

EDWARD J. JEWELL
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0314
IDAHO BAR NO. 10466

RECEIVED
2019 JUN 12 PM 12:44
IDAHO PUBLIC
UTILITIES COMMISSION

Street Address for Express Mail:
472 W. WASHINGTON
BOISE, IDAHO 83702-5918

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE INVESTIGATION) CASE NO. ATL-E-18-01
OF ATLANTA POWER COMPANY SERVICE)
AND CUSTOMER RELATIONS)
STAFF REPORT

On January 2, 2018, Atlanta Power Company (“Atlanta Power” or “Company”) customer, Mary Drake, formally complained to the Commission that Atlanta Power was not maintaining adequate service as required by *Idaho Code* § 61-302.

On April 4, 2019, the Commission issued an Order levying fines against the Company for failing to respond to the formal complaint against it, failing to fulfill statutory duties, and failing to appear at the Show Cause Hearing held on February 19, 2019. The Commission ordered the Company to file verified returns and pay \$12,000 for six violations of Idaho Code and \$103 in estimated past due regulatory fees by April 26, 2019 or incur an additional penalty of \$2,000 per day until the Company’s obligations were satisfied. Order No. 34296.

On April 24, 2019, the Company filed a petition for reconsideration.

On May 10, 2019, the Commission issued an Order on Reconsideration granting the Company’s petition for reconsideration and conditionally suspending the Company’s obligation to pay the \$12,000 portion of the fine. Order No. 34334. The Commission ordered the Company to pay \$280.32 within seven days of the service date of its Order, which represented the remaining balance the Company owed for its past due regulatory fees from 2016, 2017, and 2018, as determined by the Company’s gross intrastate operating revenue for those years. *Id.*

The Commission also ordered the Company to provide current telephone numbers for an onsite operator and Company management within seven days of the service date of its Order and to engage in a settlement conference within twenty-one days of the service date of its Order. *Id.* The Commission ordered Staff to provide a report within fourteen days of the settlement conference to apprise the Commission on progress.

On May 17, 2019, the Commission received a check in the amount of \$280.32 from the Company for the remaining balance on its past due annual regulatory assessments.

On May 28, 2019, the Commission granted the petition to intervene of the Atlanta Electrical Consumer Co-op, Inc. (“Atlanta Electrical Consumer Co-op” or “Co-op”). Order No. 34343.

On May 29, 2019, the Company, Commission Staff, and representatives of the Atlanta Electrical Consumer Co-op engaged in a telephonic settlement conference.

STAFF REPORT

Commission Staff, the Company, and representatives of the Atlanta Electrical Consumer Co-op engaged in a telephonic settlement conference on May 29, 2019 in compliance with Order No. 34334. At the conference, the Atlanta Electrical Consumer Co-op and the Company indicated that they have agreed on an individual to appraise the system. The parties stated that Scott Kaster, in their respective opinions, has the requisite knowledge of electric systems to adequately perform the task. The parties stated that they have agreed on a price with Mr. Kaster. There is some disagreement over who will pay Mr. Kaster, but each party stated its willingness to pay half the agreed upon cost of appraisal. At the time of the settlement conference, both parties understood that the appraisal was expected to occur no later than June 7th through 9th, 2019.

The Atlanta Electrical Consumer Co-op anticipates having its next board meeting over the 4th of July weekend. The parties are hopeful that Mr. Kaster will have his appraisal completed and submitted prior to that weekend, and that the parties will have had an opportunity to discuss specific terms of a potential deal by that time, including price. Representatives of the Co-op hope to be able to present an offer to the board over the 4th of July weekend for rejection or approval. Staff reminded the parties that any transaction for the assets of an electrical system in the state of Idaho must be approved by the Commission under *Idaho Code* § 61-328. The parties agreed to hold another settlement conference following the appraisal and Co-op board

meeting. The parties anticipate that mid-July will be an appropriate time to hold such conference.

At the settlement conference the Company agreed to allow Staff to provide the Company's revenue statements from 2016, 2017, and 2018 to the Co-op. The parties believe that these statements will assist the Co-op in reviewing the financial viability of the Company, and provide requisite information for grant applications the Co-op is considering pursuing. The Company also provided some information regarding other monthly expenses.

Staff notes that the Company timely paid the past due amount for its gross operating revenue assessment, made itself available for a settlement conference, offered to pay for the appraisal of the system, and agreed to provide financial information to the Co-op. Staff notes that the Co-op intervened in the case in order to attempt to reach a settlement within the parameters of the case, has offered to split the costs of the appraisal, made itself available for the settlement conference, and made reasonable requests for information and a timeline going forward. Overall, Staff observes that both the Company and the Co-op are working in good faith to determine whether a transaction is in each party's respective interests.

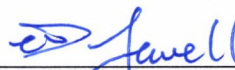
STAFF RECOMMENDATION

Staff recommends the Commission continue the reconsideration period and order the parties to have another settlement conference on or prior to July 18, 2019.

RESPECTFULLY submitted this

12th

day of June, 2019.



Edward J. Jewell
Deputy Attorney General

Umisc/comments/atle18.1ej staff report2

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 12TH DAY OF JUNE 2019, SERVED THE FOREGOING **STAFF REPORT**, IN CASE NO. ATL-E-18-01, BY E-MAILING AND MAILING A COPY THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

ISRAEL RAY
ATLANTA POWER COMPANY
11140 CHICKEN DINNER RD
CALDWELL ID 83607

ISRAEL RAY
ATLANTA POWER COMPANY
1275 DOLPHIN WAY
FAIRBANKS AK 99709

ELECTRONIC SERVICE ONLY
ATLANTA WATER ASSOC INC
theamyobrien@gmail.com
dvance.awa@gmail.com
rickandevyjenkins@gmail.com
jpdeb@rtci.net

STEVEN J MEADE
ATLANTA WATER ASSOC INC
PO BOX 1097
BOISE ID 83701
E-MAIL: smeade@idalaw.com

ELECTRONIC SERVICE ONLY
ATLANTA LANDOWNER'S ASSOC
bygreylock@wildblue.net
andy.epperson@gmail.com
matt@boiseinfill.com
jgilles@cableone.net

STEVEN J MEADE
ATLANTA LANDOWNER'S ASSOC
PO BOX 1097
BOISE ID 83701
E-MAIL: smeade@idalaw.com

ELECTRONIC SERVICE ONLY
ATLANTA LAND OWNER
steve@pumpkincreekranch.com

ELECTRONIC SERVICE ONLY
ATLANTA ELECTRICAL CONSUMER
CO-OP INC
PDFD247@yahoo.com
joyonemartinez@gmail.com
gregoryhahn@gmail.com
jgilles@cableone.net



SECRETARY