BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)

RESOURCES WEST ENERGY CORPORATION,)CASE NOS. WWP-S-95-1

A SUBSIDIARY OF THE WASHINGTON ) RWC-S-95-1

WATER POWER COMPANY, FOR AN ORDER)

AUTHORIZING THE TRANSFER OF RE-)

MAINING AUTHORIZATIONS FOR ALL )

SECURITIES TO THE SURVIVING MERGER)

ENTITY; THE ISSUANCE OF DEBT )

SECURITIES WHICH MAY BE ISSUED IN )

ACCORDANCE WITH AN INDENTURE OF )

RESOURCES WEST ENERGY CORPORATION;)ORDER NO. 26232

TO ENTER INTO SWAP AGREEMENTS FOR )

NO MORE THAN 20% OF ITS LONG-TERM)

DEBT; THE ISSUANCE AND SALE OF BOTH)

COMMON AND PREFERRED STOCK; AND )

THE EXECUTION AND DELIVERY OF ALL )

DOCUMENTS AND AGREEMENTS REQUIRED)

IN CONNECTION WITH THE ISSUANCE AND)

SALE OF THESE SECURITIES)

                                                                   )

On June 14, 1995, the Idaho Public Utilities Commission (Commission) received an application in this proceeding from the Washington Water Power Company (Water Power) and Resources West Energy Corporation (Resources West)(footnote: 1) for authority to transfer the remaining authorizations for all securities to the surviving merger entity; issue debt securities in accordance with an indenture of  Resources West Energy Corporation; enter into swap agreements for no more than 20% of its long-term debt; issue and sell both common and preferred stock; and  execute and deliver all documents and agreements required in connection with the issuance and sale of these securities.  Water Power is a Washington corporation and Resources West is a Nevada corporation.  Both are authorized to do business in the state of Idaho.

In Case Nos. WWP-E-94-7/WWP-G-94-4, Order No. 26122, issued on September 19, 1995, this Commission approved an Application by Water Power, Sierra Pacific Resources and Sierra Pacific Power Company for a merger of the aforementioned utilities whereby Resources West would be the surviving corporation.  Consequently, Applicants have applied to the Commission in this case, pursuant to Idaho Code § 61-901 et seq., for an Order authorizing Resources West to (a) receive the authorizations for the unissued securities of Water Power and Sierra Pacific Power Company (Sierra) previously authorized by this Commission and/or other state utility commissions and to eliminate any expiration dates; (b) issue and sell up to $324 million in Debt Securities transferred in (a) above which may be issued in accordance with an Indenture to Resources West, which will provide for the issuance from time to time of its bonds, notes or other evidence of indebtedness in one or more series on or before December 31, 1998; (c) enter into Swap Agreements for no more than 20% of its long-term debt, such agreements to be applied to any of Resources West’s Debt Securities, and the authorization thereof to be in addition to and independent of the requested authorization for the issuance of Debt Securities; (d) issue and sell up to 1,500,000 shares of Common Stock, in addition to the amount requested to be transferred in (a) above, under Resources West’s compensation, benefit and other various stock programs including but not limited to a dividend reinvestment plan and a periodic offering program with no specified expiration date; (e) issue and sell up to $70,000,000 of Preferred Stock in one or more series, in addition to the amount requested to be transferred in (a) above, on or before December 31, 1998; (f) execute and deliver any and all documents and agreements as may be required in connection with the issuance and sale of securities by Resources West; (g) utilize the proceeds therefrom to fund Resources West’s construction program or reimburse the Treasury for funds previously expended for such purpose and (h) formally shift the required filing date for Annual Compliance Reports from January 31 to April 1.  It was further requested that this Application be considered effective only upon the effective date of the proposed merger among WWP, Sierra and Sierra Pacific Resources into Resources West Energy Corporation.

The Commission, having fully considered the Application and exhibits attached thereto, and all of the Commission’s files and records pertaining to this Application, now makes the following Findings of Fact and Conclusions of Law:

FINDINGS OF FACT

Resources West is a Nevada corporation qualified to do business within the state of Idaho.  Resources West is a public utility engaged in the generation, purchase, transmission, distribution and sale of electric energy and the purchase, distribution and sale of natural gas.

Resources West proposes (a) to receive the authorization for the unissued securities of WWP and Sierra previously authorized by this Commission and/or other state utility commissions and to eliminate any expiration dates; (b) to issue and sell up to $324 million in Debt Securities transferred in (a) above which may  be issued in accordance with an Indenture of Resources West, which will provide for the issuance from time to time of its bonds, notes or other evidence of indebtedness in one or more series on or before December 31, 1998; (c) to enter into Swap Agreements for no more than 20% of its long-term debt, such agreements to be applied to any of Resources West’s Debt Securities, and the authorization thereof to be in addition to and independent of the requested authorization for the issuance of Debt Securities; this authority is for Swap Agreements entered into on or before December 31, 1998; (d) to issue and sell up to 1,500,000 shares of Common Stock, in addition to the amount requested to be transferred in (a) above, under Resources West’s compensation, benefit and other various stock programs including but not limited to a dividend reinvestment plan and a periodic offering program with no specified expiration date; (e) to issue and sell up to $70,000,000 of Preferred Stock in one or more series, in addition to the amount requested to be transferred in (a) above, on or before December 31, 1998; (f) to execute and deliver any and all documents and agreements as may be required in connection with the issuance and sale of securities by Resources West; (g) to utilize the proceeds therefrom to fund Resources West’s construction program or reimburse the Treasury for funds previously expended for such purpose and (h) to formally shift the required filing date for Annual Compliance Reports from January 31 to April 1.

