



Case No: PAC-E-19-02

Order No: 34262

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Telephonic public hearing set for proposed asset transfer between Rocky Mountain Power and the city of Idaho Falls

BOISE (March 21, 2019) –The Idaho Public Utilities Commission has scheduled a telephonic public hearing in a case involving the proposed transfer of assets from Rocky Mountain Power to the city of Idaho Falls.

The assets include power poles, transformers and other devices used to provide electric service to Sandy Downs, an outdoor arena owned by the city that receives electric service from Rocky Mountain Power.

The hearing is set for March 26 at 2 pm and serves as an opportunity for anyone interested in providing testimony for the official case record.

Call (800) 920-7487 to testify, and enter passcode 6674 832# when prompted. Those interested in testifying are asked to call a few minutes before the hearing begins.

For those unable to testify, the Commission is accepting written comments on the proposal through April 15.

Rocky Mountain Power provides electric service to approximately 77,600 customers in eastern Idaho.

The city of Idaho Falls owns and operates Idaho Falls Power, a municipal electric utility that provides electric service to most of the city's residents. Its service territory is surrounded by Rocky Mountain Power's service territory.

There is some overlap in service; Rocky Mountain Power serves some customers within the city's boundaries, including Sandy Downs, and the city provides electric service to some customers inside the company's service territory.

In order to reduce duplication of service and promote stability in their service territories, the two entered into a [service allocation agreement](#) in 2017.

The Idaho Public Utilities Commission approved the agreement after finding it consistent with [Idaho Code 61-332](#), the Electric Supplier Stabilization Act (ESSA).

The ESSA is intended to discourage the duplication of facilities, prohibit pirating of consumers, stabilize service territories and consumers and promote harmony between electric suppliers.

The service allocation agreement between Rocky Mountain Power and the city of Idaho Falls established the service territory of each utility, and called for the two to collaborate to identify facilities that are duplicative and to avoid duplicity when constructing new facilities.

The agreement provides for the transfer of service from one utility to the other as long as the acquiring utility agrees to pay the other “just compensation for lost revenues and the distribution facilities used to serve that customer.”

“Just compensation for lost revenues” is defined in the agreement as an amount equal to 167 percent of the total of the respective customer’s electric bills from the prior 12-month period.

The acquiring utility is also required to purchase the assets no longer needed or required by the other utility to serve that customer.

The proposed transaction involving Sandy Downs would be the fifth transaction processed under the service allocation agreement.

It calls for a sale price of \$59,469, including \$10,986 for existing assets, \$3,700 in separation costs and approximately \$43,000 for lost revenue.

Go [here](#) to submit a comment. Or go to the Commission’s web site, www.puc.idaho.gov, click on the “Case Comment Form” under the “Electric” heading. Please be sure to include the case number, PAC-E-19-02.

Comments can also be submitted via mail, to P.O. Box 83720, Boise, ID 83720-0074 or by fax, (208) 334-3762.

All documents filed in this case, including Rocky Mountain Power’s [application](#), can be found [here](#), at the Commission’s web site, www.puc.idaho.gov. Click on “Open Cases” under the “Electric” heading and scroll down to case number PAC-E-19-02.