

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE INVESTIGATION ) CASE NO. ATL-E-22-01**  
**OF ATLANTA POWER COMPANY )**  
**SERVICE AND CUSTOMER RELATIONS ) ORDER NO. 35302**  
)  
) **NOTICE OF INVESTIGATION**  
)  
) **NOTICE OF HEARING &**  
**ORDER TO SHOW CAUSE**

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This matter comes before the Commission based on the request of the Commission Staff (“Staff”) that we order Atlanta Power Company, Inc., (“Atlanta Power” or “Company”) to appear and show cause why the Commission should not (1) reimpose penalties on the Company resulting from Case No. ATL-E-18-01, Order No. 34396, (2) impose new penalties on the Company for new and continuing violations and (3) open a new investigation into whether the Company is providing safe and adequate service to its customers. The Commission further directs the Company to appear and show cause why a receiver or other similar relief should not be employed to operate the Company due to its continued failure to comply with Idaho statutes and the Commission’s regulatory authority to ensure the provision of safe and reliable service.

As part of a companion case, on January 21, 2022, the Commission issued a Summons requiring Atlanta Power to answer allegations made in a formal complaint (“Complaint”) by Mary E. Drake, a customer of the Company (the “Complainant”). *See* Case No. ATL-E-21-01. The Summons requires Atlanta Power to answer the allegations of the Complaint in Case No. ATL-E-21-01 within twenty-one (21) days of its service date.

On September 20, 2021, the Commission allowed the Atlanta Electrical Consumer Cooperative, Inc., (“AECC”) to intervene in this case. *See* Order No. 35172.

Having reviewed the record, we provide Notice of an Investigation. The Commission also provides Notice of Hearing and orders the Company to appear before the Commission on February 23, 2022, at 2 PM in the Commission’s Hearing Room at 11331 W. Chinden Blvd., Building #8, Suite 201-A, Boise, Idaho 83714, to show cause as discussed below.

## **JURISDICTION**

Atlanta Power is an “electrical corporation” as defined in *Idaho Code* § 61-119, and a “public utility”. See *Idaho Code* §§ 61-119 and 61-129. The Commission has jurisdiction over Atlanta Power and the issues in this case under the Public Utilities Law, *Idaho Code* §§ 61-101 *et seq.*, including *Idaho Code* § 61-501 (vesting the Commission with the “power and jurisdiction to supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of” the Public Utilities Law), and *Idaho Code* § 61-701 *et seq.* (directing the Commission as to enforcement, penalties, and interpretation of Public Utilities Law).

As an electric utility, the Company must “furnish, provide and maintain such service, instrumentalities, equipment and facilities as shall promote the safety, health, comfort and convenience of its patrons, employees and the public, and as shall be in all respects adequate, efficient, just and reasonable.” See *Idaho Code* § 61-302. When an electric utility does not comply with this statutory mandate, the Commission is broadly empowered to “supervise and regulate [the] public utility . . . and to do all things necessary to carry out the spirit and intent of the” Idaho Public Utilities Law. See *Idaho Code* § 61-501. Further, *Idaho Code* § 61-515 specifies that the Commission may require the utility to “maintain and operate its line, plant, system, equipment, apparatus, and premises . . . to promote and safeguard the health and safety of its employees, customers and the public,” and order “the installation, use, maintenance and operation of appropriate safety or other devices or appliances . . . and . . . require the performance of any other act which the health and safety of [the utility’s] employees, customers, or the public may demand.”

## **BACKGROUND**

In the spring of 2017, Staff received complaints from customers of the Company raising concerns about the electric service being provided by the Company. See Order No. 33988 at 1. These customers alleged the Company’s hydroelectric turbine was not working and it was using a diesel generator to provide electric service. *Id.* Customers also reported that the generator was regularly running out of fuel and electric service outages were occurring frequently for long periods of time. *Id.* Staff continued to receive complaints throughout 2017 about inadequate service and outages, and the inability of customers to contact anyone from the Company.

On January 2, 2018, Mary E. Drake, a customer of the Company, filed a formal complaint in Case No. ATL-E-18-01 alleging that the Company was not providing safe and

adequate service to its customers. *See generally* Order No. 33988 at 1. The Commission ordered the Company to respond to Ms. Drake's complaint and ordered Staff to:

[C]onduct an investigation into the service reliability, maintenance and operations, and customer relations of Atlanta Power Company. Staff shall provide a report and recommendations to the Commission for further action no later than July 31, 2018.

Order No. 33988 at 2.

On March 14, 2018, two non-resident customers of the Company alerted Staff that another customer's service line had fallen to the ground. *See* Order No. 34017 at 1. The customers were concerned that the downed line could endanger persons who might contact it. *Id.* Staff investigated and confirmed the line was down, but buried by snow in an inaccessible area off an unplowed road. *Id.* Atlanta residents also reported that the line was not grounding out. *Id.* Nevertheless, Staff alleged that the downed line did not comply with the National Electric Safety Code. *Id.* The Commission issued Order No. 34017 on April 2, 2018, finding that the downed line did not promote the safety and health of customers and the public. *Id.* Further, the Commission directed the Company to immediately repair the downed line. *Id.* The Commission further directed Staff to inspect the line and other facilities for other possible safety issues, and to report to it within 60 days on any other health and safety issues related to the Company. *Id.* Staff later confirmed this downed power line had been repaired by the Company. *See Staff Decision Memorandum*, dated July 19, 2018.

On December 28, 2018, Staff filed a Report with the Commission with detailed descriptions about the condition of the Company's system and addressed the current state of the Staff noted in its Report that:

[t]he lack of response to Staff's requests for information (both formal and informal) has impeded Staff's investigation in this case. Another major impediment to investigating and attempting to resolve this case is that Israel Ray, the only person authorized to do business on behalf of Atlanta Power, has been unavailable, and is apparently unable to perform his duties.

*Staff Report* at 9. Staff represented that some issues, such as hiring or contracting with people to maintain, operate, and, if necessary, repair the system had been addressed. *Id.* at 4-9. However, Staff remained concerned about several issues, including how the system is being maintained, the condition of lines, poles, and other equipment, maintaining an adequate supply of diesel fuel for the back-up generator and unresolved safety issues. *Id.*

Due to continuing issues with the safety and adequacy of service the Company was providing customers the Commission ordered Atlanta Power to appear before the Commission on February 19, 2019, to show cause why the Commission should not summarily order Atlanta Power to immediately: 1. Pay the entire outstanding annual fee amount of \$100, and \$3 in interest; 2. File its statutorily required annual verified returns for calendar years 2016 and 2017; and 3. Pay civil penalties under *Idaho Code* § 61-706 of \$2,000 for each and every violation of the regulatory authorities that apply to it, totaling \$12,000. *See* Order No. 34209 at 8.