The net proceeds of the issuance and sale of the common stock and preferred stock will be used for Resources West’s construction program, the interim financing of the construction program, the refunding of other securities, or to reimburse the treasury for funds previously expended for such purposes.

No person has received or will be entitled to receive from Resources West any fee (1) for services in connection with the consummation of the issuance and sale of the common stock, other than fees for legal, accounting or similar professional or technical services, or (2) for services in securing underwriters, sellers or purchasers of common stock.

CONCLUSIONS OF LAW

The Idaho Public Utilities Commission has jurisdiction over this Application pursuant to the provisions of Idaho Code § 61-901.

The Commission does not have before it for determination and, therefore, does not determine any effect of the proposed transaction on rates to be charged by Resources West for electric or natural gas service to consumers in the state of Idaho.

The proposed issuance of common stock and preferred stock by Resources West under its various equity plans and programs, as authorized by this Order, will be for a lawful purpose in accordance with and permitted by the provisions of the governing statutes under which the application is made, in that the proposed transaction is consistent with the public interest and necessary or appropriate for the proper performance by Resources West of service as a public utility.

Resources West shall file with the Commission all reports regarding each proposed transaction required under the Commission’s Rules of Procedure and as listed in the Order language below.

All lawful fees have been paid as provided by Idaho Code § 61-905.

O R D E R

IT IS THEREFORE ORDERED that the Application of Resources West Energy Corporation (renamed Altus Corporation) for authority to (a) receive the authorization for the unissued securities of WWP and Sierra previously authorized by this Commission and/or other state utility commissions and to eliminate any expiration dates; (b) issue and sell up to $324 million in Debt Securities transferred in (a) above which may be issued in accordance with an Indenture of Resources West Energy Corporation, which will provide for the issuance from time to time of its bonds, notes or other evidence of indebtedness in one or more series on or before December 31, 1998; (c) to enter into Swap Agreements for no more than 20% of its long-term debt, such agreements to be applied to any of the Resources West’s Debt Securities, and the authorization thereof to be in addition to and independent of the requested authorization for the issuance of Debt Securities; this authority is for Swap Agreements entered into on or before December 31, 1998; (d) to issue and sell up to 1,500,000 shares of Common Stock, in addition to the amount requested to be transferred in (a) above, under Resources West’s compensation, benefit and other various stock programs including  but not limited to a dividend reinvestment plan and a periodic offering program with no specified expiration date; (e) to issue and sell up to $70,000,000 of Preferred Stock in one or more series, in addition to the amount requested to be transferred in (a) above, on or before December 31, 1998; (f) to execute and deliver any and all documents and agreements as may be required in connection with the issuance and sale of securities by Resources West; (g) to utilize the proceeds therefrom to fund Resources West’s construction program or to reimburse the Treasury for funds previously expended for such purpose; and (h) to formally shift the required filing date for Annual Compliance Reports from January 31 to April 1, is hereby approved for the purposes of specified in said Application.  It is further ordered that this Application is considered effective upon the effective date of the aforementioned merger.

IT IS FURTHER ORDERED that hereafter the security filings will be under the name of Altus Corporation.

IT IS FURTHER ORDERED that Resources West shall file the following as they become available:

a.The “Report of Securities Issued” required by 18 C.F.R. 34.10.

b.Verified copies of any agreement entered into in connection with the issuance of debt, Preferred Stock and/or Common Stock pursuant to this Order.

c.Verified copies of Swap Agreements.

d.A verified statement setting forth in reasonable detail the disposition of the proceeds of each offering made pursuant to this Order.

IT IS FURTHER ORDERED that Resources West shall contact the Commission Staff as soon as possible prior to the issuance of debt and preferred stock for the purpose of reporting the estimated rates and other terms of the issuance.  Resources West shall also, after issuance, provide to the Staff workpapers demonstrating the cost effectiveness of the type of security selected for issuance.  Resources West shall contact the Staff to discuss Swap Agreements including risk management/cost effective analyses prior to implementation.  These requirements are for information purposes.

IT IS FURTHER ORDERED that the foregoing authorization is without prejudice to the regulatory authority of the Commission with respect to rates, utility capital structure, service, accounts, valuation, estimates for determination of cost or any other matter which may come before this Commission pursuant to its jurisdiction and authority as provided by law.

IT IS FURTHER ORDERED that nothing in this Order and no provisions of Idaho Code §§ 61-901 et seq., or any act or deed done or performed in connection therewith shall be construed to obligate the state of Idaho to pay or guarantee in any manner whatsoever any security authorized, issued, assumed or guaranteed under the provisions of said Idaho Code §§ 61-901 et seq.

THIS IS A FINAL ORDER.  Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case Nos. WWP-S-95-1 and RWC-S-95-1 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this Case Nos. WWP-S-95-1 and RWC-S-95-1.  Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration.  See Idaho Code § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this              day of November 1995.

RALPH NELSON, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

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**FOOTNOTES**

1:

On October 10, 1995, Water Power informed the Commission by letter that Resources West Energy Corporation has changed its name to Altus Corporation.  The gas and electric services in Idaho will continue to be provided under the operating division name of The Washington Water Power Company following merger consummation.