area are fully informed and have the resources and knowledge they need about the Langley Gulch Power Plant. Thank you for your interest in and support of this project that will help ensure future prosperity for the New Plymouth community and the Treasure Valley.

If you have questions or feedback to share, we invite you to contact the individuals listed at the end of this newsletter.



Langley Gulch Power Plant Project Overview

To responsibly plan for our energy future and ensure a reliable supply of electricity and the prosperity of our customers and regional communities, Idaho Power is building the Langley Gulch natural-gas power plant and transmission lines.

The new power plant was identified as a need in Idaho Power's collaborative 2004 and 2006 Integrated Resource Plans (IRP), and as a committed resource in the 2009 IRP. It is supported by the Idaho Public Utilities Commission (IPUC), and is being added to our diversified portfolio of resources which also includes energy efficiency measures and alternative energy resources such as wind, solar, geothermal and biomass.

The clean, highly efficient Langley Gulch Power Plant is a flexible resource. It will have the features of a baseload plant, in that it is economical and will run a great deal of the time. It also has the flexibility to vary output quickly to integrate intermittent resources from area wind and future solar projects.

Technology and new infrastructure help us meet the growing demand for electricity, encourage responsible development, integrate new alternative resources and enhance the economy of our region.



New Power Plant On Schedule

By Ryan Adelman, Engineering Leader and Project Manager

It's an exciting time for the Langley Gulch Power Plant project and I am happy to share we are on schedule.

We have passed a critical point in the development and permitting phase. In order to build the plant, the Idaho Department of Environmental Quality (DEQ) must first issue an air quality permit to construct. We received the permit to construct on June 25.

Last year we announced plans to construct a new power plant to meet growing electricity demands while providing an opportunity to integrate wind, solar and other alternative sources.

Once built, the Langley Gulch Power Plant, located on a remote site in Payette County near Exit 9, will generate approximately 300 megawatts of energy using a clean and highly efficient combined-cycle combustion turbine. This means it will have two turbines generating electricity—one using natural gas and the other steam.

In fact, the power plant will produce lower concentrations of emissions than typical residential furnaces. The low emissions are due to the integration of best available control technologies which are being used to reduce emissions from

the plant.

We began some preliminary preparation and staging work at the project site in June. Nighttime construction activities began July 12. We released a Request for Proposal (RFP) for a company to build the water pipeline. This RFP was sent to a group of local contractors who previously expressed interest in the project.

Our contractor for this project is working with local contractors when possible to provide various construction components. The Langley Gulch contractor is also working with local suppliers to provide construction materials. For example, all of the concrete is being supplied locally.

Also on our schedule is the National Environmental Policy Act (NEPA) process for Bureau of Land Management right-of-way use for the project's transmission and water lines. We're continuing to work through the recent listing of slickspot peppergrass as a threatened species.

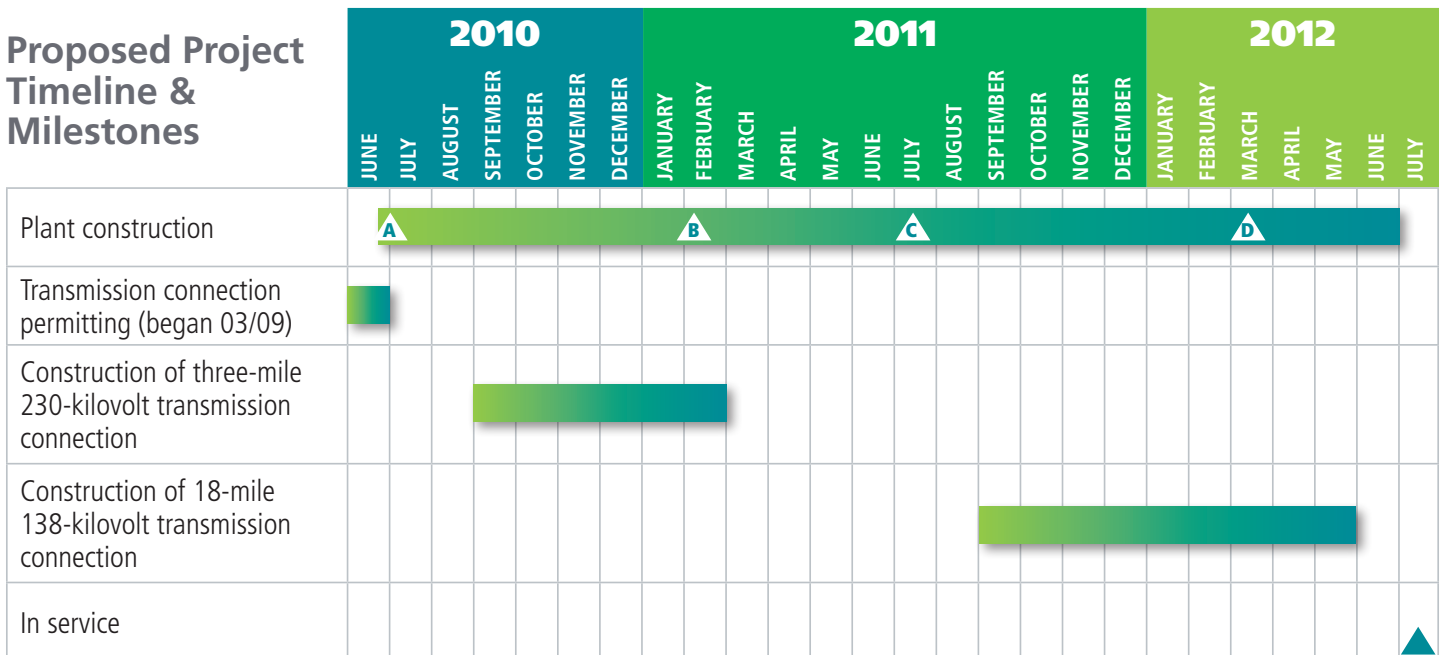
Since day one, many steps in the building process have gone well. The project has been well-received by the local community and we very much appreciate your support. We also



earned support from Payette County commissioners during the rezoning and development and conditional use permit process.

