

Lisa Nordstrom Lead Counsel Inordstrom@idahopower.com

October 25, 2016

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

RE: Informational Filing on Property Transaction – Bridger Coal Company Auction

Attention Filing Center:

Idaho Power Company ("Idaho Power" or "Company") hereby provides notice to the Public Utility Commission of Oregon ("Commission") of the conveyance by Bridger Coal Company ("BCC") of the following items (collectively, "Equipment") to [BEGIN CONFIDENTIAL MATERIAL] [END CONFIDENTIAL MATERIAL] through an auction sale:

- (1) 2002 Freightliner FL60
- (1) 1991 White GMC ACL T/A Lube Truck
- (1) 1999 Volvo ACL64B
- (1) 2000 Ford F750 Flatbed Truck
- (2) Auto Crane 3200# Material Crane and hose reels
- (1) Auto Crane 3200# Material Crane (unmounted)
- (1) 1992 Caterpillar 16G Articulating Motor Grader
- (1) Hotsy HCR506R Portable Steam Cleaner/Pressure Washer

BCC, a joint venture between Idaho Energy Resources Co. ("IERCo") and Pacific Minerals, Inc. ("Pacific Minerals"), mines and supplies coal to the Jim Bridger generating plant ("Jim Bridger plant"), located in Sweetwater County, Wyoming. Idaho Power is the parent of IERCo and PacifiCorp is the parent of Pacific Minerals. The Jim Bridger plant is owned by Idaho Power (one-third) and PacifiCorp (two-thirds).

The Equipment, which was fully depreciated, was no longer needed for use at BCC. On August 25, 2016, JJ Kane Auctioneers held an auction for BCC, selling the Equipment to a single buyer, **[BEGIN CONFIDENTIAL MATERIAL] [END CONFIDENTIAL MATERIAL]**. Because the auction company considers the name of the purchaser to be proprietary information, Idaho Power is filing this information as confidential pursuant to OAR 860-01-0070. The total value of the equipment sold was \$60,750, with Idaho Power's one-third share totaling \$20,250.

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ORS 757.480(2) states: "A public utility that sells, leases, assigns or otherwise disposes of the whole of the property of such public utility necessary or useful in the performance of its duties to the public or any part thereof of a value in excess of \$25,000, but less than \$100,000, shall notify the commission of the sale within 60 days following the date of the sale." Idaho Power does not believe ORS 757.480(2) is applicable to BCC's conveyance of the Equipment to **[BEGIN CONFIDENTIAL MATERIAL]** [END CONFIDENTIAL MATERIAL] as Idaho Power's share of the proceeds does not exceed \$25,000. However, because PacifiCorp's two-thirds share does exceed \$25,000 and PacifiCorp is required to notify the Commission of the sale, Idaho Power is voluntarily providing notice as well.

Under the Commission-approved ratemaking treatment of IERCo, the sale of the Equipment will not adversely impact customer rates. Depreciation expense is a part of the overall expenses of BCC's coal operations, initially appearing in fuel inventory costs at Idaho Power as coal sales from BCC to Idaho Power, and is ultimately reflected in Federal Energy Regulatory Commission Account 501 – Fuel Expense Coal when the coal is burned at the plant. Because depreciation expense ceased on the Equipment when it reached the end of its book life, there has been no depreciation expense associated with the Equipment included in the overall expenses of BCC since that time.

If you have any questions regarding this filing, please contact Courtney Waites, Senior Regulatory Analyst, at (208) 388-5612 or <u>cwaites@idahopower.com</u>.

Sincerely,

Lin D. Madstrom

Lisa D. Nordstrom

CW/kkt

cc: Michael Dougherty, OPUC