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IDAHO PUBLIC UTILITIES COMMISSION

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Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

| IN THE MATTER OF THE APPLICATION |) | |
|----------------------------------|---|-------------------------|
| OF ROCKY MOUNTAIN POWER FOR |) | CASE NO. PAC-E-08-6 |
| AUTHORITY TO REVISE ITS EXISTING |) | |
| RULE 12 LINE EXTENSION TARIFF. |) | COMMENTS OF THE |
| |) | COMMISSION STAFF |
| |) | |
| |) | |

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Kristine A. Sasser, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure issued in Order No. 30660 on October 23, 2008 in Case No. PAC-E-08-6, submits the following comments.

BACKGROUND

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.

The Company asserts that several of its proposed changes are housekeeping measures and meant to provide clarification of the existing language. More substantive changes are being

proposed for tariff Sheet Nos. 12R.4 through 12R.8. Each of these proposed changes is discussed in detail in Staff's analysis.

STAFF ANALYSIS

Staff reviewed the proposed changes to Rocky Mountain Power's Rule 12 Line Extension Regulation. The proposed changes in Sheet Nos. 12R.2, 12R.12 and 12R.13 are straightforward. The changes are not substantive and will add clarity to the existing tariff. Staff believes these changes make the tariff rules easier to understand.

The proposed changes in Sheet Nos. 12R.4, 12R.5, 12R.6, 12R.7 and 12R.8 do not appear to be housekeeping measures, but Staff believes they are reasonable. In Sheet Nos. 12R.4 and 12R.5, the Company proposed changes to the refund methodology for residential customers. The existing refund process requires the first additional customer connecting to the line extension to refund 80% of the initial customer's advance. The next three additional customers will pay 60%, 40% and 20% of the prior customer's advance with each refund going to the previous customer. The Company noted that there are circumstances where the existing methodology creates a barrier to the first additional customer who may be unwilling to pay 80% of the initial customer's advance. Instead, the customer may opt to wait for the five-year refund period to expire before connecting to the line extension, thereby avoiding any reimbursement. A customer complaint was filed with the Commission as recently as July 8, 2008 by a customer who felt that an 80% refund was too much. The proposed change to the refund methodology requires that the first four additional customers pay 20% each to the initial customer. Staff supports this proposed change.

In Sheet No. 12R.6, the Company changed the heading for Sections 3(a) and 3(b) to clearly define whether a service is high voltage or primary and secondary voltage, respectively. The proposed language clearly defines what is included in the allowance for this type of line extension. The Company asserts, and Staff confirmed, that the requirement for the "Contract Minimum Billing" is the existing practice for all customers with demands of greater than 1,000 kW. Staff agrees with the proposed change.

In Sheet No. 12R.7, the Company added a paragraph requiring the applicant to extend the line extension to the edge of their property. The Company noted that this is their current engineering practice. Staff believes that the proposed change benefits the customers because it will avoid disruptions to service if the Company needs to work on an additional service for a new

customer. Staff believes that this method saves labor and time. Therefore, Staff supports this proposed change.

In Sheet No. 12R.8, the Company proposed language that gives an option to a developer to waive refunds of less than 20%. Because there is a limit of four refunds during a five-year refund period, this proposed change would allow the developer to reject a smaller refund in order to preserve the opportunity for refunds that may be greater. Staff believes that the additional language gives flexibility to the developer and is beneficial to the customer.

RECOMMENDATIONS

Staff believes that the proposed changes to Rocky Mountain Power's Rule 12 Line Extension Regulations are reasonable. Staff recommends that the Commission approve all of Rocky Mountain Power's proposed changes to its Rule 12 Line Extensions Regulations.

Respectfully submitted this 19TH day of November 2008.

Kristine A. Sasser

Deputy Attorney General

Technical Staff: T.J. Golo

Dave Schunke

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CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS **19th** DAY OF NOVEMBER 2008, SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN CASE NO. PAC-E-08-6, BY MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

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