

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE JOINT ) CASE NO. PAC-E-05-7**  
**APPLICATION OF IDAHO FALLS POWER )**  
**AND PACIFICORP FOR APPROVAL OF AN ) NOTICE OF APPLICATION**  
**ELECTRIC CONSUMER ALLOCATION )**  
**AGREEMENT. ) NOTICE OF**  
**) MODIFIED PROCEDURE**  
**)**  
**) ORDER NO. 29822**

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**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that on June 20, 2005, Idaho Falls Power and PacifiCorp dba Utah Power & Light Company (PacifiCorp) filed a Joint Application seeking the Commission's approval of an electric consumer allocation agreement between the parties (Agreement) dated May 27, 2005. The Agreement is submitted for the Commission's review pursuant to the provisions of the Electric Suppliers Stabilization Act (ESSA). *Idaho Code* § 61-332 *et seq.*

YOU ARE FURTHER NOTIFIED that the ESSA allows electric suppliers to contract with one another for the purpose of allocating territories, consumers, and future consumers; however, all such contracts must be filed with the Commission for approval. *Idaho Code* § 61-333. The Commission shall approve such contracts only upon finding that the allocation or transfer is consistent with the purposes of the ESSA. The purposes of the ESSA are: (1) promote harmony among and between electric suppliers; (2) prohibit the "pirating" of consumers; (3) discourage the duplication of electric facilities; (4) actively supervise the conduct of electric suppliers; and (5) stabilize the territories and consumers served with electricity by such electric suppliers. *Idaho Code* § 61-332(2). Pursuant to the ESSA, the Commission has authority to approve or reject a contract between a municipality and a public utility. However, the Commission has jurisdiction only over the public utility in such a proceeding. *Idaho Code* § 61-333.

YOU ARE FURTHER NOTIFIED that Idaho Falls Power is the electric department of the City of Idaho Falls, a municipal corporation duly organized under the laws of the State of Idaho. Idaho Falls Power serves approximately 22,000 electric consumers, primarily within the

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municipal boundaries of the City. However, Idaho Falls Power also provides electric service to some consumers outside the municipal boundaries of the City. PacifiCorp is a public utility providing electric service to approximately 50,000 consumers in eastern Idaho, including the area immediately surrounding Idaho Falls. However, PacifiCorp provides electric service to some consumers within the municipal boundaries of the City.

YOU ARE FURTHER NOTIFIED that, in order to reduce duplication of service and promote stability in the respective service areas, Idaho Falls Power and PacifiCorp propose to define their service areas and provide for circumstances under which an existing customer may seek to change suppliers. Under the Agreement, Idaho Falls Power will continue to serve existing customers outside the City and PacifiCorp will continue to serve existing customers within the City. However, PacifiCorp will not provide electric service to a new service entrance within the municipal boundaries of the City, and the City will not provide electric service to a new service entrance outside its municipal boundaries.

YOU ARE FURTHER NOTIFIED that the Agreement also addresses potential requests from customers desiring to change electric service providers pursuant to the Agreement. Specifically, in the event the City annexes property owned by a PacifiCorp customer, the City may provide electric service to such a customer provided that (1) the customer makes a written request to the City for electric service; and (2) the City pays PacifiCorp just compensation as determined under the Agreement. Pursuant to the Agreement, in order to provide just compensation, the acquiring utility shall: (1) pay the other utility an amount equal to 167% of the exchanging customer's total electric bills from the previous 12 months; and (2) purchase all poles, wires, cross arms, insulators, guys, and other facilities provided that these facilities are no longer needed by the other utility and are necessary to provide new service. *See Idaho Code § 61-333B.* If this standard for just compensation cannot be reasonably applied, the parties agree to negotiate in good faith to determine other just compensation.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Joint Application in this case and has preliminarily determined that the public interest in this matter may not require a hearing to consider the issues presented, and that the issues raised by the Application may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.210 – 204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to the Joint Application and the use of Modified Procedure in this case is twenty-one (21) days from the service date of this Order. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Joint Application shall be mailed to the Commission and the Applicants at the addresses reflected below:

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

Street Address for Express Mail:

472 W. Washington Street  
Boise, ID 83702-5983

Peter Richardson  
Richardson & O'Leary, PLLC  
515 N. 27<sup>th</sup> Street  
PO Box 7218  
Boise, ID 83707

E-Mail: [peter@richardsonandoleary.com](mailto:peter@richardsonandoleary.com)

Lisa Nordstrom  
Office of the General Counsel  
PacifiCorp  
825 NE Multnomah, Suite 1800  
Portland, OR 97232  
E-Mail: [lisa.nordstrom@pacificorp.com](mailto:lisa.nordstrom@pacificorp.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 email may do so by accessing the Commission's home page located at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click the "Comments and Questions" icon, 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 Applicants at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If written comments or protests are received within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written comments before it. IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices or on the Commission's website, [www.puc.idaho.gov](http://www.puc.idaho.gov) by clicking on "File Room" and "Electric Cases."

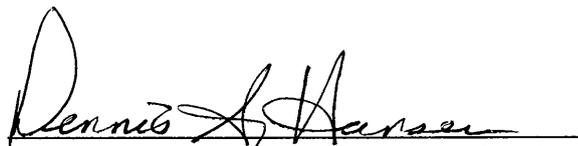
**ORDER**

IT IS HEREBY ORDERED that the Joint Application of Idaho Falls Power and PacifiCorp be processed by Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in submitting written comments in this matter must do so no later than twenty-one (21) days from the service date of this Order.

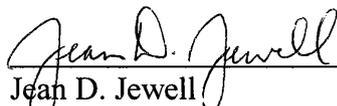
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 14<sup>th</sup> day of July 2005.

  
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PAUL KJELLANDER, PRESIDENT

  
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MARSHA H. SMITH, COMMISSIONER

  
\_\_\_\_\_  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
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Jean D. Jewell  
Commission Secretary

O:PACE0507\_kdp

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