June 17, 1996

Sandy Tompkins, City Clerk

City of Moyie Springs

PO Box 573

Moyie Springs, ID 83845

Dear Ms Tompkins:

Governor Phil Batt received your inquiry regarding Idaho Power Company’s proposal pending at the Idaho Public Utilities Commission to change its line extension policy and asked me to respond.  Idaho Power filed its Application on December 8, 1995, asking the Commission to approve changes to its Tariff 101, Rule H.  As originally filed, Idaho Power proposed to require new residential customers in its service territory to pay a nonrefundable service attachment charge of $120 to $735 and a nonrefundable base installation charge of $1500.

Washington Water Power Company, the investor-owned utility serving northern Idaho, does not have an application pending to change its line extension policies.  I will add you to our list of interested parties to receive notice of WWP applications.

After Idaho Power filed its Application, the Commission convened several workshops for interested parties to identify and address issues and, if possible, to resolve contested issues.  As the result of the workshops, Idaho Power has changed its proposed amendments to Tariff 101, Rule H, significantly reducing the amount new customers would pay if the Company’s proposal is approved by the Commission.

The Commission will convene a technical hearing on June 25, 1996 in Boise to receive evidence from the Company on its proposal.  A second hearing will be held on August 6 to allow the Commission Staff and other interested parties to present their evidence regarding the proposal.  In addition, the Commission plans to convene public hearings in Boise and Pocatello to allow members of the public to testify.

Because the Commission has not received evidence or considered Idaho Power’s proposal, I cannot comment on the merits of the Company’s proposal.  I trust this letter provides the information you desired.  Please feel free to contact the Commission if you need additional information.

Sincerely,

Ralph Nelson

President

cc:  Governor Batt

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