On April 2, 2019, the Commission found that since February 2018, the Company had repeatedly violated the Commission's requests, directives, and order, and had failed to respond to the summons arising from Ms. Drake's formal complaint, and respond to any inquiries from Staff. Order No. 34296 at 5. The Commission also found despite repeated discovery requests by Staff, the Company failed to provide Staff with any information related to the Company, including account information, ownership status, and documents related to customer identities, outages, hydroelectric turbine information, diesel generation information, fuel capacity and purchases, utility equipment information, and Company planning. *Id.* at 5-6. Further, the Commission found that the Company had failed to file annual verified returns in 2017 and 2018 showing its gross operating revenues for 2016 and 2017. *Id.* at 6. Last, in 2017 and 2018, the Company failed to pay its annual regulatory fee for calendar years 2016 and 2017, respectively. *Id.* The Commission required the Company to:

1. File the verified returns it had failed to file in 2017 and 2018 that show its gross operating revenues for calendar years 2016 and 2017;
2. Pay \$103 in past due regulatory fees and interest (i.e., the statutory minimum of \$50 per year for calendar years 2016 and 2017, with \$3 in interest); and
3. Pay \$12,000 in civil penalties for violating the Idaho Public Utilities Law, Idaho Code §§ 61-101 et seq. This amount consists of a \$2,000 penalty under Idaho Code § 61-706, for each of six violations of the Idaho Public Utilities Law.

*Id.* at 7. The Commission found that the Company's failure to comply with this Order No. 34296 by April 26, 2019, would cause a continuing violation of *Idaho Code* § 61-706 and subject the Company to additional penalties of \$2,000 per day until the Company satisfied its obligations. *Id.* The Company was also advised that if it violated the Order No. 34296, the Commission could



direct its attorneys to sue the Company in District Court in Idaho to obtain payment consistent with *Idaho Code* §§ 61-701, 705 and § 61-1005. The Commission also advised that it may pursue other actions, such as revoking the Company’s Certificate of Public Convenience and Necessity (“CPCN”) and franchise to provide electric service, or imposing a receivership to wind-up and liquidate the Company. *Id.*

On April 24, 2019, the Company filed a petition for reconsideration asserting that it was attempting to sell the electric system to the community of Atlanta. *See* Order No. 34334 at 2. The Company also alleged that the fine imposed by the Commission in Order No. 34296 would be better invested in the Company’s electric system or as a reserve account for a buyer of the system to use for repairs, maintenance, or improvements of the system. *Id.* The Company also represented that it was attempting to come into compliance with Commission orders. *Id.*

On May 10, 2019, the Commission granted the Company’s petition for reconsideration in Case No. ATL-E-18-01 based on the Company’s desire to facilitate a sale of the Company’s system.<sup>1</sup> Order No. 34334 at 4. The Commission found that the public interest may be served by such a sale. *Id.* The Commission reasoned that imposing the civil penalties called for in Order No. 34296 could impede sale negotiations. *Id.* Because the Commission wished to encourage the Company’s efforts to sell the system to a buyer who may better serve customers, the Commission found it reasonable and in the public interest to at least temporarily suspend the Company’s duty to pay these civil penalties. *Id.* (emphasis added). However, the Commission cautioned the Company that it may revoke the suspension of the Company’s payment obligation if the Commission later found the Company had not complied with the terms outlined in Order No. 34334. *Id.* The Commission stated that:

“[i]f at any time Staff perceives sale negotiations are not progressing in good faith, or that Atlanta Power is not responding to reasonable requests for information, or there is no indicia of progress toward a sale of the Company’s assets, then Staff should bring these issues to our attention for consideration in reinstating the Company’s obligation to pay the \$12,000 in existing penalties and \$2,000 per day in additional penalties as specified above.

Order No. 34334 at 4.

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<sup>1</sup>The Atlanta Water Association, Inc., the Atlanta Landowner’s Association and AECC were granted intervention into Case No. ATL-E-18-01. *See* Order Nos. 34036 and 34343.

The Commission also ordered Atlanta Power to engage in a settlement conference with the parties in Case No. ATL-E-18-01 within 21 days of the service date of Order No. 34334. *Id.* at 5. The purpose of the settlement conference would be to negotiate a sale of the Company's assets, including its electric system and its CPCN. *Id.* The Commission also stated that if Atlanta Power did not enter good faith negotiations to sell its assets, as it indicated it would in its petition for reconsideration, the conditional suspension of its penalty obligations might be revoked. *Id.* The Commission also directed Staff to file a report with the Commission within 14 days of the settlement conference apprising the Commission of any progress made. *Id.* Upon receiving Staff's report, or upon an earlier determination that the Company is not negotiating in good faith, the Commission stated it would issue an order outlining next steps in the reconsideration process, imposing fines, or taking any other action the Commission finds reasonable based on the record before it. *Id.* Last, the Commission reminded the Company that the Commission maintained authority to bring Atlanta Power into compliance on not only the Company's administrative failures, but also its requirements to maintain adequate service that promotes the health and safety of the public. *Id.* at 6 citing *Idaho Code* § 61-302.

On July 1, 2019, the Commission issued Order No. 34365 requesting comments on:

1) whether the fine was correctly imposed based on the findings of fact and conclusions of law in Order No. 34296; 2) whether new facts have arisen since the Commission issued Order No. 34296 that would make the fine no longer just and reasonable; and 3) if the fine was properly assessed and continues to be just and reasonable, should the Commission make the full fine payable to the state treasury to the credit of the general fund under *Idaho Code* § 61-712 or should the Commission seek to compromise the penalty under *Idaho Code* § 61-712B?

