

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: FEBRUARY 2, 2006

DATE: SCOTT WOODBURY

SUBJECT: CASE NO. IPC-E-05-35 (Idaho Power)
PETITION TO DETERMINE EXEMPTION STATUS (CASSIA WIND)
JDC FINANCING AND TURBINE COMMITMENT

On October 27, 2005, Cassia Gulch Wind Park, LLC and Cassia Wind Farm, LLC (Cassia Wind) filed a Petition with the Idaho Public Utilities Commission requesting a Commission Order determining that Cassia Wind was exempt from the published rate eligibility cap established in Order No. 29839.

On January 17, 2006, the Commission issued Order No. 29954 in Case No. IPC-E-05-35 reaffirming its bench ruling issued January 4, 2006 granting a Commission determination that Cassia Wind is entitled to receive grandfathering or exemption from the published rate eligibility cap established in Commission Order No. 29839 contingent on Cassia Wind's ability to secure contractual financing and turbine commitment from John Deere Credit no later than 30 days from January 4, 2006.

On February 1, 2006, a letter was filed with the Commission from John Deere Credit (JDC) apprising the Commission that JDC has completed its due diligence review of the Cassia Wind proposed wind turbine projects. Based on that review JDC states that it has issued its commitment to supply the necessary wind turbines and financing to the projects, with construction to start in early summer 2006. JDC requests a Commission confirmation that its letter is sufficient to satisfy the contingency in Order No. 29954 and that the Cassia Wind projects are exempt from the rate eligibility cap of Order No. 29839.

COMMISSION DECISION

Commission Staff has reviewed the February 1, 2006 letter from John Deere Credit and believes that it demonstrates Cassia Wind's ability to secure contractual financing and turbine commitment from John Deere Credit. Idaho Power is satisfied with the letter form of commitment from JDC. Final documents are being prepared. Staff recommends that the Commission acknowledge satisfaction of the Order No. 29954 contingency by Minute Entry. Does the Commission agree?

Scott D. Woodbury

bls/M:IPC-E-05-35_sw