DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

SYD LANSING

RICK STERLING

DAVID SCOTT

WORKING FILE

FROM:SCOTT WOODBURY

DATE:OCTOBER 1, 1998

RE:CASE NO.  IPC-E-98-10 (IDAHO POWER)

PROPOSED CANCELLATION OF TWO FIRM ENERGY SALES

AGREEMENTS

Idaho Power Company requests Commission approval of the Company’s proposed cancellation of two 1984 Firm Energy Sales Agreements with Lynn E. Stevenson and Arrowhead Trust.  The Sales Agreements require Idaho Power to purchase electrical capacity and energy from two under 1 megawatt small power hydro electric production facilities (QFs) in Gooding County, Idaho.  The QFs are not operating and there is a contested issue as to whether performance is excused by a “force majeure” occurrence.

The Company and Staff recommend that this matter be processed pursuant to Modified Procedure, i.e., by written submission rather than by hearing.  The prepared Notice is attached.

Commission Decision

Does the Commission agree that Idaho Power’s Application in Case No. IPC-E-98-10 should be processed pursuant to Modified Procedure?  If not, what is the Commission’s preference?

Scott Woodbury

vld/M:IPC-E-98-10.sw