Order No. 34365 at 2. On July 18, 2019, Staff filed comments recommending that the Commission not impose the penalties set forth in Order No. 34296 to avoid disrupting the final stages of negotiation for transferring Atlanta Power's assets to the AECC. *Staff Comments on Reconsideration* at 4. Staff believed the deficiencies that led to the penalties being imposed would be resolved through a sale of the Company's assets. *Id.* However, if the Commission did impose the fine, Staff recommended the Commission require Atlanta Power to set the money aside in a reserve account to be used for necessary improvements to the system. *Id.*

On August 16, 2019, the Commission issued Order No. 34420 in Case No. ATL-E-18-01 finding that the Commission's conclusions and directives in Order No. 34296 continued to be valid. *See* Order No. 34420 at 3. Despite this, the Commission found that "intervening

circumstances-specifically the good faith negotiations and demonstrated progress toward a sale of the Company's assets-lead us to vacate the penalty" imposed on the Company by Order No. 34296. *Id.* The Commission reasoned that a sale of Atlanta Power's assets to AECC, that was committed to providing safe and reliable service and would be responsive to customers, personnel, and the public was the top priority. *Id.* The Commission further found this sale would address the problems that gave rise to Ms. Drake's formal complaint, and would solve the problems that have long beset Atlanta Power. *Id.* The Commission also found that if the sale did not go through, it had numerous tools at its disposal to ensure that the Company fulfills its duties as a regulated public utility. *Id.*

### **FORMAL COMPLAINT OF MARY E. DRAKE**

In Case No. ATL-E-21-01, Ms. Drake now asserts that she has been a resident of Atlanta, Idaho for 20 years and is a customer of the Company. Ms. Drake states she knows of previous complaints about the services provided by the Company, and the Commission's Final Order No. 31086. Ms. Drake asserts historical evidence about the power outages that occur on the Company's system. Ms. Drake alleges that the Company is not complying with the Commission's Final Order No. 31086 that orders the Company "to continue to monitor the power concerns. If the power concerns are not mitigated, then the staff and company will advise the commission on appropriate course of action." *See* Order No. 31086 at 4. Ms. Drake asserts that in the seven years following issuance of Order No. 31086 power outages are still occurring. Ms. Drake states these outages harm the safety of Atlanta residents.<sup>2</sup>

### **STAFF RECOMMENDATION**

According to Staff's records, the Commission did not timely receive the Company's verified Gross Intrastate Operating Revenue ("GIOR") reports for 2019 or 2020, which were due April 1, 2020, and April 1, 2021, respectively, under *Idaho Code* § 61-1003. *See Affidavit of Maria Barratt-Riley.* On or about September 10, 2021, the Company submitted a report for 2019 and 2020 showing \$77,346.31 and \$78,540.06 in GIORs respectively. *See Supplemental Affidavit of Maria Barratt-Riley.* The assessment rate for 2019 was .2593% resulting in an assessment for 2019 of \$200.56. *Id.* The assessment rate for 2020 was 0.1953% resulting in assessment for 2020 of \$153.39. *Id.* On September 3, 2021, the Commission received \$200.00 from the Company to

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<sup>2</sup> Details of Ms. Drake's Complaint can be found in the record of Case No. ATL-E-21-01.

pay for past due assessments leaving a past due assessment balance including interest of \$168.31. On October 18, 2021, the Commission received another \$200.00 check from the Company which paid off the past due balance for the Company's assessments. *Id.*

Staff also noted that the Company had not filed an Annual Report since 2007. *Affidavit of Maria Barratt-Riley*. Filing an Annual Report is mandatory for every public utility in Idaho under *Idaho Code* § 61-405. Further, on August 20, 2021, when Staff filed its Decision Memorandum in this case, the Company had been administratively dissolved according to records from the Idaho Secretary of State.<sup>3</sup> Subsequently, the Company applied for reinstatement with the Idaho Secretary of State on August 31, 2021. Last, Staff, until recently had been unable to contact Israel Ray, the last known owner of the Company and mail sent to his last known address had been returned as undeliverable. In the last several months Mr. Ray has contacted Staff by telephone to discuss Ms. Drake's Complaint and other compliance issues.

Staff believed that the Commission should open an investigation into the Company's operations based on the Commission's continued receipt of customer complaints on issues that the Commission has ordered the Company to address, the Company's continued non-compliance with basic regulatory requirements, the allegation regarding the inability of customers to contact the Company or its owner Mr. Ray, and the Company's lack of communication with the Commission regarding the status of the possible transaction to transfer the system to AECC.

## **COMMISSION DISCUSSION AND FINDINGS**

### **1. *Idaho Code* §§ 61-401 and 406**

*Idaho Code* § 61-401 states, "[e]very public utility shall furnish to the commission, in such form and such detail as the commission shall prescribe, all tabulations, computations and all other information required by it to carry into effect any of the provisions of this act and shall make answers to the best of their knowledge, to all questions submitted by the commission." Further, *Idaho Code* § 61-406 states, "[e]very public utility shall obey and comply with each and every requirement of every order, decision, rule, or regulation made or prescribed by the commission in the matters herein specified, and shall do everything necessary or proper in order to secure

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<sup>3</sup> *Idaho Code* § 61-21-602(c) provides, [a] domestic filing entity that is dissolved administratively continues its existence as the same type of entity but may not carry on any activities except as necessary to wind up its activities and affairs and liquidate its assets in the manner provided in its organic law or to apply for reinstatement under section 30-21-603, *Idaho Code*."

compliance with and observance of every such order, decision, direction, rule, or regulation by all of its officers, agents and employees.”

Since issuance of Order No. 34420 in 2019 back to at least February 2018, the Company has repeatedly violated the Commission’s authorities, including failing to timely file GIOR reports, annual reports and to pay utility assessments on time.

**2. Idaho Code §§ 61-1001 and 1003**

*Idaho Code* § 61-1003 requires the Company to file annual verified returns showing gross operating revenues from its utility business in Idaho for the preceding calendar year. *Idaho Code* § 61-1001 requires the Company to pay the Commission an annual regulatory fee based on the Company’s annual verified return.

The Company failed to file timely annual verified returns in 2020 and 2021 showing its gross operating revenues for 2019 and 2020. *See Affidavit of Maria Barratt-Riley* at 1; *see also Supplement Affidavit of Maria Barratt-Riley* at 1. Each failure to file creates a distinct and unique cause of action. Also, in 2020 and 2021, the Company failed to timely pay its annual regulatory fee for calendar years 2019 and 2020. The Commission assessed \$50 per year because Staff could not calculate an accurate assessment amount due to the Company’s failure to submit annual verified returns. The Company has now filed its verified returns for 2019 and 2020. Based on these returns the Company’s assessment with interest for 2019 would be \$213.23. For 2020 the assessment would be \$154.88 with interest. According to Staff the Company’s assessments have been brought current, although such compliance was untimely. *See Supplemental Affidavit of Maria Barratt-Riley* at 1.

