DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

RANDY LOBB

GARY RICHARDSON

WORKING FILE

FROM:SCOTT WOODBURY

WAYNE HART

DATE:MAY 29, 1996

RE:CASE NO.  IPC-E-96-4

IDAHO POWER COMPANY

On April 10, 1996, Idaho Power Company (Idaho Power; Company) filed an Application with the Idaho Public Utilities Commission (Commission) for authority to discontinue its Home Ceiling Insulation Financing Program (Ceiling Insulation Program).  Reference Program approval—Order No.  13651, January 5, 1978.

Idaho Power reports that in recent years activity under the Ceiling Insulation Program has become minimal.  In the year 1995, the Company financed $16,453 for 24 projects.  The financing ranges from $1,250 to $308.  The Company has been notified that the bank that purchased the ceiling insulation financing contracts no longer desires to purchase those contracts.  The Company states that it is faced with either financing and administering the program internally or finding another lender that will purchase the contracts.

As a result of the low participation, and because the bank that purchased the contracts in the past will no longer do so, the Company requests that the Ceiling Insulation Program be terminated.  The Company has requested that the Application be processed under Modified Procedure, i.e., by written submission rather than by hearing.  Reference Rules of Procedure, IDAPA 31.01.01.201-204.  The Company has proposed a discontinuance date of May 31, 1996, to permit home insulation contractors that may utilize the ceiling insulation program to be advised in advance that the program will be discontinued.

On April 26, 1996, the Commission issued a Notice of Application and Modified Procedure in Case No. IPC-E-96-4.  The deadline for filing written comments with respect to the Application and/or the use of Modified Procedure was May 20, 1996.

Timely comments in Case No. IPC-E-96-4 were filed by Commission Staff (attached).  Staff notes that other alternatives exist to meet the need to which the program was targeted, and recommends that the Application be approved.  No other comments were received.

Commission Decision

Should Idaho Power be authorized to discontinue its ceiling insulation financing program?  The Company requested an effective date of May 31, 1996.  Staff attorney apologizes for not bringing this matter to the Commission’s attention in a more timely manner.  Assuming the Commission is inclined to approve the Company’s Application, a proposed Order has been provided to the Commission Secretary.

Scott Woodbury

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