

DECISION MEMORANDUM

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

FROM: SCOTT WOODBURY

DATE: MAY 9, 2003

**RE: CASE NO. PAC-E-03-7 (PacifiCorp)
PETITION OF DEL RAY HOLM**

On April 24, 2003, Del Ray Holm (Petitioner) filed a Petition with the Idaho Public Utilities Commission (Commission) requesting an Order requiring PacifiCorp dba Utah Power & Light Company (PacifiCorp; Company) to provide cost data for installation of underground power lines and related facilities. Petitioner has an interest in farming operations in eastern Idaho located within the UP&L service area and desires to install underground electrical lines and transformation equipment in replacement of overhead lines which service irrigation pivots.

Petitioner requests a Commission Order directing UP&L to comply with Petitioner's request for cost itemization, including specifications for required equipment in order that Petitioner and Del Ray Holm & Sons Farms can "intelligently and appropriately seek alternative bids" which meet the specifications of UP&L for the installation. Petitioner requests expedited action because of the impending irrigation season.

On April 29, 2003, the Commission issued Notices of Petition and Scheduling in Case No. PAC-E-03-7. On May 7, 2003, pursuant to scheduling, PacifiCorp filed its Answer to the Petition of Del Ray Holm and filed also a Motion to Dismiss.

PacifiCorp notes that Petitioner has requested not a line extension, but a conversion of existing overhead distribution lines to underground lines. In conjunction with this request Petitioner seeks a Commission order requiring the Company to provide certain detailed cost information. The Company contends that Petitioner's Consultant, Carl Palmer, has already been

provided with an itemization of the costs and credits for PacifiCorp's Labor & Vehicle, Material, Material Salvage and Accrued Depreciation, which provide the basis of the total costs for the two underground conversion proposals that are the subject of Petitioner's request. Even if Petitioner had the option of hiring someone else to convert the Company's distribution lines to underground, which option, the Company contends, is not available under existing rules, PacifiCorp contends that Petitioner has already been provided sufficient cost data for its evaluation. Accordingly, the Company states there is no need for the Commission to order the disclosure of detailed item-by-item cost information. Preparation and disclosure of detailed cost itemization such as that requested by Petitioner, the Company further contends, would be an unnecessary and unreasonable burden on the Company. The time and expense that would be incurred in such an effort, the Company contends, is not warranted.

PacifiCorp notes that Petitioner is requesting cost information for the purpose of seeking and evaluating "alternative bids" for the conversion of PacifiCorp's overhead distribution lines to underground lines. However, PacifiCorp notes that Petitioner and its Consultant are operating under the mistaken belief that they have a right under existing rules to have someone else perform overhead to underground conversions of PacifiCorp's facilities. No such right exists for conversions and relocations, although PacifiCorp's Electric Service Regulation No. 12 does include a provision for "applicant-built line extensions."

Under Electric Service Regulation 12, a line "Extension" is defined as "a branch from, a continuation of, or an increase in the capacity of, an existing Company-owned transmission or distribution line. An extension may be single-phase, three-phase or a conversion of a single-phase line to a three-phase line. The Company will own, operate and maintain all extensions made under this regulation." Company Answer, Exhibit A. Pursuant to Regulation 12, Section 5(a)(1), "an Applicant may contract with someone other than the Company to build a line extension." The Electric Service Regulation, the Company notes, does not include any provision allowing a customer to have someone other than PacifiCorp perform an underground conversion of its facilities. Petitioner's Consultant, the Company states, was advised that a conversion such as that proposed by Petitioner is not a line extension under Regulation 12. With respect to conversions, Regulation 12 provides that when an Applicant or customer requests the replacement of existing overhead distribution facilities with comparable underground facilities, the Applicant or customer must elect to either provide all trenching and backfilling, imported

backfill material, conduits, and equipment foundations required by PacifiCorp, or pay the Company to provide those items. See Regulation 12, Section 6(a). The regulation does not allow the customer to elect to perform the electrical installation or to provide all the electrical equipment for which Petitioner seeks a cost breakdown, nor does Regulation 12 require the Company to provide any cost breakdown. Arguing that the Company is following its tariffs and that Petitioner is requesting information that is not required under its tariffs, PacifiCorp requests that the relief requested by Petitioner be denied and that the Petition be dismissed.

Commission Decision

Del Ray Holm has filed a Petition with the Commission requesting disclosure of detailed item-by-item cost information related to Petitioner's proposal to convert certain existing overhead distribution lines to underground lines. PacifiCorp contends that it is complying with its electric service regulations and that it has no obligation to supply the requested information. Does the Commission believe that the established record in Case No. PAC-E-03-7 is sufficient to resolve the issues raised without further procedure? If so, should the Petition be granted; or should the Petition be denied and dismissed? If the Commission does not have sufficient information, how does the Commission wish to proceed?

Scott Woodbury

Vld/M:PACE0307_sw