**3. Idaho Code § 61-701, et seq.**

The Company must pay civil penalties for violations of the above-referenced statutes. Specifically, *Idaho Code* § 61-706 states:

Any public utility which violates or fails to comply with any provisions of the constitution of this state or of this act, or which fails, omits or neglects to obey, observe or comply with any order, decision, decree, rule, direction, demand or requirement or any part or provision thereof, of the commission, under this act, in a case in which a penalty has not hereinbefore been provided for, such public utility is subject to a penalty of not more than \$2,000 for each and every offense.

Furthermore, *Idaho Code* § 61-707 states:

Every violation of the provisions of this act or of any order, decision, decree, rule, direction, demand, or requirement of the commission, under the provisions of this

act, or any part or portion thereof, by any public utility, corporation or person is a separate and distinct offense, and in case of a continuing violation each day's continuance thereof shall be and be deemed to be a separate and distinct offense.

**a. New Penalties**

We find that the Company has committed new violations of the Public Utilities Law set forth below:

- 1) Violation of *Idaho Code* § 61-401 – \$2,000
- 2) Violation of *Idaho Code* § 61-1003 – 2 years of failing to timely report - \$2,000 x 2 = \$4,000
- 3) Violation of *Idaho Code* § 61-1001 - 2 years of failing to timely pay assessment - \$2,000 x 2 = \$4,000.

We find it reasonable to direct the Company to appear and show cause why the Commission should not order the Company to pay penalties of \$12,000 immediately for new violations of the Public Utilities Laws.

**b. Penalties Arising from Order No. 34296**

In addition, to the new penalties discussed above, in Case No. ATL-E-18-01 the Commission imposed \$12,000 in penalties on the Company for at least six previous violations of Commission authorities. *See* Order No. 34296 at 6-7. Although we vacated this penalty such decision was based solely on the Company proposing to sell its assets to a third party willing to take over operation on the Company's system. *See* Order No. 34420 at 3. No sale has occurred. The Company has not explained why the proposed transaction has not been completed. The grounds upon which the Commission vacated the penalty have not occurred. Further, the Commission notes that our findings of fact and conclusions of law in Order No. 34296 continue to be valid. We find it is fair, just, and reasonable for the Company to appear and show cause why the Commission should not reinstate the \$12,000 penalty arising from Order No. 34296. Further, we continue to believe, as we stated in Order No. 34420, that a sale of the Company's assets to an entity that will provide safe and reliable service and be responsive to customers and the public is a top priority.

**4. Additional Matters the Company must Address**

The Commission is greatly concerned about the continued receipt of customer complaints on issues that the Commission has ordered the Company to address, the Company's

continued non-compliance with basic regulatory requirements, and customer allegations about the inability to contact the Company or its owner Mr. Ray. As discussed above, the Commission is also disappointed with the Company's lack of communication with the Commission about the status of the possible transaction to transfer the system to a third party as we found that the public interest would be served by the Company selling its assets to a buyer who may better serve customers. *See* Order No. 34334 at 4.

The continued issues about the operations of the Company and the condition of its system convinces the Commission that the Company selling its assets to a buyer who could better serve customers remains in the public interest. Despite this, the Commission has received scant details on whether a transaction for the sale of the Company's assets to AECC was finalized, is still being negotiated, or has dissolved. The Commission directs the Company to provide a detailed response at the Show Cause Hearing (defined below) concerning:

- Whether the Company is still negotiating a potential transaction with AECC. If not, why not?
- If negotiations are ongoing what terms, if any, remain to be negotiated?
- When the Company expects to close such a transaction to sell its assets?

Further, if an appraisal and any other associated studies or surveys of the Company's system was completed to further a potential transaction, the Commission directs the Company to provide a copy of such appraisal and any other associated studies or surveys at the Order to Show Cause Hearing.

The Commission also is concerned that the condition of the Company's system has not improved since Case No. ATL-E-18-01 was closed. As discussed in Staff's December 28, 2018, Report the reliability of the Company's service and condition of the Company's system was poor. *Staff Report* at 4-9. It is unclear from the record whether the Company has undertaken any efforts to address the issues described in Staff's Report which impact the safety, reliability, and adequacy of the service the Company provides to its customers. The Company is required as an electric utility, to "furnish, provide and maintain such service, instrumentalities, equipment and facilities as shall promote the safety, health, comfort and convenience of its patrons, employees and the public, and as shall be in all respects adequate, efficient, just and reasonable." *See Idaho Code* § 61-302. Whether the Company is meeting the requirements of *Idaho Code* § 61-302 is squarely at issue. The Commission directs the Company to provide the Commission with a detailed

response at the Show Cause Hearing (defined below) on how it proposes to address the numerous issues with the Company's service reliability and system, including but not limited to:

- low hanging service lines,
- poles rotted at the base or leaning,
- antiquated transformers and leaking transformers,
- service drops to meters supported by a piece of wood above customers' rooflines,
- problems with the electronic load governor at the Company's powerhouse,
- inoperable spillway gates that control the flow of water into the reservoir,
- a fuel storage tank for the diesel electric generator on wooden blocks without secondary containment, and,
- exposed drive pulleys and belts on the Company's turbine-generator drive.

The Company's response at the Show Cause Hearing (defined below) should also detail whether the Company's system satisfies the requirements of the National Electric Safety Code ("NESC"). *See* Order No. 35095, Case No. GNR-U-21-01 (adopting the Commission's Safety and Accident Reporting Rules for Utilities Regulated by the Commission which Rules incorporate NESC). A copy of Staff's Report detailing these issues is attached to this Order as Attachment A.

Last, the Company will provide the Commission with reliable contact information (phone number(s), fax number(s), email addresses, mailing addresses and physical addresses) that will allow the Company's customers to contact it at the Show Cause Hearing (defined below). The Company is also directed to provide the Commission with updated contact information for the Company's owner Israel Ray including, telephone numbers, email addresses and a physical address.

#### **NOTICE OF HEARING**

YOU ARE HEREBY NOTIFIED that the Commission will hold a hearing in this matter on **February 23, 2022, COMMENCING AT 2:00 PM IN THE COMMISSION HEARING ROOM, 11331 W. CHINDEN BLVD., BLDG. #8, SUITE 201-A, BOISE, IDAHO.** The purpose of this hearing ("Show Cause Hearing") is to allow the Company to explain why the Commission should not: 1) declare all fees and interest immediately due and impose penalties; 2) open a new investigation into whether the Company is providing safe and adequate service to its customers; and 3) consider why a receiver or other similar relief should not be



employed to operate the Company due to its continued failure to comply with Idaho statutes and the Commission's regulatory authority to ensure the provision of safe and reliable service.

