

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF

FROM: DAPHNE J. HUANG
DEPUTY ATTORNEY GENERAL

DATE: DECEMBER 1, 2016

SUBJECT: IDAHO POWER'S APPLICATION TO APPROVE ASSET SALE TO
MCCAIN FOODS USA, INC., CASE NO. IPC-E-16-31

On November 15, 2016, Idaho Power Company sent a letter to Commission Staff, advising that it reached an agreement to sell certain Company-owned assets to its customer, McCain Foods USA, Inc., pursuant to the Company's Rule M "Facilities Charge Service." Rule M governs the sale of Company-owned assets or facilities that are – as here – beyond the "point of delivery." The point of delivery (POD) is the point at which the customer's power usage is measured, and "beyond the POD" refers to the customer side, rather than the utility side, of the POD. Order No. 33470 at 1.

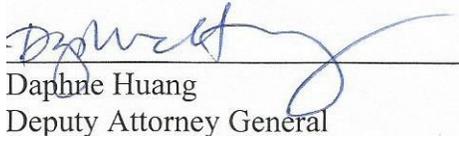
Idaho Power asked Staff how the Company should get Commission approval of the transaction. Staff conveyed to Idaho Power that the request should be processed as an Application. Staff and the Company agreed it was appropriate to treat Idaho Power's letter as an Application, and the matter was assigned the above case number.

In this case, the assets at issue meet "McCain's service requirements" alone, and are "not devoted to the public service." Application at 2. Idaho Power and McCain agreed that McCain would purchase the assets "and thereby assume ownership, operation, maintenance, and all liabilities associated therewith," in order to resolve "current mixed ownership issues." *Id.* at 1. Idaho Power states the total sale price of the assets, which was "reached as the result of an arm's length transaction," is \$373,974. *Id.* at 3.

Staff recommends that the matter be processed by Modified Procedure with a 21-day comment period.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application and Notice of Modified Procedure with a 21-day comment period?



Daphne Huang
Deputy Attorney General

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