

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

ELECTRONICALLY FILED

June 20, 2017

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301


RE: UP 347 – In the Matter of Idaho Power Company Requesting Approval of an Asset Sale to McCain Foods USA, Inc.

Attention Filing Center:

Pursuant to Order No. 17-036, attached for filing in Docket No. UP 347 are Idaho Power's journal entries recording the sale of distribution assets subject to a Facilities Charge to McCain Foods USA, Inc. The final bill of sale was executed on May 9, 2017.

If you have any questions regarding this filing, please contact Regulatory Analyst Zach Harris at (208) 388-2305 or zharris@idahopower.com

Very truly yours,



Lisa D. Nordstrom

LDN/kkt

Enclosure

**IDAHO POWER COMPANY
FINAL JOURNAL ENTRIES**

Idaho Power will record this transaction using the accounting treatment below. The accounting follows existing generally accepted accounting principles in the United States of America and consists of the following three elements:

a. Removing the Original Cost of the Assets from Idaho Power's Accounting Records. Idaho Power will remove the assets from its accounting records as follows:

- Debit 108 – Accumulated Depreciation \$326,143
- Credit 101 – Electric Plant in Service \$326,143

b. Recording the Gain on the Sale. Idaho Power will record the gain on the sale of the Assets as follows:

- Debit 131 – Cash \$373,974
- Credit 421 – Miscellaneous Non-Operating Income \$192,055
(Near-term rate of return impact of \$32,251, near-term operational impact of \$57,936, net gross-up for tax of \$101,388, plus work order closing costs of \$480)
- Credit 108 – Accumulated Depreciation \$181,919
(Remaining net book value of \$127,054 plus true-up of past levelized rate of return of \$54,865)

c. Recording the Impact on Idaho Power's Income Taxes. Idaho Power will record the impact on Idaho Power's income taxes as follows:

- Debit 409 – Income Taxes \$61,751
- Credit 236 – Taxes Accrued \$61,751
- Debit 282 – Accumulated Deferred Income Taxes \$16,576
- Credit 410 – Provision for Deferred Income Taxes \$16,576

The values used for Idaho Power's income tax journal entries are subject to change depending on federal statutes in effect at the time of the sale, and the actual impact to income taxes.