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (ADA). Persons needing the help of a sign language interpreter or other assistance to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five (5) working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0338 (Telephone)  
(208) 334-3762 (FAX)  
E-Mail: [secretary@puc.idaho.gov](mailto:secretary@puc.idaho.gov)

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.* A copy of the rules is available for review at the Commission's offices during regular business hours, and on the Commission's website at [www.puc.idaho.gov](http://www.puc.idaho.gov).

### **ORDER**

Based on the evidence before the Commission, and good cause appearing,

IT IS HEREBY ORDERED that Atlanta Power shall appear before the Commission on February 23, 2022, at 2:00 PM in the Commission's Hearing Room to show cause why the Commission should not 1) summarily impose all penalties discussed herein, 2) open a new investigation into whether the Company is providing safe and adequate service to its customers, and 3) appoint a receiver or other similar relief should not be employed to operate the Company due to its continued failure to comply with Idaho statutes and the Commission's regulatory authority to ensure the provision of safe and reliable service.

IT IS FURTHER ORDERED that the Company shall provide contact information on how customers may contact the Company on service issues at the Show Cause Hearing.

IT IS FURTHER ORDERED that at the Show Cause Hearing the Company shall provide the Commission the foregoing information:

ORDER TO SHOW CAUSE  
NOTICE OF HEARING  
ORDER NO. 35302

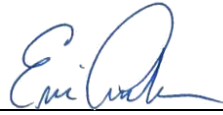
- Whether the Company is still negotiating a potential transaction with AECC. If not, why not?
- If negotiations are ongoing what terms if any remain to be negotiated?
- When the Company expects to close such a transaction to sell its assets?

IT IS FURTHER ORDERED that the Company shall provide copies of any appraisal and associated studies or surveys of the Company's system completed to further a potential transaction at the Show Cause Hearing.

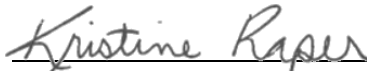
IT IS FURTHER ORDERED that the Commission directs the Company to provide the Commission with a response at the Show Cause Hearing to explain how it will address the numerous issues with the Company's service reliability and system as set forth in Staff's Report, dated December 28, 2018, and attached hereto as Attachment A, including but not limited to those parts of the Company's system discussed in the Findings above at page 12.

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DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 21<sup>st</sup>  
day of January 2022.



ERIC ANDERSON, PRESIDENT

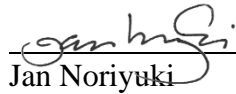


KRISTINE RAPER, COMMISSIONER



JOHN CHATBURN, COMMISSIONER

ATTEST:



Jan Noriyuki  
Commission Secretary

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**ATTACHMENT A**

The Commission Staff's Report on the Atlanta Power System in Case No. ATL-E-18-01

(Attached)

BRANDON KARPEN  
DEPUTY ATTORNEY GENERAL  
IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, IDAHO 83720-0074  
(208) 334-0357  
IDAHO BAR NO. 7956

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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**  
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The Staff of the Idaho Public Utilities Commission submits this report on issues related to the Atlanta Power Company.

**PROCEDURAL BACKGROUND**

In the spring of 2017, Staff received a number of complaints from residents of Atlanta, Idaho, concerning electric service being provided by Atlanta Power Company. The customers stated that the Company's hydroelectric turbine was no longer working and the Company was using a diesel generator to provide electric service. It was reported that the generator was regularly running out of fuel and electric service outages were occurring frequently for significant periods of time. On January 2, 2018, Atlanta Power customer Mary Drake filed a Formal Complaint against Atlanta Power Company claiming the Company is violating Commission Order No. 31086 and Idaho Code 61-302 by failing to maintain adequate service.

On January 22, 2018, Staff requested that the Commission direct the Company to respond to the Formal Complaint of Mary Drake, and to open a formal Staff investigation into the Company to respond to issues raised in informal complaints. Staff recommended that the

investigation focus on service reliability, maintenance and operation of the Company's facilities, and customer service. As part of its investigation, Staff was directed to review the Company's compliance with past orders, inspect generation and distribution facilities, and confer with customers.

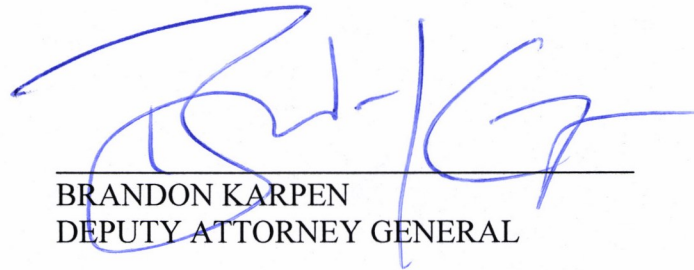
On May 10, 2018, Staff submitted a preliminary report on the condition of the Company, including the status of a reported downed service line. On July 31, 2018, the Commission requested Staff to prepare a more detailed analysis of the issues related to the Company before the end of the year. The Commission said it would consider further action as needed.

Staff now submits its Report discussing its findings.

