(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR ACCOUNTING ORDER AUTHORIZING THE AMORTIZATION OF CERTAIN GENERAL PLANT ACCOUNTS. | )  )  )  )  )  ) | CASE NO. IPC-E-97-4  NOTICE OF APPLICATION  NOTICE OF MODIFIED PROCEDURE  NOTICE OF COMMENT/  PROTEST DEADLINE |

YOU ARE HEREBY NOTIFIED that on March 28, 1997, Idaho Power Company (Idaho Power; Company) filed an Applica­tion with the Idaho Public Utilities Commission (Commission) in Case No. IPC-E-97-4 requesting an accounting Order authorizing the amortization of certain general plant accounts.  The accounts included in the proposed change include the following:

|  |  |
| --- | --- |
| Account | Description |
| 391.10  391.20  393.00  394.00  395.00  397.00  398.00 | Office Furniture & Equipment  Computer Equipment (Excluding Main Frame Hardware)  Stores Equipment  Tools, Shop & Garage Equipment  Laboratory Equipment  Communication Equipment  Miscellaneous Equipment |

Presently, the Company is required to track all general plant assets from installation to retirement.  As reported by the Company, this methodology requires that the original purchase of an asset be recorded and an identification number assigned to the asset.  Throughout the asset’s life, any transfers between areas are reported to and recorded by the Plant Accounting area of the Finance Department.  Periodic inventories are taken to verify the existence and location of the asset.  At the end of the asset’s useful life a property disposal report is prepared and sent to Plant Accounting.  The retirement of the asset is then recorded on the Company’s accounting records.  The current procedure requires recording the original purchase of individual assets in a detailed subledger, assigning unit costs, recording transfer and retirements, preparing paperwork, assigning and attaching identification numbers to assets and conducting periodic inventories.  This labor intensive process would be avoided under the Company’s proposal.

The Company’s proposal would allow Idaho Power to account for additions and retirements at the vintage level for each account rather than on an individual item basis.  The plant items in the identified accounts are high in volume (approximately 55,000 items) but low in cost per unit.  Total investment in the affected accounts comprise only about 2% of current gross plant in service investment.  The items would be recorded at the vintage level and amortized over the current life for the account.  When each vintage group in the primary account becomes fully depreciated, the original cost of the vintage group is retired from plant in service.  No interim retirements would be recorded.  The proposed accounting treatment is represented to be consistent with the Company’s goals of reducing costs and committing employees’ time to those activities that increase efficiency.  As represented, the Company will continue to maintain internal controls over general plant assets by emphasizing employee accountability, and limiting and scrutinizing budget dollars utilized for the purchase of general plant assets.

The Company contends that its request is revenue neutral at this time since the accounts will be amortized using the currently approved depreciation rates.

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filings of record in Case No. IPC-E-97-4.  The Commission has preliminarily determined that the public interest in this matter may not require a hearing to consider the issues presented and that the issues raised by the Application may be processed under Modified Procedure, i.e. by written submission rather than by hearing.  Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why modified procedure should not be used.  Reference IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the deadline for filing written comments or protests with respect to the Application and the Commission’s use of Modified Procedure in Case No. IPC-E-97-4 is Friday, May 9, 1997.  Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the deadline, the Commission will consider the matter on its merits and enter its order without a formal hearing.  If comments or protests are filed within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its order on the basis of the written positions before it.  Reference IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that written comments concerning Case No. IPC-E-97-4 should be mailed to the Commission and the Company at the addresses reflected below.

COMMISSION SECRETARYLARRY D. RIPLEY, ESQ.

IDAHO PUBLIC UTILITIES COMMISSIONIDAHO POWER COMPANY

PO BOX 83720PO BOX 70

BOISE, IDAHO  83720-0074BOISE, ID 83707

Street Address for Express Mail:DARREL T. ANDERSON

CORPORATE CONTROLLER

472 W WASHINGTON STIDAHO POWER COMPANY

BOISE, IDAHO  83702-5983PO BOX 70

BOISE, ID 83707

All comments should contain the case caption and case no. shown on the first page of this document.

YOU ARE FURTHER NOTIFIED that the Application in Case No. IPC-E-97-4 can be reviewed at the Commission’s offices and at the principle corporate office of Idaho Power Company during regular business hours.  Idaho Power’s corporate offices are located at 1221 West Idaho Street, Boise, Idaho.

DATED at Boise, Idaho this day of April 1997.

Myrna J. Walters

Commission Secretary

cm\N:ipce974.sw

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

April 18, 1997