



July 16, 2004

Idaho Public Utilities Commission
472 West Washington
Boise, ID 83702-5983

PAC-E-04-04

Attention: Jean D. Jewell
Commission Secretary

Re: Advice No. 04-04
Regulation 12 – Line Extension, Applicant Built Line Extensions

PacifiCorp (d.b.a. Utah Power & Light Company) hereby submits for electronic filing proposed tariff pages associated with Tariff I.P.U.C. No. 28 of Utah Power & Light Company applicable to electric service in the State of Idaho. The Company respectfully requests an effective date of August 16, 2004.

Fifth Revised Sheet No. 12R.1	Regulation 12	Line Extensions
Fifth Revised Sheet No. 12R.2	Regulation 12	Line Extensions
Fourth Revised Sheet No. 12R.9	Regulation 12	Line Extensions

The purpose of this filing is to add clarifying language to Regulation 12. Section 5(a), Applicant Built Line Extensions, and Section 1(d), Extension, explicitly state that the Applicant Built option only applies to new construction, which has been the Company's long-standing practice. The proposed clarifications eliminate any question with regard to the availability of the Applicant Built Line option and were discussed with Idaho Commission Staff prior to this filing. The change to Section 1(c), Engineering Costs, clarifies that large, complex or speculative extensions are defined from the perspective of the Company.

It is respectfully requested that all formal correspondence and Staff requests regarding this material be addressed to:

By e-mail (preferred): datarequest@pacificorp.com

By regular mail: Data Request Response Center
PacifiCorp
825 NE Multnomah, Suite 800
Portland, Oregon, 97232

By fax: (503) 813-6060

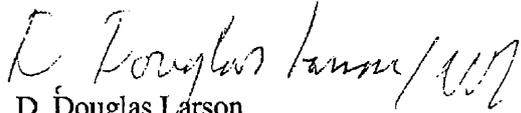


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Informal questions should be directed to Rob Stewart at (503) 813-7444.

Sincerely,

A handwritten signature in cursive script that reads "D. Douglas Larson".

D. Douglas Larson
Vice President, Regulation

Enclosures



ELECTRIC SERVICE REGULATION NO. 12

STATE OF IDAHO

Line Extensions

1. CONDITIONS AND DEFINITIONS

- (a) **Contracts** -- Before building an Extension, the Company may require the Applicant to sign a contract. Where a tenant occupies the service location, the Company may require the property owner to sign the contract.
- (b) **Contract Minimum Billing** -- The Contract Minimum Billing is the greater of: (1) the Customer's monthly bill; or (2) 80% of the Customer's monthly bill plus the Facilities Charges. Customers on a seasonal rate receive an annual Contract Minimum Billing of the greater of (1) the Customer's annual bill; or (2) 80% of the Customer's annual bill plus the Annual Facilities Charge. The Annual Facilities Charge is twelve (12) times the Facilities Charges. Any Contracted Minimum Billings shall begin upon the date service is first delivered or 30 days after the completion of the extension whichever occurs first, as determined by the Company, unless a later date is mutually agreed upon.
- (c) **Engineering Costs** -- The Company includes designing, engineering and estimating in its Extension Costs. The Company will provide these services at no charge unless, in the (C) Company's judgment, it determines the extension is large, complex or speculative. For (C) large, complex or speculative Extensions, the Applicant or Customer must advance the Company's estimated Engineering Costs, but not less than the minimum specified in Schedule 300. The Company will apply this advance payment to its Extension Costs. If the Extension Allowance exceeds the Extension Costs, the Company will refund the excess up to the amount of the Applicant's or Customer's advance.

(Continued)

1. **CONDITIONS AND DEFINITIONS** (continued)

(c) **Engineering Costs** -- (continued)

If the Applicant or Customer requests changes that require additional estimates, they must advance the Company's estimated Engineering Costs, but not less than the minimum specified in Schedule 300 for each additional estimate. The Company will not refund or credit this payment.

(d) **Extension** -- A branch from, a continuation of, or an increase in the capacity of, an existing Company owned transmission or distribution line, where a line has not been removed, at customer request, within the last 5 years. 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. (C)

(e) **Extension Allowance** -- The Extension Allowance is the portion of the Extension that the Company provides or allows without cost to the Applicant. The portion will vary with the class of service that the Applicant requests. The Extension Allowance does not include costs resulting from: additional voltages; duplicate facilities; additional points of delivery; or any other Applicant requested facilities that add to, or substitute for, the Company's standard construction methods or preferred route. An Extension Allowance will be provided only if the Company has reasonable assurance as to the permanent continuation of required revenue. The Extension Allowance is not available to customers receiving electric service under special pricing contracts. (C)

(f) **Extension Costs** -- Extension Costs are the Company's total costs for constructing an Extension using the Company's standard construction methods, including services, transformers and meters, labor, materials and overheads.

(g) **Extension Limits** -- The provisions of this regulation apply to Line Extensions that require standard construction and will produce sufficient revenues to cover the ongoing costs associated with them. The Company will construct Line Extensions with special requirements or limited revenues under the terms of special contracts.

Examples of special requirements include, but are not limited to, unusual costs incurred for obtaining rights-of-way, overtime wages, use of special equipment and facilities, accelerated work schedules to meet the applicant's request, or non-standard construction requirements.

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5. EXTENSION EXCEPTIONS

(a) Applicant Built Line Extensions

(1) General

An Applicant may contract with someone other than the Company to build a Line Extension. The following circumstances, however, are not an option for Applicant Built Line Extensions: relocations, conversions from overhead to underground, going from single phase to three-phase, or increasing the capacity of facilities. The Applicant must contract with the Company before starting construction of an Applicant Built Line Extension. When the Applicant has completed construction of the Line Extension and the Company approves it, the Company will connect it to the Company's facilities and assume ownership. (C)

(2) Liability and Insurance

The Applicant assumes all risks for the Construction of an Applicant Built Line Extension. Before starting construction, the Applicant must furnish a certificate naming the Company as an additional insured for a minimum of \$1,000,000. The Applicant may cancel the policy after the Company accepts ownership of the Line Extension.

(3) Advance for Design, Specifications, Material Standards and Inspections

The Applicant must advance the Company's estimated costs for design, specifications, material standards and inspections. When the Applicant has completed construction, the Company will determine its actual costs and may adjust that portion of the Applicant's advance. If the actual costs exceed the Applicant's advance, the Applicant must pay the difference before the Company will accept and energize the Line Extension. If the actual costs are less than the Applicant's advance, the Company will refund the difference.

The Company will estimate the frequency of inspections and convey this to the Applicant prior to the signing of the contract. For underground Line Extensions, the Company may require that an inspector be present whenever installation work is done.

(4) Construction Standard

The Applicant must construct the Line Extension in accordance with the Company's design, specifications, and material standards and along the Company's selected route. Otherwise, the Company will not accept or energize the Line Extension.

(Continued)