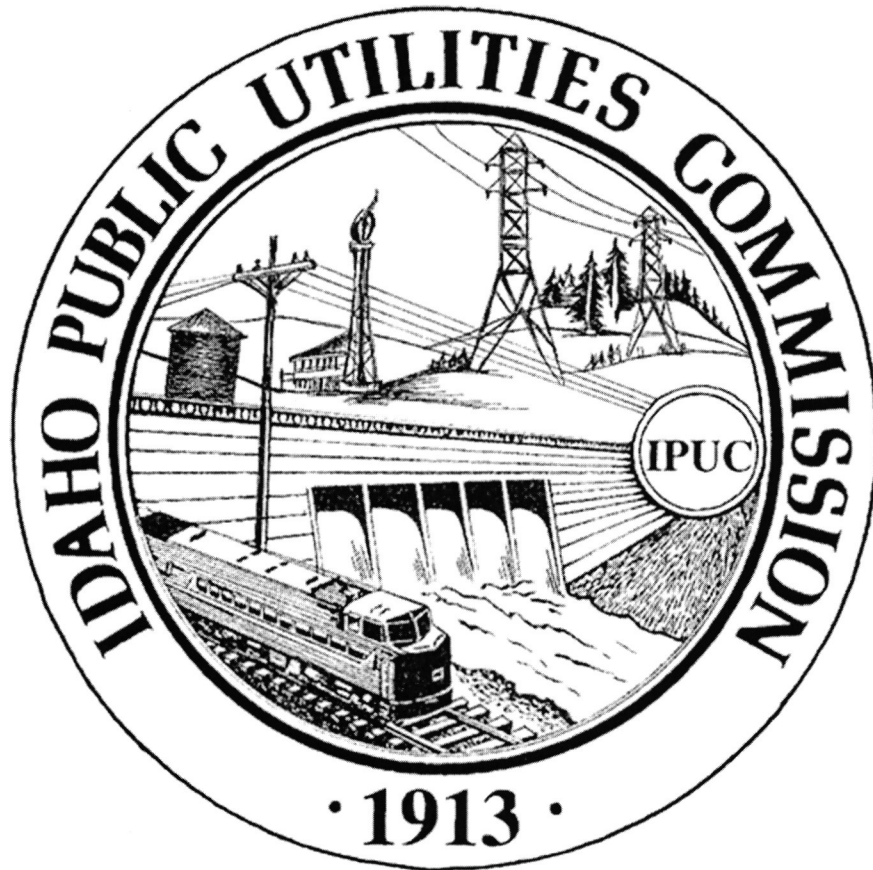
**STAFF REPORT**

Staff's substantive findings and recommendations are attached as Attachment A.

Respectfully submitted this 28th day of December 2018.



BRANDON KARPEN  
DEPUTY ATTORNEY GENERAL

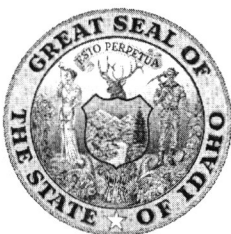


# STAFF REPORT

Case No. ATL-E-18-01

December 28, 2018

Michael Eldred  
Johnathan Farley  
Brad Iverson-Long  
Richard Keller  
Kevin Keyt





## **BACKGROUND**

On September 11, 2000, the Commission received a petition from residents of Atlanta, Idaho. The petition explained that Atlanta Power customers were concerned about issues including: 1) inconsistent service and power quality; 2) extended outages and untimely response times to system issues; 3) poor communication between the Company and its customers; 4) the lack of qualified personnel to troubleshoot problems and make repairs; and 5) the lack of an operational back-up generator.

In October of 2000, Staff felt it premature for the Commission to formally investigate Atlanta Power. Staff thus recommended an informal investigation. Staff proposed to perform a financial audit, compile outage information, identify potential system improvements, and survey customers to gauge their willingness to pay the higher rates associated with upgrading the system. Staff's informal investigation lasted about two years.

On March 6, 2003, Staff presented its findings to the Commission in a Decision Memorandum. Staff reported it had worked with the Company and customers to identify and address three problems areas: 1) the lack of an onsite back-up generator; 2) the lack of back-up personnel; and 3) poor communications between the Company and its customers about outages. Because of Staff's investigation, the Company hired Randy Nye, another Atlanta resident, to back up the system operator, Dave Gill, and procured a telephone messaging system to notify customers of planned outages and provide progress reports on system repairs. As a result of the customer survey performed by Staff, purchasing and installing a back-up generator was not recommended. Customers surveyed did not want to pay for the additional expense through rates.

On April 10, 2003, the Commission opened Case No. ATL-E-03-01 and issued a Notice of Proposed Order on April 10, 2003. Summaries of Staff's report and copies of the Notice of Proposed Order were sent to all customers.

On June 28, 2003, Commission Staff conducted a public workshop in Atlanta, Idaho. The Company's overdue annual reports were a major concern at the workshop. Without the annual reports, customers were concerned that the Commission would not have the requisite information to properly regulate and set rates for the Company. The Company agreed to prepare and file all overdue annual reports.

On September 3, 2003, Atlanta Power's president, Lynn Stevenson, was murdered. Israel Ray was elected president by the principal shareholders.



In 2005, the Commission issued its final order and closed Case No. ATL-E-03-01. By then, Mr. Ray had become the majority shareholder and president of Atlanta Power and had improved the Company's operating procedures and physical plant in service. In the Commission's final order, Order No. 29706, the Commission found that the Company had made several physical system improvements including:

1. A hole in the bladder that operates the spillway gates that control water flow to the turbine has been repaired.
2. Four of the wicket gates that control water flow through the turbine have been repaired.
3. Broken or badly warped cross arms have been replaced.
4. A transformer support structure has been replaced.
5. One or more new transformers have been installed to better regulate system voltage.
6. The engine in the Company's old line truck has been replaced.
7. A new line truck has been purchased that can be operated by a single person from the bucket.
8. The Company's inventory of poles and other supplies has been increased.

The Commission concluded Atlanta Power had improved the physical plant, system reliability, regulatory accounting practices, and customer relations. The Commission attributed the improvements to the change in ownership and Company management. In its closing remarks, the Commission directed Staff to continue working informally with the Company and its customers to address customer concerns and work toward the continued betterment of electric service in Atlanta.

In April of 2009, Allen Lake filed a complaint against Atlanta Power Company. Mr. Lake asserted that he was receiving an inadequate power supply to run a dishwasher he had installed as part of a home remodeling project.

On August 28, 2009, two Idaho Power Company engineers analyzed power quality in Atlanta. The engineers found that the system frequency varied +/- 10 cycles per second (CPS) from an ideal 60 CPS. As a solution, a tensioner was built to tighten the chain on the governor that controlled the wicket gates in the turbine. By tightening the chain on the governor, Atlanta Power planned to reduce the governor's response time to frequency changes and stabilize the system frequency. Atlanta Power designed and installed the tensioner but the system frequency problems persisted. Atlanta Power suggested conditioning the powerhouse in order to avoid

lubricants thickening in colder weather and offsetting the gains in response time that the tensioner provided.

In November 2009, Mr. Lake filed a formal complaint against Atlanta Power, and the Commission opened Case No. ATL-E-09-01. In that case, Commission Staff identified two solutions to address the system frequency issues Mr. Lake was experiencing. The first solution was for Atlanta Power to buy and install a double conversion uninterruptible power supply (UPC) in Mr. Lake's home. The UPC would convert Atlanta Power's AC power to DC and store it in batteries, then convert the DC power back into AC at 60 cps using an inverter. Staff believed that installing a UPC would eliminate Mr. Lake's problem for about \$2,000 but would only address the problem on a single circuit in Mr. Lake's home. Staff knew that other customers served by Atlanta Power were experiencing the same frequency issues as Mr. Lake, and identified a second solution that would address the whole system.

