

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)	
OF ROCKY MOUNTAIN POWER FOR)	CASE NO. PAC-E-08-06
AUTHORITY TO REVISE ITS EXISTING)	
RULE 12 LINE EXTENSION TARIFF.)	ORDER NO. 30684
)	

On October 10, 2008, PacifiCorp dba Rocky Mountain Power filed an Application with the Commission seeking authority to revise its Rule 12 Line Extension tariff. More specifically, the Company requests changes to tariff Sheet Nos. 12R.2, 12R.4, 12R.5, 12R.6, 12R.7, 12R.8, 12R.12, and 12R.13. On October 23, 2008, the Commission issued a Notice of Application and Modified Procedure and set a 28-day comment period. Order No. 30660. Staff was the only party to file comments. After reviewing the Application and comments, we approve the proposed changes to the Company's Rule 12 Line Extension tariff.

THE APPLICATION

The Company asserted that several of its proposed changes to the line extension tariff were housekeeping measures meant to clarify existing language. More substantive changes are proposed for tariff Sheets 12R.4 through 12R.8.

Tariff Sheets 12R.4 and 12R.5 address residential line extensions. The Company proposes to change the refund mechanism for residential customers if or when additional customers connect to an initial line extension. Under the existing tariff, the first additional customer must pay 80% of the initial customer's advance, with the charge reducing to 60%, 40% and 20% for the next three additional customers, with each refund going to the most recent previous customer. The existing tariff permits a residential customer to avoid paying a refund to the initial line extender by waiting for the five-year refund period to expire. The proposed tariff changes would allow the first four additional customers to pay 20% each, resulting in less initial cost and risk. The Company believes this proposed methodology will increase the probability that additional customers will pay to connect rather than wait for the refund period to expire, thereby increasing the probability of refunds to the initial customer.

Tariff Sheets 12R.6 and 12R.7 address non-residential line extensions. The Company proposes a change in Sheet No. 12R.6 to clarify language regarding extension allowances. The clarification also mirrors the Company's existing practice. The proposed changes to Sheet No.

12R.7 clarify the current practice of requiring the line extension to traverse the property to the property line. The Company asserts that this change would eliminate future disruptions of existing businesses or existing developments when connecting an additional service for a new customer.

The proposed changes to tariff Sheet No. 12R.8 address line extensions for non-residential and residential planned developments. The proposed language specifies the refund provisions for planned developments that previously were incorporated by reference to the refund provisions for non-residential customers. It also makes explicit the option of a developer to waive refunds of less than 20% that would otherwise consume the developer's four potential refunds. This option would preserve the opportunity for the developer to accept refunds of 20% or more during the five-year refund period.

THE COMMENTS

Staff reviewed the proposed changes to the Company's Rule 12 Line Extension tariff. Staff found the proposed changes in Sheet Nos. 12R.2, 12R.12, and 12R.13 to be straightforward. Staff believes these changes will add clarity to the existing tariff and make it easier to understand.

The proposed changes in Sheet Nos. 12R.4, 12R.5, 12R.6, 12R.7 and 12R.8, though substantive, appear to be reasonable. Therefore, Staff recommended approval of the Company's Application to revise its Rule 12 Line Extension tariff.

COMMISSION FINDINGS

Having fully reviewed the Application and comments in this proceeding, we approve Rocky Mountain Power's Application for authority to modify its Rule 12 Line Extension tariff. Changes to Sheet Nos. 12R.2, 12R.12 and 12R.13 are housekeeping measures. Tariff Sheet Nos. 12R.4 and 12R.5 modify the Company's refund policy in order to increase the probability of additional customers connecting to a line extension, thereby increasing the probability of refunds to the initial customer. Changes to Sheet Nos. 12R.6 and 12R.7 reflect the Company's current line extension practices. Modifications to Sheet No. 12R.8 will allow a developer to waive refunds of less than 20% in order to preserve the opportunity for future refunds that might be greater. This new language gives flexibility to the developer and is beneficial to the customer.

In conclusion, we find the changes to the Rule 12 Line Extension tariff to be reasonable and appropriate.

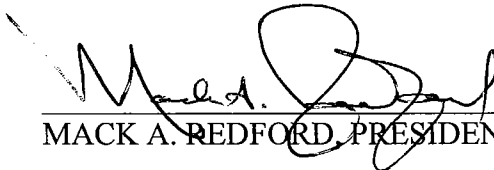
ORDER

IT IS HEREBY ORDERED that Rocky Mountain Power's Application to modify its Rule 12 Line Extension tariff is granted.

IT IS FURTHER ORDERED that the changes approved by this Order become effective on December 1, 2008.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

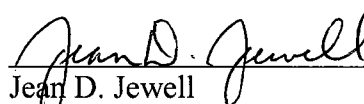
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 26th day of November 2008.


MACK A. REDFORD, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


JIM D. KEMPTON, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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