(text box: 1)BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

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| IN THE MATTER OF THE APPLICATION OF UTAH POWER AND LIGHT COMPANY FOR APPROVAL OF NEW TARIFF PROVISIONS RELATING TO NEW SERVICE ATTACHMENTS AND DISTRIBUTION LINE INSTALLMENTS OR ALTERATIONS. | )  )  )  )  )  )  ) | CASE NO. UPL-E-96-4  NOTICE OF APPLICATION  ORDER NO.  26607 |

YOU ARE HEREBY NOTIFIED that on August 16, 1996, Utah Power and Light Company (Utah Power; Company), a division of PacifiCorp, filed an Application (Tariff Advice No. 96-08) for approval of modification to its Tariff No. 28, Rules 2 and 12 and Schedule 300 providing for charges for the construction of distribution line installations or operations, commonly referred to as the “line extension policy.”  Utah Power proposes to shift the cost from new service and distribution line installation or alterations from the system revenue requirement to the new customer requesting the connection. The Company states that the current policy provides for allowances that are not economically justified and that it provides subsidies to some customers at the expense of others.

There are two primary changes being proposed to Utah Power’s line extension policy.  First is a reduction in the allowances provided by the Company.  The proposed rules provide free terminal facilities for residential applicants and an allowance of one-times the estimated annual revenue for non-residential applicants.  The second major change the Company is proposing is to implement a contract tracking charge on a two-year trial basis.  Under the proposal, customers that pay an advance for new line construction would be assessed a contract tracking charge.  The customers would then have the option of: (1) waiving their rights to possible refunds in the event additional customers connected to the line, in which case the Company would waive the contract tracking charge, or (2) retain their right to refunds and pay a charge.

The Company seeks an effective date for Tariff Advice No. 96-08 of  September 16, 1996.

YOU ARE FURTHER NOTIFIED that the Application together with supporting workpapers and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices.

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 and that 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. Notice of further scheduling will be accomplished at a later time.

O R D E R

We find that this Application is of sufficient importance and complexity to require the Commission’s investigation of the reasonableness of the proposed tariff changes. We further find that the Commission will be unable to consider the Application in Case No. UPL-E-96-4 before the proposed effective date of September 16, 1996, because of the complexity of the evidence presented by the Application and because of the previously scheduled hearings and other demands on the Commission’s time. We further find that the Commission has authority under Idaho Code § 61-622 to suspend the rates and proposed changes that are subject to Tariff Advice No. 96-08 for a period of thirty (30) days plus five (5) months from the effective date of September 16, 1996

IT IS HEREBY ORDERED that the proposed changes in Utah Power and Light Company’s Tariff Advice No. 96-08, Case No. UPL-E-96-4  is suspended for a period of thirty (30) days  plus five (5) months from September 16, 1996, or as such time as the Commission may issue a final Order in this proceeding resolving the issues raised by the Company’s Application.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this                  day of September 1996.

                                                                                                                                      RALPH NELSON, PRESIDENT

                                                                                           MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Myrna J. Walters

Commission Secretary

vld/O:UPL-E-96-4.sh

**COMMENTS AND ANNOTATIONS**

Text Box 1:

**TEXT BOXES**

Office of the Secretary

Service Date

September 11, 1996