Staff's second solution was to replace Atlanta Power's turbine-generator control systems. Staff asserted that a more accurate control system would stabilize the power line frequency by detecting when the system frequency began to change and then quickly adjusting the wicket gates. Staff concluded that upgrading the turbine-generator control system was the most cost-effective solution to the power line frequency problem. However, Staff was concerned that the \$15,000 to \$25,000 investment would increase rates, cause customers to leave the system, and ultimately jeopardize Atlanta Power's financial viability. Staff thus recommended the Company continue to pursue low-cost system improvements, and that Staff evaluate the Company's financial position after November 2011, when the Company had satisfied a \$1,460-a-month loan.

On May 13, 2010, the Commission issued Order No. 31086 in Case No. ATL-E-09-01. The Commission accepted Staff's recommendations for pursuing low-cost system improvements and evaluating the Company's financial position after the Company satisfied its loan in November 2011. The Commission ordered Commission Staff and Atlanta Power to "continue to monitor the power quality concerns. If the power quality issues are not satisfactorily mitigated by November 1, 2011, then Staff and the Company will advise the Commission on an appropriate course of action."

In November 2011, Staff evaluated the Company's financial position using the financial records available at the end of the Company's loan term. Staff determined that rates did not need

to be reduced based on investments made by the Company. Staff continued to work with Atlanta Power on an informal basis to address ongoing systems issues.

On January 2, 2018, Mary Drake formally complained that the Company was violating Commission Order No. 31086 and Idaho Code § 61-302 by not maintaining adequate service. *See* Attachment B. Ms. Drake addressed frequent power outages, public safety, lack of qualified personnel to operate and maintain Company facilities, and the Company's inaccessibility and failure to respond to customer complaints.

On February 20, 2018, the Commission opened Case No. ATL-E-18-01. The Commission ordered the Company to respond to Mary Drake's formal complaint, and Staff to conduct a formal investigation. Staff's investigation focused on service reliability, maintenance and operations, and customer service. *See* Order No. 33988.

## **SERVICE RELIABILITY**

### **The Distribution System**

On March 14, 2018, Atlanta Power customers reported a service line had detached from a support and was on the ground. The customers were concerned the downed service line could endanger people and animals that contacted it.

On March 29, 2018, Commission Staff travelled to Atlanta to investigate the situation. Staff saw the service line had fallen and was partially buried in snow, but the wire connections were still intact. Staff surmised the low-hanging service line detached from a support pole when a large amount of snow slid off a nearby roof and snagged the line. Due to weather and road conditions, Staff could not investigate the entire distribution system.

On May 15, 2018, Staff returned to Atlanta to continue its investigation. Staff found the overhead distribution system consisted of poles, attachments, and transformers that exhibited a range of conditions. Some equipment appeared to have been recently upgraded while some equipment was derelict or broken. Staff noted several low-hanging lines and many poles that were rotted at the base or leaning. Instead of replacing these poles, the Company used thru-bolts or straps to join the old pole to a shorter anchor pole.

Staff also found transformers ranging in age and condition from near new to antiquated. Some transformers showed signs of damage and possible leakage. Staff also identified

questionable Company practices, such as using pine trees as utility poles and service drops to meters supported by a piece of wood above the customers' rooflines.

### **Power Generation**

The Company has two sources of power generation, a run of river hydroelectric turbine and a diesel electric back-up generator. The hydro plant has failed several times in recent years and most recently in the spring of 2017. Issues with the electronic load governor put the turbine out of service for approximately three months.

On March 29, 2018, when Staff inspected the dam site and powerhouse Staff was informed that concerns remained about the electronic load governor. Several spillway gates that control the flow of water into the reservoir were inoperable. The Atlanta Fire Chief, Gene Haught, was concerned that the reservoir's water level would damage the electronic load governor. He was also concerned that the reservoir water level could get too high and potentially damage the dam.

During Staff's May 15 site inspection, Staff saw the fuel storage tank for the diesel electric generator in the Company's equipment yard was on wooden blocks without secondary containment. Staff noted that secondary containment would help mitigate fire hazards from leaks and spills and prevent environmental contamination. Staff was also concerned with the generator's exposure to the elements. Though the generator is enclosed, both doorways at opposite ends of the building are open to the elements.

### **Service Outages**

In December 2016, an outage occurred when equipment malfunctioned in the powerhouse. The Company lacked adequate insulation for the equipment in the system control room, and the equipment failed because of excessive cold. When the Company switched to auxiliary power (a diesel generator), the generator ran out of fuel due to the reserve not being filled completely. The Company has a reserve capacity of 1,500 gallons of diesel but the Company's fuel supplier has a minimum delivery requirement of 3,000 gallons.

On March 12, 2017, the hydroelectric turbine went down and the Company had to use the diesel electric back-up generator to serve customers. The Company had attempted to service the turbine but could not restart the system after completing the repairs. On March 27, 2017, the

diesel electric generator ran out of fuel and service was out for all customers. The Company had to borrow fuel from the local highway district and the local mine to operate the generator.

The generator ran out of fuel again on April 26, and the Company could not have fuel delivered until May 2. Outages continued to plague the system throughout the year, culminating in a 13-hour long outage on January 1, 2018.

### **Safety Concerns**

On March 29, 2018, Staff identified a potential safety hazard posed by exposed drive pulleys and belts on the turbine-generator. Although a makeshift railing separated building access from the turbine-generator drive, Staff believes the barrier inadequately protects personnel who enter the powerhouse.

Though the Company had repaired the downed service line reported to the Commission in March 2018, Staff identified several other issues during its May 2018 inspection. Staff found damaged transformers, leaning or rotted poles, low hanging lines, and questionable methods used for routing and securing lines. In its May 2018 report to the Commission, Staff expressed concern that the system may not satisfy the National Electric Safety Code, and that further investigation may be warranted.

## **OPERATIONS & MAINTENANCE**

### **Personnel**

Currently, the Company has three employees, a bookkeeper (Linda Churches), a maintenance person (Gene Haught), and a meter reader. The bookkeeper does not live in Atlanta and works remotely. The maintenance person and meter reader live in Atlanta, Idaho.

