

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF IDAHO POWER ) CASE NO. IPC-E-23-31**  
**COMPANY’S APPLICATION FOR AN )**  
**ORDER APPROVING THE TRANSFER OF )**  
**CERTAIN ASSETS ASSOCIATED WITH ) ORDER NO. 36089**  
**TRANSMISSION PLANT HELD FOR )**  
**FUTURE USE )**  
**)**

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On November 8, 2023, Idaho Power Company (“Company”), applied for an order approving the transfer of an approximately 1.227-acre strip of former railroad line in Valley County, Idaho to a private party (“Application”). The Company asserts that the proposed transfer complies with *Idaho Code* § 61-328.

On December 15, 2023, the Commission issued a Notice of Application, Notice of Modified Procedure, and Notice of Telephonic Hearing. Order No. 36025. The Commission held a telephonic hearing on January 5, 2024. No members of the public testified. Commission Staff (“Staff”) filed comments supporting the Application. No other comments were received.

Based on our review of the record, the Commission now issues this final Order approving the Company’s Application.

**BACKGROUND**

In 1985, the Company obtained approximately 90 acres of abandoned railroad line in Valley County from the Union Pacific Railroad, intending to use the land for a transmission corridor. Subsequently, the Company has sold various parcels of the former railroad line to adjacent landowners while retaining easements authorizing the Company to construct a transmission line in the future.

**THE APPLICATION**

The proposed transfer would result in the Company conveying the 1.227-acre strip of former railroad line to adjacent private landowners, with the Company retaining a powerline easement over the entire parcel. The Company represents the proposed \$2,000 sale price is the market value of the property and the proposed transaction satisfies *Idaho Code* § 61-328 because it will relieve the Company of maintenance costs related to the parcel without relinquishing the right to someday use it for a transmission corridor. At the same time, the parcel will be conveyed

to individuals who intend to farm or otherwise maintain it. Thus, according to the Company, the transaction will result in the parcel being put into service without impacting the Company's ability to provide safe and reliable service to customers.

### **STAFF COMMENTS**

Staff evaluated the Company's Application under *Idaho Code* § 61-328(3) and recommended approval of the proposed asset transfer. Staff agreed with the Company that the proposed asset transfer promotes the public interest, reiterating the Company's rationale for why the transfer satisfies *Idaho Code* § 61-328(3). Staff also believed that the transfer will not affect customer rates due to the lack of infrastructure on the parcel.

Staff further noted that, although the Company has no existing plans for the parcel, the Company retained an easement over it to construct transmission infrastructure. If the Company eventually constructs a transmission line on the parcel, the Company indicated it will work closely with landowners to avoid damage but will have no obligation to remedy damages resulting from such construction. Accordingly, Staff indicated that the Company and customers are not at risk of additional financial liability and the transaction will not jeopardize the Company's provision of safe, reliable service.

Staff also believed the Company's proposed accounting treatment of the asset transfer is reasonable. Staff calculated the original value of the parcel to be \$1,073.21. Although agricultural land in Valley County sells for up to \$7,500 an acre, the \$2,000 sale price for the parcel is reasonable considering its irregular shape and the Company's retained easement. After reviewing the anticipated selling and closing costs, Staff believed the Company's estimate of a \$309.98 gain on the sale of the parcel is reasonable. Accordingly, Staff recommended the Commission issue an order authorizing the proposed asset transfer.

### **COMMISSION FINDINGS AND DISCUSSION**

The Commission has jurisdiction over this matter under *Idaho Code* § 61-328. The Commission has reviewed the record, including the Application and comments. Specifically, as required by *Idaho Code* § 61-328(3), the Commission finds that the property transfer is consistent with the public interest, will not increase the cost of rates for supplying service, and the private party acquiring the property being transferred has the bona fide intent and financial ability to operate and maintain it. Importantly, the Company retains an easement over the transferred parcel which it can construct transmission facilities upon in the future. The Commission also finds that

reasons for approving this asset transfer follow this Commission's relational in prior orders. Accordingly, we find it reasonable to approve the Application.

**ORDER**

IT IS HEREBY ORDERED that the Company's Application is approved. The transfer of the 1.227-acre strip of former railroad line in Valley County, Idaho, to a private party is approved, effective upon the issuance date of this Order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15<sup>th</sup> day of February 2024.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez  
Commission Secretary

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