DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVID SCHUNKE

BEV BARKER

TONY JONES

LYNN ANDERSON

GARY RICHARDSON

WORKING FILE

FROM:WAYNE HART

RANDY LOBB

DATE:APRIL 17, 1996

RE:IDAHO POWER'S PROPOSAL TO DISCONTINUE THE CEILING INSULATION FINANCING PROGRAM; CASE NO. IPC-E-96-4.

PROPOSAL

Idaho Power proposes to discontinue their Ceiling Insulation Program on May 31.  This program, which was initially begun in 1978, provides below market rate financing for the installation of ceiling insulation to any customer of Idaho Power, regardless of whether they heat with electricity or not.  The loans made by Idaho Power were then sold to a bank, resulting in little or no net costs to the utility or ratepayers.

The Company is proposing to terminate the program because activity in the program has declined to only 24 projects in the past year, and because the bank that had purchased the loans in the past has indicated it will no longer do so.  The Company is faced with either financing and administering the program internally or finding another lender who will purchase these loans.

The Company has requested that this application be processed under Modified Procedure.

STAFF RECOMMENDATION

Staff has no objection to processing this application under Modified Procedure.  Staff does not expect significant comment, and believes that written comments should provide ample opportunity for the issues that may arise.

In preparing their comments on this application, Staff will discuss it with the Idaho Department of Water Resources which operates a similar program that may be impacted by this proposal.

COMMISSION DECISION

Should this application be processed under Modified Procedure?

Are there any parties to which the Commission desires that special notice of the application be provided?

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Wayne Hart

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Randy Lobb

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