

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL
WORKING FILE**

FROM: TERRI CARLOCK

DATE: JULY 21, 2003

**RE: IDAHO POWER COMPANY'S REQUEST TO REFUND \$49,800,000
HUMBOLDT COUNTY, NEVADA POLLUTION CONTROL REVENUE
BONDS – CASE NO. IPC-E-03-9.**

On July 11, 2003, Idaho Power Company (Idaho Power) filed an Application requesting authority to enter into financing transactions to refund \$49,800,000 aggregate principal amount of Humboldt County, Nevada Pollution Control Revenue Bonds. Idaho Power proposes to refund to secure a lower average interest and/or to extend the average maturity for the refunding bonds.

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. The interest rate may be fixed or variable and may be convertible. Idaho Power expects the refunding bonds to be issued on or before December 1, 2003. Idaho Power may evaluate interest rate swaps and/or interest rate hedging arrangements to minimize the interest costs. Idaho Power will also evaluate the need and interest expense reduction if guarantees, pledges or other security agreements are entered.

Idaho Power requests an Order authorizing Idaho Power Company to 1) enter into contracts of purchase, loan agreements, letter of credit agreements, security agreements and such other agreements or arrangements as reasonably necessary to refund the \$49,800,000 aggregate principal amount of Humboldt County, Nevada Pollution Control Revenue Bonds.

Fees have been paid.

STAFF RECOMMENDATION

Staff recommends approval to refund the \$49,800,000 aggregate principal amount of Humboldt County, Nevada Pollution Control Revenue Bonds.

COMMISSION DECISION

Does the Commission approve the request to refund the \$49,800,000 aggregate principal amount of Humboldt County, Nevada Pollution Control Revenue Bonds.

Does the Commission approve the agreement that Idaho Power will file by letter seven days or as soon as possible prior to issuance the terms of issuance and file all final documents.

Terri Carlock
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