

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF

FROM: DON HOWELL

DATE: NOVEMBER 15, 2004

SUBJECT: AVISTA'S APPLICATION FOR APPROVAL OF A CUSTOMER EXCHANGE AGREEMENT BETWEEN AVISTA UTILITIES AND NORTHERN LIGHTS, INC., CASE NO. AVU-E-04-6.

On November 3, 2004, Avista Corporation dba Avista Utilities filed an Application seeking the Commission's approval of a contract between Avista and Northern Lights to exchange an existing customer. The agreement between the parties is being submitted for the Commission's review pursuant to the provisions of the Electric Suppliers Stabilization Act (ESSA) and specifically *Idaho Code* §§ 61-333(1) and 61-334B. The Avista and Northern Lights exchange agreement is dated September 22, 2004.

THE APPLICATION

The parties propose to exchange one existing customer. More specifically, Northern Lights will allow Avista to serve Jerry VanOoyen located at 43 Gun Club Road in Sagle, Idaho. Mr. VanOoyen is currently a Northern Lights customer. His property is encompassed by a new residential development known as Summer Haven. In accordance with the ESSA, Avista will provide electric service to the new development. Consequently, the parties have agreed that it would be more efficient to serve Mr. VanOoyen by switching his electric supplier from Northern Lights to Avista.

Northern Lights and Mr. VanOoyen have executed a "Termination of Service Agreement" dated September 9, 2004. This latter agreement calls for Northern Lights to remove its facilities used to serve Mr. VanOoyen so that he may be served by Avista.

Idaho Code § 61-332B prohibit an electric supplier from serving a customer already served by another supplier, except as otherwise ordered by the Commission. *Idaho Code* § 61-

334B(1) provides that any exception to the anti-pirating provision must be reviewed and approved by the Commission. This section further provides that the Commission may only approve the exchange of a customer after finding that the transfer is consistent with the purposes of the ESSA set out in *Idaho Code* § 61-332.

STAFF RECOMMENDATION

Given the agreements of the parties and the customer, Staff recommends that this Application be processed under Modified Procedure.

COMMISSION DECISION

Does the Commission concur that this matter should be processed under Modified Procedure?



Donald L. Howell, II

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