

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	CASE NO. IPC-E-17-17
OF IDAHO POWER COMPANY FOR AN)	
ORDER APPROVING THE TRANSFER)	NOTICE OF APPLICATION
AND SALE OF CERTAIN ASSETS TO THE)	
CITY OF MERIDIAN, IDAHO)	NOTICE OF MODIFIED
)	PROCEDURE
)	
)	NOTICE OF PUBLIC HEARING
)	
)	ORDER NO. 33961

On December 6, 2017, Idaho Power Company applied to the Commission for an order approving its transfer of certain assets to the City of Meridian (City) under Idaho Power’s Rule M,¹ and *Idaho Code* §§ 61-328 and 61-524. Rule M governs the sale of Company-owned assets or facilities that are – as here – beyond the “point of delivery.” The point of delivery (POD) is the point at which the customer’s power-usage is measured, and “beyond the POD” refers to the customer side, rather than the utility side, of the POD. Order No. 33470 at 1.

Idaho Power asked that the matter be processed under modified procedure. Staff recommended that the Commission set a public customer hearing per *Idaho Code* § 61-328, and set a deadline for written comments. We now issue Notice of the Company’s Application and Notice of Modified Procedure, and set a public customer hearing.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the assets at issue serve the City’s wastewater treatment facility. Application at 2. Idaho Power and the City agree the City will purchase the assets and “obtain title to and assume ownership, operation, maintenance, and all liabilities associated with the [a]ssets.” *Id.*

YOU ARE FURTHER NOTIFIED that Idaho Power states the total sale price of the assets is \$761,693. Exhibit B at 16, to Application. “Idaho Power provided the methodology and resulting sale price to the City and answered the City’s inquiries prior to execution of the

¹ Idaho Power’s Rule M Facilities Charge Service can be found on the Commission’s website at: <http://www.puc.idaho.gov/fileroom/tariff/electric/Idaho%20Power%20Company.pdf>.

Agreement.” Application at 6. The methodology has five components: (1) net book value (\$353,091); (2) true-up of past levelized rate of return (\$81,280); (3) near-term rate of return impact resulting from the sale (\$63,903); (4) near-term operational impact resulting from the sale of assets (\$83,783); and (5) net tax gross-up (\$161,432). *Id.* at 6-8. In addition, Idaho Power would collect “\$480 in estimated work order closing costs [and] . . . \$17,724 for costs associated with a sectionalizer” that Idaho Power “will reprogram to become the wastewater facility’s POD.” *Id.* at 8.

YOU ARE FURTHER NOTIFIED that the sectionalizer is not being sold to the City. *Id.* “However, because the City will no longer pay a monthly facilities charge upon closing of the sale, Idaho Power must recover from the City the book value of the [s]ectionalizer, as well as the true-up of the past levelized rate of return . . . to ensure other customers are not impacted by the transaction.” *Id.* at 9.

YOU ARE FURTHER NOTIFIED that Idaho Power’s accounting treatment related to the sectionalizer is included in the Application. *Id.* at 9-10.

YOU ARE FURTHER NOTIFIED that the Application and a copy of the Asset Purchase Agreement have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and attachments are also available on the Commission’s Website at www.puc.idaho.gov under “File Room” and then “Electric Cases.”

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and that it will proceed under Modified Procedure pursuant to Rules 201 through 204 of the 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 by no later than **January 25, 2018**. The comment must contain a statement of reasons supporting the comment. Written comments concerning this Application shall be mailed to the Commission and Applicant at the addresses reflected below:

NOTICE OF APPLICATION
NOTICE OF MODIFIED PROCEDURE
NOTICE OF PUBLIC HEARING
ORDER NO. 33961

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

Street Address for Express Mail:

472 W. Washington St.
Boise, ID 83702-5918

Lisa Nordstrom, Lead Counsel
Shellie D. Stewart
Mark Annis
Idaho Power Company
PO Box 70
Boise, ID 83707-0070
E-mail: lnordstrom@idahopower.com
ssewart@idahopower.com
dockets@idahopower.com
mannis@idahopower.com

These 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 "Case Comment or Question Form" under the "Consumers" tab, 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 the Applicant at the e-mail address(es) listed above.

YOU ARE FURTHER NOTIFIED that the Company may file reply comments, if necessary, by no later than **February 8, 2018**.

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 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* §§ 61-502 and 61-503. The Commission may enter any final Order consistent with its authority under Title 61.

NOTICE OF PUBLIC HEARING

YOU ARE HEREBY NOTIFIED that the Commission will conduct a **public customer hearing** in this matter, on **MONDAY, JANUARY 22, 2018, FOLLOWING THE COMMISSION'S DECISION MEETING, BUT NO SOONER THAN 1:45 PM, IN THE COMMISSION'S HEARING ROOM, 472 WEST WASHINGTON, BOISE, IDAHO.**

YOU ARE FURTHER NOTIFIED that all hearings in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance in order to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0338 (Telephone)
(208) 334-3762 (FAX)
E-Mail: secretary@puc.idaho.gov

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 the deadline for written comments is January 25, 2018, and the deadline for Idaho Power to file a reply, if any, is February 8, 2018.

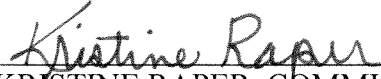
IT IS FURTHER ORDERED that a public customer hearing be held on Monday, January 22, 2018, following the Commission's Decision Meeting, but no sooner than 1:45 p.m. in the Commission Hearing Room.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this
day of January 2018.

5-46



PAUL KJELLANDER, PRESIDENT



KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

I:\Legal\LORDERS\IPCE1717_djh_Notice.doc