

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UP 238

In the Matter of	)	
	)	
IDAHO POWER COMPANY	)	ORDER
	)	
Application for Approval of the Sale of the	)	
Nyssa Property.	)	

**DISPOSITION: APPLICATION APPROVED WITH CONDITIONS**

On May 17, 2007, the Public Utility Commission of Oregon (Commission) received an application from Idaho Power Company (Idaho Power or Company) pursuant to ORS 757.480 and OAR 860-027-0025, requesting approval of the sale of the Nyssa property located in Ada County, Idaho, to the City of Nyssa.

Under ORS 757.480, a public utility doing business in Oregon shall first obtain Commission approval for any transaction to sell, lease, assign or otherwise dispose of property. Based on a review of the application and the Commission's records, the Commission finds that the application satisfies applicable statutes and administrative rules. At its Public Meeting on June 19, 2007, the Commission adopted Staff's recommendation to approve Idaho Power's application with certain conditions. Staff's recommendation is attached as Appendix A and is incorporated by reference.

**ORDER**

IT IS ORDERED that the application of Idaho Power Company is approved, subject to the following conditions:

1. Idaho Power Company shall provide the Commission access to all books of account, as well as all documents, data, and records that pertain to the transfer of electric properties.
2. The Commission reserves the right to review, for reasonableness, all financial aspects of this transaction in any rate proceeding or earnings review under an alternative form of regulation.

3. Idaho Power Company shall notify the Commission in advance of any substantive changes to the transfer of electric properties, including any material changes in price. Any changes to the agreement terms that alter the intent and extent of activities under the agreement from those approved herein, shall be submitted for approval in an application for a supplemental order (or other appropriate format) in this docket.

Made, entered, and effective JUN 25 2007.

BY THE COMMISSION:



*Becky L. Beier*  
\_\_\_\_\_  
**Becky L. Beier**  
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-014-0095. A copy of any such request must also be served on each party to the proceeding as provided by OAR 860-013-0070(2). A party may appeal this order by filing a petition for review with the Court of Appeals in compliance with ORS 183.480-183.484.

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: June 19, 2007

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE \_\_\_\_\_ N/A \_\_\_\_\_

DATE: June 12, 2007

TO: Public Utility Commission

FROM: Marion Anderson *MSA*

THROUGH: *u* Lee Sparling, *A* Marc Hellman, and *m* Michael Dougherty

SUBJECT: IDAHO POWER COMPANY: (Docket No. UP 238) Application for an Approval of the Sale of the Nyssa Property

**STAFF RECOMMENDATION:**

The Commission should approve the sale of the Nyssa property located in Ada County, Idaho, to the City of Nyssa with the following conditions:

1. Idaho Power Company shall provide the Commission access to all books of account, as well as, all documents, data, and records that pertain to the transfer of electric properties.
2. The Commission reserves the right to review, for reasonableness, all financial aspects of this transaction in any rate proceeding or earnings review under an alternative form of regulation.
3. Idaho Power Company shall notify the Commission in advance of any substantive changes to the transfer of electric properties, including any material changes in price. Any changes to the agreement terms that alter the intent and extent of activities under the agreement from those approved herein, shall be submitted for approval in an application for a supplemental order (or other appropriate format) in this docket.

**DISCUSSION:**

This application was filed on May 17, 2007, pursuant to ORS 757.480 and OAR 860-027-0025. This property, formerly a customer service office, consists of a building and land. It is not used and useful, and has not been so for some time.

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A fair value appraisal was conducted by Bainbridge, Bainbridge, McGary and Wade, Inc., effective November 13, 1996. The first valuation of \$97,000 assumed a 24-36 month marketing time frame. The second valuation of \$67,900 assumed a 12 month or less marketing time frame. The one \$50,000 declined offer made to date occurred in July 2002, from the Malheur Hospital. The Nyssa area is in economic decline.

Staff investigated the following issues:

1. Scope and Terms of the Real Estate Agreement
2. Public Interest Compliance
3. Records Availability, Audit Provisions, and Reporting Requirements

Scope and Terms of the Real Estate Agreement

The sale price is \$65,000 with a recognized loss on the depreciated property of \$1,600. The proposed accounting entries were submitted and reviewed.

Public Interest Compliance

The sale conforms to the no harm standard used by the Commission because the property at issue was no longer used and useful, and the loss is immaterial.

Records Availability, Audit Provisions, and Reporting Requirements

Order Condition Number 1, listed above in the staff recommendation, affords the necessary Commission examination.

**PROPOSED COMMISSION MOTION:**

The sale of the Nyssa property by Idaho Power Company to the City of Nyssa be approved subject to the conditions stated in this memorandum.

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