

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
OF AVISTA CORPORATION TO APPROVE) CASE NO. AVU-E-13-01
AN AGREEMENT ALLOCATING)
TERRITORY WITH KOOTENAI ELECTRIC) NOTICE OF APPLICATION
COOPERATIVE)
)
) NOTICE OF
) MODIFIED PROCEDURE
)
) ORDER NO. 32714

On January 7, 2013, Avista Corporation dba Avista Utilities applied to the Commission for an Order approving Avista's Developer Release Agreement with Kootenai Electric Cooperative and Copper Basin Construction. The Agreement would enable Avista to install electric distribution facilities and provide electric service to and within Copper Basin's commercial/multi-family development in Coeur d'Alene, Idaho under the Electric Supplier Stabilization Act (ESSA), *Idaho Code* §§ 61-332 *et seq.* Avista asks the Commission to process the Application by Modified Procedure.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Avista's Application says that Copper Basin Construction is developing a commercial/multi-family property at Seltice Way and Grand Mill Avenue in Coeur d'Alene. Avista has electric service rights on the development's north and east sides and at the service point on the development's south and southwest side. Application at 1. According to the Application, Copper Basin wants to enter into an electric extension agreement that allows Avista to install electric distribution facilities and provide electric service throughout the development. *Id.* at 1-2. Kootenai Electric has thus agreed to release its rights to provide electric service to those structures within Copper Basin's development that are near Kootenai Electric's service points, and Avista has agreed to install the facilities and provide electric service within the development. *Id.* at 3.

YOU ARE FURTHER NOTIFIED that according to the Application, approving the Developer Release Agreement and allowing Avista to install the facilities and provide electric service throughout the development offers several benefits. First, it creates cost efficiencies by avoiding duplicate services and allowing the developer to coordinate work with one utility.

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Second, it enhances worker safety by allowing one utility to coordinate the work. Third, it creates electric service continuity in the development and enhances customer satisfaction. Fourth, the developer will be eligible for Avista's demand-side management program and will install more energy efficient equipment. *Id.* at 2.

THE ESSA

YOU ARE FURTHER NOTIFIED that *Idaho Code* § 61-333(1) provides that electric suppliers may contract for the purpose of “allocating territories, consumers, and future consumers . . . and designating which territories and consumers are to be served by which contracting electric supplier.” Both Avista and Kootenai Electric are electric suppliers as defined in the ESSA. *Idaho Code* § 61-332A(4). After notice and opportunity for hearing, the Commission may approve agreements allocating service territories and customers between electric suppliers only upon finding that the allocation is in conformance with the purposes of the ESSA. *Idaho Code* § 61-333A(1). As set out in *Idaho Code* § 61-332(2), the purpose of the ESSA is to: discourage duplication of facilities; prohibit “pirating” of consumers; stabilize service territories and consumers; and promote harmony between electric suppliers.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has preliminarily determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission within twenty one (21) days from the service date of this Notice. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address For Express Mail:

472 W. Washington Street
Boise, ID 83702-5983

Patrick Ehrbar
Manager, Rates & Tariffs
Linda Gervais
Manger, Regulatory Policy
Avista Corporation
PO Box 3727
1411 E. Mission Avenue, MSC-27
Spokane, WA 99220-3727
E-mail: Pat.ehrbar@avistacorp.com
Linda.gervais@avistacorp.com

All comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to Avista at the e-mail address listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices. The Application is also available on the Commission's web site at www.puc.idaho.gov by clicking on "File Room" and then "Electric Cases."


YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-322A(4) and 61-333(1). The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

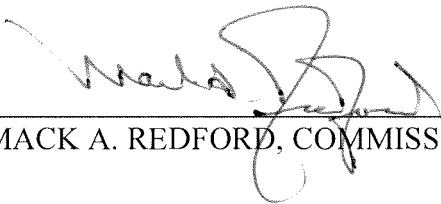
ORDER

IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Persons interested in submitting comments on this Application must do so within 21 days of the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 15th day of January 2013.



PAUL KJELLANDER, PRESIDENT

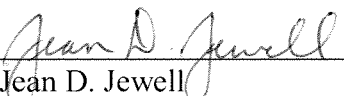


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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