

APR 2 - 1992

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )  
OF IDAHO POWER COMPANY FOR ) CASE NO. IPC-E-92-9  
AUTHORITY TO SELL ITS HAILEY )  
TURBINE ELECTRIC GENERATOR. ) NOTICE OF APPLICATION  
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YOU ARE HEREBY NOTIFIED that on March 9, 1992, the Idaho Power Company (Idaho Power; Company) filed an Application for authority to sell its turbine electric generator (Hailey Turbine) located approximately two miles north of Hailey, Idaho at the Wood River Substation.

According to the Application, the Hailey Turbine is a General Electric Frame 7, model MS 7001 B (C), dual fuel turbine electric generator with a rating of 49,580 kW. The equipment proposed for sale includes the fuel handling equipment, two auxiliary transformers, the carbon dioxide fire control unit, the waste sump, the 4.16 kV auto transfer unit for starting, all special tools, spare parts and manuals as well as the turbine generator unit itself.

The Company notes that on February 6, 1974, in Case No. U-1006-89, by Order No. 11315, Idaho Power was granted a Certificate of Public Convenience and Necessity for the construction and installation of the Hailey Turbine. The original purpose for the turbine was to provide increased reliability to the Hailey-Ketchum-Sun Valley area. According to the Company: "Idaho Power has now completed construction of a second 138 kV transmission line, and that line has been in operation for over a year."

Idaho Power contends that problems involving availability of fuel and the local environmental impact at the present site have forced the Company to omit the Hailey Turbine as a resource for planning purposes from Idaho Power's current studies for new resource planning or avoided cost determination. Because of this, the Company contends, the sale of the Hailey Turbine will not affect Idaho Power's "Appendix A" loads and resources assessment established by the Idaho Public Utilities Commission in Case No. IPC-E-89-11, Order No. 23357, setting avoided cost rates for power purchases from PURPA qualifying facilities.