

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
LEGAL
WORKING FILE**

FROM: TERRI CARLOCK

DATE: APRIL 12, 2012

**RE: IDAHO POWER COMPANY'S REQUEST FOR EXTENSION TO ISSUE
AND SELL UP TO \$500 MILLION FIRST MORTGAGE BONDS AND
DEBT SECURITIES BY SHELF AUTHORITY – CASE NO. IPC-E-12-16.**

On March 19, 2012, Idaho Power Company filed an Application requesting authority to extend its authority for two years to issue and sell from time to time (a) up to \$500,000,000 aggregate principal amount of one or more series of First Mortgage Bonds, which may be designated as secured medium-term notes and/or (b) up to \$500,000,000 aggregate principal amount of one or more series of unsecured debt securities. The total outstanding combined principal amount of the Bonds and the principal amount of the Debt Securities to be issued and sold shall not exceed \$500,000,000.

A shelf registration allows a company to take advantage of attractive market conditions efficiently and rapidly. This extension for the shelf registration is requested for a two-year period, through April 19, 2014. It is the same format as previously authorized for other shelf issuances and approved for Idaho Power in Case No. IPC-E-10-10, Order No. 31053.

The Bonds will be issued pursuant to one or more supplemental indentures to the Mortgage and will be secured equally with the other First Mortgage Bonds of Idaho Power. Interest rate hedging arrangements with respect to the Bonds may be entered by Idaho Power including treasury interest rate locks, treasury interest rate caps and/or treasury interest rate collars.

The Bonds and/or Debt Securities may be sold by public sale or private placement, directly by Idaho Power or through agents designated from time to time or through underwriters

or dealers. The type and terms of issuance will be determined at the time of issuance. Any required Prospectuses will be filed prior to issuance. If any agents or any underwriters are involved in the sale of the Bonds and/or Debt Securities, the names of such agents or underwriters, the initial price to the public (if applicable), any applicable commissions or discounts, and the net proceeds to the Applicant will be filed by the Applicant with the Commission. If the Bonds are designated as medium-term notes and sold to an agent or agents as principal, the names of the agents, the price paid by the agents, any applicable commission or discount paid by the Applicant to the agents and the net proceeds to the Applicant will be filed with the Commission. Idaho Power will file by letter seven days or as soon as possible prior to issuance the terms of issuance. All final documents will also be filed.

Net proceeds from the sale of the Bonds and/or Debt Securities will be used for the acquisition of property; the construction, completion, extension or improvement of its facilities; the improvement or maintenance of its service; the discharge or lawful refunding of its obligations; and for general corporate purposes. To the extent that the proceeds from the sale of the Bonds or Debt Securities are not immediately so used, they will be temporarily invested in short-term discounted or interest-bearing obligations.

STAFF RECOMMENDATION

Staff recommends approval of the requested two-year extension, through April 19, 2014, for the \$500 million shelf registration authority. Idaho Power will file notice of issuances with the terms. All final documents will also be filed.

COMMISSION DECISION

Does the Commission approve the two-year extension, through April 19, 2014, for the \$500 million shelf registration authority?



Terri Carlock

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