DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

STEPHANIE MILLER

RANDY LOBB

DON OLIASON

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GARY RICHARDSON

WORKING FILE

FROM:DON HOWELL

DATE:MARCH 22, 1996

RE:AMERICAN HERITAGE’S MOTION TO WITHDRAW ITS COMPLAINT AGAINST IDAHO POWER COMPANY; CASE NO. IPC-E-95-13

On August 23, 1995, the president of American Heritage, Mike Bird, filed a “formal” complaint against Idaho Power alleging that the utility failed to inform him of extraordinary line extension costs before he began development of a subdivision.  American Heritage is a developer of a 20-lot subdivision in Chubbuck. Bird alleged that Idaho Power was first informed of his intent to develop the subdivision in June 1994, but failed to advise him at that time, that the existing distribution line could not accommodate the additional electrical load caused by the subdivision.  The City of Chubbuck approved the final plat of the subdivision in February 1995.  Mr. Bird insisted that had he been advised by the Company in June 1994 or February 1995, that the cost to upgrade the line was approximately $60,000, then he would not have undertaken the subdivision project.  On August 24, 1995, the Commission issued a summons to Idaho Power requiring it to answer the Complaint.

Idaho Power stated in its Answer that it was not asked for a cost estimate for the project until July 1995.  Although the Company was apprised of the proposed subdivision as part of the Chubbuck Planning and Zoning and platting procedures, Idaho Power stated that project costs are not determined until the developer subsequently applies for service— in this case July 1995.  Project costs are not calculated on every “proposed” development because subdivisions are not always developed.  The Company said its existing distribution line needed to be converted from single-phase to three-phase for a distance of approximately 1,500 at a total estimate cost of approximately $54,000.  After Idaho Power filed its Answer, American Heritage and Idaho Power entered into informal negotiations in an attempt to settle the dispute.

On March 21, 1996, American Heritage filed a Motion to Dismiss Its Complaint.  American Heritage stated that subsequent negotiations with Idaho Power and the Staff have led to a resolution of the underlying complaint.  Consequently, American Heritage requested that the Commission dismiss the Complaint.  Its Motion to Dismiss is attached.

Staff Evaluation

Given the settlement entered into between the parties, the Staff believes it is reasonable to dismiss American Heritage’s Complaint.  The Commission’s procedural Rule 67 provides that any party desiring to withdraw a pleading must file a Notice with the Commission.  “Unless otherwise ordered by the Commission, the Notice [of Withdrawal] is effective fourteen (14) days after filing.”  IDAPA 31.01.01.067.

Commission Decision

Does the Commission find it reasonable to dismiss American Heritage’s Complaint?

Don Howell

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