BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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THE APPLICATION OF ROCKY MOUNTAIN POWER FOR APPROVAL OF THE ASSET PURCHASE AGREEMENT WITH THE CITY OF IDAHO FALLS (NINA, CHARLA, AND MERLIN DRIVE) CASE NO. PAC-E-18-04 NOTICE OF APPLICATION NOTICE OF MODIFIED PROCEDURE ORDER NO. 34082

On May 3, 2018, Rocky Mountain Power, a division of PacifiCorp ("Company") filed an Application requesting authority to sell and transfer certain electric facilities to the City of Idaho Falls ("City"), and to supply electric service to locations at or near Nina Drive, Charla Drive, and Merlin Drive, Idaho Falls, Bonneville County.

The Company requested that its Application be processed under Modified Procedure, Rule 201 *et seq. See* IDAPA 31.01.01.201 *et seq.* Commission Staff concurred and recommended an August 28, 2018, comment deadline and Company reply comment deadline of September 11, 2018. The Commission now issues this notice of the Company's Application and Notice of Modified Procedure.

BACKGROUND

On October 9, 2017, the Company and City entered into an Allocation Agreement ("2017 Agreement") "to reduce duplication of service and promote stability in their respective service areas." *See* Application at 2 and Attachment A. The 2017 Agreement was approved by the Commission on December 5, 2017. *See* Case No. PAC-E-I7-02; Order No. 33943.

The 2017 Agreement provided that "[t]he Company and the City have agreed to transfer service and the City has agreed to pay 167 percent of the customers' previous twelve months electric bills in addition to purchasing the facilities described in Exhibit A to the Asset Purchase Agreement." Application at 3.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the Company, pursuant to provisions of the Electric Stabilization Act ("ESSA"), *Idaho Code* §§ 61-328 and 61-333, now applies for approval

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of the Asset Purchase Agreement between Rocky Mountain Power and the City of Idaho Falls, both electric suppliers under the ESSA, to purchase certain electric facilities currently owned and utilized by the Company to supply electric service to locations at or near Nina Drive, Charla Drive, and Merlin Drive, Idaho Falls, Bonneville County.

YOU ARE FURTHER NOTIFIED that the Company and City have agreed that, according to the 2017 Agreement, just compensation for lost revenues is an amount equal to 167 percent of the total of the respective customer's electric bills from the prior twelve-month period, as well as the purchase of poles, wires, cross arms, insulators, guys, and other facilities no longer needed or required to service the transferred customer. The Company and City have agreed to a total asset sales price of \$92,713. The Company's accounting treatment is set forth in the Application as Exhibit A to the Asset Purchase Agreement.

YOU ARE FURTHER NOTIFIED that the Company and City have agreed to a transfer of electric service, wherein Idaho Falls agrees to serve the load of the customers described in Exhibit B to the Asset Purchase Agreement, and pay the Company for the assets transferred, as well as revenue reimbursement and legal and transactional costs.

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. These documents are also available on the Commission's web site at <u>www.puc.idaho.gov</u>. Click on the "File Room" tab at the top of the page, then select "Electric Cases" and 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 conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq*.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code, specifically *Idaho Code* §§ 61-502 and 61-503. The Commission may enter any final Order consistent with its authority under Title 61.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and that it will proceed under Modified

Procedure pursuant to Rules 201 through 204 of the Commission's Rules of Procedure. *See* 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.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission **by no later than August 28, 2018**. 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 Application shall be mailed to the Commission and Rocky Mountain Power at the addresses reflected below:

Commission SecretaryTed WestonIdaho Public Utilities CommissionDaniel E. SolanderPO Box 837201407 W. North Temple, Suite 330Boise, ID 83720-0074Salt Lake City, Utah 84116E-Mail: ted.weston@pacificorp.comdaniel.solander@pacificorp.comStreet Address for Express Mail:daniel.solander@pacificorp.com472 W. Washington StreetBoise, ID 83702-5918

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 <u>www.puc.idaho.gov</u>. 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.

YOU ARE FURTHER NOTIFIED that the Company shall file reply comments, if necessary, by no later than September 11, 2018.

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

ORDER

IT IS HEREBY ORDERED that the Application of Rocky Mountain Power be processed by Modified Procedure, Rule 201-204. See IDAPA 31.01.01.201-.204. Persons

interested in submitting written comments must do so no later than August 28, 2018. The Company may file a reply no later than September 11, 2018.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 8th/₄ day of June 2018.

PAUL KJ R, PRESIDENT

KRISTINE RAPER, COMMISSIONER

ERIC ANDERSON, COMMISSIONER

ATTEST:

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Diane M. Hanian Commission Secretary

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