

DECISION MEMORANDUM

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

FROM: WELDON STUTZMAN

DATE: MAY 16, 2007

**SUBJECT: JOINT APPLICATION OF IDAHO FALLS POWER AND ROCKY
MOUNTAIN POWER FOR APPROVAL OF A CUSTOMER
ALLOCATION AGREEMENT, CASE NO. PAC-E-07-08**

On May 2, 2007, Idaho Falls Power and Rocky Mountain Power filed a Joint Application for approval of a Customer Allocation Agreement. Idaho Falls Power is a municipal electrical supplier and is not subject to the jurisdiction of the Commission. Rocky Mountain Power operates an electric system adjacent to Idaho Falls and is subject to regulation by the Commission.

The City of Idaho Falls recently annexed a parcel of land being developed for a subdivision. Upon completion of the subdivision, Idaho Falls Power will provide electric service to it. Two buried electric distribution lines currently traverse the subdivision property and provide electric service to irrigation pumps owned by Mr. Oler. Rocky Mountain Power currently provides electricity to Mr. Oler's pumps. Construction of the subdivision will require that the two buried lines be removed, leaving it economically infeasible for Rocky Mountain Power to continue to provide service Mr. Oler's pumps. Idaho Falls Power will be able to provide service to Mr. Oler.

An existing Customer Allocation Agreement prohibits Idaho Falls Power from serving new customers outside of the city limits unless such service is provided pursuant to the Commission's approval. See Order No. 29895. The Application states that Rocky Mountain Power, Idaho Falls Power, the developer of the subdivision, and Mr. Oler are all in agreement that it is in everyone's best interest for Idaho Falls Power to provide service to Mr. Oler's pumps.

Idaho Falls Power and Rocky Mountain Power have entered into a Customer Allocation Agreement in which Idaho Falls Power assumes obligation of providing service to Mr. Oler's pumps and Mr. Oler consents to being served by Idaho Falls Power.

Because the subdivision developer is already proceeding with necessary improvements, the parties request that the Commission process their Joint Application by Modified Procedure, and shorten the comment period to seven days.

Staff recommends the Joint Application of Idaho Falls Power and Rocky Mountain Power for approval of a Customer Allocation Agreement be processed by Modified Procedure with a seven day comment period.

COMMISSION DECISION

Should the Joint Application of Idaho Falls Power and Rocky Mountain Power for approval of a Customer Allocation Agreement be processed by Modified Procedure with a seven day comment period?



Weldon Stutzman

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