

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF PACIFICORP DBA)	
ROCKY MOUNTAIN POWER'S)	CASE NO. PAC-E-15-15
APPLICATION TO APPROVE THE ASSET)	
PURCHASE AGREEMENT BETWEEN)	NOTICE OF APPLICATION
ROCKY MOUNTAIN POWER AND THE)	
CITY OF IDAHO FALLS.)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 33446
)	

On December 8, 2015, PacifiCorp dba Rocky Mountain Power filed an Application requesting authority to sell/transfer to the City of Idaho Falls certain service territory and associated electric facilities currently owned and utilized by the Company to provide electric service to the Fielding cemetery, a city-owned facility. In the Application, Rocky Mountain and Idaho Falls ("the Parties") request that the Commission approve a proposed "Asset Allocation Agreement" that the Parties shall subsequently execute. The terms of the proposed Agreement are said to conform with a 2005 Agreement between the Parties relating to service areas and future transactions, which was previously approved by the Commission. Rocky Mountain asks the Commission to process the Application by Modified Procedure.

BACKGROUND

This Application falls under the Electric Supplier Stabilization Act (ESSA), *Idaho Code* §§ 61-332 *et seq.* The purpose of the ESSA is to: (1) promote harmony between electric suppliers; (2) prohibit the "pirating" of consumers; (3) discourage duplication of electric facilities; (4) actively supervise the conduct of electric suppliers; and (5) stabilize service territories and consumers.

Generally, the ESSA prohibits an electric supplier (e.g., a utility, municipality, or co-op) from serving another electric supplier's existing or former customers. *Idaho Code* § 61-332B. As an exception to this general rule, the ESSA allows electric suppliers to contract for the purpose of "allocating territories, consumers, and future consumers . . . and designating which territories and consumers are to be served by which contracting electric supplier." *Idaho Code* § 61-333(1). Such contracts must be submitted to the Commission for approval. *Id.* In sum,

NOTICE OF APPLICATION
NOTICE OF MODIFIED PROCEDURE
ORDER NO. 33446

contracts reviewed under the ESSA will be approved if, after notice and opportunity for hearing, the Commission finds that the agreement conforms with the purposes of the ESSA. *See Idaho Code* § 61-333(1) and 61-334B(l).

In August 2005, the Company and the City entered into an agreement entitled as “Idaho Falls Allocation Agreement” (the “2005 Agreement”). The 2005 Agreement was intended “to reduce duplication of service and promote stability of their respective service areas.” Application at 2; Exh. 1. It specifies, among other things, “that the Company would not provide electric service to any new customers within the City’s boundaries and the City would not provide electric service to any new customers outside of its municipal boundaries.” *Id.*

The 2005 Agreement also allows for the transfer of customer services between the Parties so long as the customer being served provides a written request to transfer service, the power suppliers agree to the transfer, and the new electric supplier agrees to pay for lost revenues and any facilities utilized by the other party to serve that customer. The Commission approved the 2005 Agreement pursuant to the provisions of the ESSA. Order No. 29895.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Parties have agreed to the transfer of the service area of one customer (Fielding cemetery) and certain assets (poles, wires, cross arms, insulators, guys and other facilities) from the Company to the City. The Application contains the Parties’ proposed transfer agreement (“Asset Purchase Agreement”). Exh. 2.

YOU ARE FURTHER NOTIFIED that the Parties state that Fielding cemetery has provided a written request to transfer its electric service from Rocky Mountain to Idaho Falls. In exchange for the service area and certain assets, Idaho Falls has agreed to pay Rocky Mountain 167% of the customer’s previous 12 months electric bills (for lost revenue), the cost of the transferred assets (adjusted for age and serviceability) and associated legal and transaction costs. The agreed-upon total purchase price is \$49,321.61. Exh. D.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission finds that the public interest may not require a formal evidentiary hearing in this matter and that it will proceed under Modified Procedure pursuant to the Commission’s Rules of Procedure 201 through 204, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written

comments have proven to be an effective means for obtaining public input and participation in cases of this nature.

YOU ARE FURTHER NOTIFIED that anyone wanting to state a position on this Application may file a written, supporting or opposing comment with the Commission **no later than 21 days from the service date of this Order**. The comment must explain why the commenter supports or opposes the Application. Persons who want a hearing must specifically ask for a hearing in their written comments. Written comments concerning the Application shall be mailed to the Commission and the Parties at the addresses reflected below:

Commission Secretary	Daniel E. Solander
Idaho Public Utilities Commission	Ted Weston
PO Box 83720	Rocky Mountain Power
Boise, ID 83720-0074	1407 W. North Temple, Suite 330
	Salt Lake City, UT 84116
Street Address for Express Mail:	E-mail: daniel.solander@pacificorp.com
	ted.weston@pacificorp.com
472 W. Washington Street	
Boise, ID 83702-5918	Janice Flowers
	Idaho Falls City Power
	PO Box 50220
	140 S. Capital Avenue
	Idaho Falls, ID 83405
	E-mail: ifpinfo@ifpower.org

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, 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 Company and the City of Idaho Falls at the e-mail addresses listed above.

YOU ARE FURTHER NOTIFIED that the Company and the City may file reply comments, if any, **within 28 days from the service date of this Order**.

YOU ARE FURTHER NOTIFIED that the Application and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and exhibits are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, scroll down to

the type of “Open Electric Cases,” and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be held pursuant to the Commission’s jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* § 61-333, *et seq.* The Commission may enter any final Order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission’s Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

ORDER

IT IS HEREBY ORDERED that this matter be processed under Modified Procedure, IDAPA 31.01.01.201-.204. Persons interested in filing written comments regarding this matter should do so no later than 21 days from the service date of this Order.

IT IS FURTHER ORDERED that reply comments by Rocky Mountain and the City, if any, shall be due no later than 28 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8th day of January 2016.



PAUL KJELLANDER, PRESIDENT

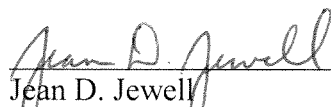


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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