We have a dedicated construction team and we are working diligently to stay on schedule, focused on our objectives and the benefits the project will bring to the local community and the region and a whole. The end result will be a new power plant in service by July 2012.

Proposed Project Timeline & Milestones



- A** Air permit issued
- B** Gas turbine delivery
- C** Steam turbine delivery
- D** Start of commissioning activities

Permitting Update:

The permitting process is moving forward on schedule:

Air Emissions – Permit to Construct

Idaho Power submitted an application to the Idaho DEQ on July 8, 2009. The DEQ issued a draft permit for public comment on May 19, 2010. The 30-day public comment period ended on June 18, 2010. The air permit was issued by the Idaho DEQ on June 25, 2010.

Payette County

Idaho Power completed the permitting process through Payette County, which included a comprehensive plan change, three conditional use permits, a rezone and a development agreement which was finalized on March 15, 2010.

Canyon County

In April, Idaho Power held its third open to present proposed line routes for the 230-kilovolt (kV) transmission connection to the existing Caldwell – Willis line. We submitted our application for a conditional use permit from Canyon County on May 4 and are finalizing the process.

Water

Idaho Power has secured the site groundwater rights for construction activities and the drinking water system. Surface water rights from the Snake River were approved July 8, 2010.

National Environmental Policy Act (NEPA) for Bureau of Land Management (BLM) right-of-way use for transmission and water lines

Idaho Power submitted a right-of-way grant application to the BLM for overhead transmission lines and water line piping in October 2008. All field studies have been completed. A public scoping document was issued for public comment in March 2010. The U.S. Fish and Wildlife Service issued a Biological Opinion on the effect of construction and operation on the slickspot peppergrass. Idaho Power and the BLM continue to collaborate on the Environmental Assessment for placing transmission lines and water pipelines on the BLM land.

Idaho Power will continue the permitting process over the next three to six months.

Quick Facts

- The Langley Gulch Power Plant will be a combined-cycle combustion turbine (CCCT) which means it will have two turbines to generate electricity—one using natural gas and the other steam. The exhaust heat from the combustion of natural gas is used to make steam, which drives the steam turbine.
- The Langley Gulch site consists of approximately 140 acres of undeveloped range land located in rural Payette County, adjacent to Interstate 84 and immediately southwest of Exit 9. The actual footprint of the power plant is about 10 acres. The site is bordered by Interstate 84 to the north and east, and by Bureau of Land Management lands to the south and west.
- The Langley Gulch Power Plant will create both short- and long-term job opportunities. The construction requires a labor force of approximately 120 workers for as long as two years, including qualified local electricians, pipefitters, steelworkers, excavators, carpenters, concrete workers, and laborers. Once the power plant is complete, it will employ 18 personnel and will be placed permanently in the tax base, with Idaho Power paying property taxes.
- The Langley Gulch Power Plant will be built for approximately \$427 million, including expected transmission costs to connect the facility to the grid.
- Noise enclosures will be installed around the turbines to minimize sound. The noise generated will not prevent the ability to maintain a conversation standing outside next to the power plant.
- This power plant will be built to have a minimal impact on air quality as it is required to meet the National Ambient Air Quality Standards set by the Environmental Protection Agency. The power plant will have the best available control technology for air emission controls.
- The air emissions from the power plant are the same type of emissions that come from a typical home or business gas furnace. A combined cycle power plant emits about half the carbon emission of a coal-fired power plant per megawatt of energy produced.
- Idaho Power's IRP calls for significant amounts of new renewable generating resources such as wind, geothermal, solar and biofuels; however, some of these resources, such as wind and solar, produce energy intermittently. Langley Gulch can increase or decrease generation quickly, enhancing our ability to integrate renewables in a way that does not impact reliability.



Artist's rendering of Langley Gulch Power Plant, looking south from I-84.



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Find Information About The Langley Gulch Power Plant Inside:

- Project Overview & Update
- A Word from Mayor Joe Cook
- Project Timeline & Milestones
- Permitting Update
- Quick Facts
- Contact Information

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Neighborhood News is produced and distributed by Idaho Power to keep neighbors and those interested in the project up-to-date.

Learn More, Stay Updated

Learn more about the Langley Gulch project at www.idahopower.com/langleygulch, and Idaho Power's ongoing efforts to ensure reliable, fair-priced electricity for future generations at: www.idahopower.com/ourfuture.

Idaho Power

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Contact Information

Idaho Power appreciates your interest in and support of this project. Please contact us with your comments, concerns or feedback.

Langley Gulch Power Plant

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