Linda Churches produces and mails billings/notices, collects and deposits payments, and reconciles customer usage with billing. Though she makes monthly cash deposits, she cannot access the Company's financial records and she lacks check-writing authority.

The Company hired the Atlanta Fire Chief, Gene Haught, as the maintenance person in May 2018. He performs general maintenance like greasing the turbine fittings, cleaning debris from the spillway and syphon tube gates, etc. He can stop and reboot the turbine-generator and program the electric governor, but he is not responsible for troubleshooting the generation or distribution systems, making repairs, or performing any duties comparable to those of a lineman

or electrician. Much like the bookkeeper, Mr. Haught lacks check-writing authority and account access. He relies on the owner to provide the materials he needs to complete his daily functions.

The Company employs a meter reader whose sole function is to report each customer's use to the bookkeeper on a monthly basis. The Company has employed several people as the meter reader in 2018. No matter who serves as the meter reader, the Company has required the person filling that position live in Atlanta.

### **System Operator**

The Company has not employed a system operator since December 2016. The system operator troubleshoots the distribution and generation facilities, repairs and services equipment, connects and disconnects services, and restores service outages. The previous system operator, Dave Gill, was a longtime Atlanta resident who served in that position for over ten years. In 2016, Dave Gill moved to Panama. The Company has struggled to hire a capable replacement. Throughout 2017, the Company had several prolonged outages and technical mishaps that may have impacted customers less if the Company had a system operator.

In January 2018, customers reported to the Commission that Atlanta Power no longer had a presence in Atlanta and customers were maintaining the generation and distribution systems.

### **Accounting and Financial Records**

The Company has several known financial accounting and financial issues, and its lack of regulatory compliance prevents Staff from knowing if it has further issues. The Company has not filed an Annual Report with the Commission since 2007, and has not filed other necessary documents, including an Inventory of Physical Properties and copies of maps and records in compliance with Idaho Code §§ 61-402, 61-404, and 61-605. Additionally, the Company has not responded to all of the Production Requests issued by Commission Staff in ATL-E-18-01, has not complied with past Commission orders, nor has it paid its annual Commission fees.

Staff has had only minimal access to any current financial information for the Company, making it difficult to tell if the Company is financially viable. In response to a request from Staff, the Company did report that it had 65 customers (57 residential, 8 commercial) as of April 2018.

Previously, employees, contractors and other persons, including customers, were performing work for Atlanta Power but not getting paid for that work. Some customers who performed work for the Company received credit on their electric bills in lieu of payment. Recently, Staff was informed that all employees and contractors are getting paid for their work.

## **CUSTOMER SERVICE**

### **Availability**

In January 2018, Staff received reports that the Company was becoming increasingly hard to contact. Previously, all calls for service were routed to the owner, Israel Ray. If customers questioned billings and notices, they would contact the bookkeeper. Customers could call the owner and bookkeeper directly or they could call a 1-800 number that would route calls to the owner.

Staff found the Company's 1-800 number was disconnected, and the owner was no longer answering calls or returning messages from Staff or customers.

In March 2018, Israel Ray's brother, Ronald Ray, explained to Staff that his brother had a medical condition that made it difficult for Israel to make rational decisions. Ronald Ray claimed Israel needed continuous care, and that he would be travelling with Ronald to Alaska. Staff has had no direct contact with Israel Ray since June 2017, and believes he still resides in Alaska.

### **Responsiveness and Dispute Resolution**

On February 20, 2018, the Commission ordered the Company to respond to Mary Drake's formal complaint. *See* Order No. 33988, Case No. ATL-E-18-01. The Company has not responded to the complaint as of December 18, 2018. Additionally, the Commission has issued four summons, and Staff has served two production requests since the case was opened. All have gone unanswered.

Staff has tried to contact Israel Ray but has only reached his brother, Ronald Ray. As noted above, on several occasions, Ronald has stated that Israel cannot make rational decisions, and Ronald is uncertain if or when Israel will be able to do so. Staff has asked Ronald if he would pursue a power of attorney for Israel. Ronald unequivocally replied that he would not and is unwilling to take control of Atlanta Power.

## **SUMMARY**

The lack of response to Staff's requests for information (both formal and informal) has impeded Staff's investigation in this case. Another major impediment to investigating and attempting to resolve this case is that Israel Ray, the only person authorized to do business on behalf of Atlanta Power, has been unavailable, and is apparently unable to perform his duties.

While it appears that some issues, such as hiring or contracting with people to maintain, operate, and, if necessary, repair the system have been addressed, Staff remains concerned about a number of issues, including how the system is being maintained, the condition of lines, poles and other equipment, maintaining an adequate supply of diesel fuel for the back-up generator as well as unresolved safety issues. With the arrival of winter, Staff is concerned that service reliability will continue to be an issue.

## **STAFF RECOMMENDATION**

Due to the Company's failure to respond to Staff's Production Requests and the uncertain status of Israel Ray, Staff recommends that, as a next step, an Order to Show Cause be issued to compel compliance with the Commission's Orders as well as statutory and regulatory requirements.



JAN 02 2018

Boise, Idaho

From: [flute.md@gmail.com](mailto:flute.md@gmail.com) [mailto:[flute.md@gmail.com](mailto:flute.md@gmail.com)]  
Sent: Tuesday, January 2, 2018 1:47 PM  
To: Front <[front@puc.idaho.gov](mailto:front@puc.idaho.gov)>; Beverly Barker <[Beverly.Barker@puc.idaho.gov](mailto:Beverly.Barker@puc.idaho.gov)>  
Subject: Consumer Assistance Form: Mary Drake

Name: Mary Drake  
Email: [flute.md@gmail.com](mailto:flute.md@gmail.com)  
Telephone: 2088642171  
Address: 72 E PINE ST  
ATLANTA ID, 83716

Name of Utility Company: Atlanta Power Company Contacted Utility: Yes

Complaint: Mary E. Drake  
72 E. Pine  
Atlanta, Idaho 83716

Idaho Public Utilities Commission  
472 W. Washington  
Boise, Idaho 83702

Dear Commissioners:

Please consider this a formal complaint against Atlanta Power Company for failing to fulfill their lawful duty of providing and maintaining adequate services of electricity to the town of Atlanta, Idaho, per Idaho Statute 61-301. The Statute reads: "DUTIES OF PUBLIC UTILITIES 61-302. MAINTENANCE OF ADEQUATE SERVICE. Every public utility shall furnish, provide and maintain such service, instrumentalities, equipment and facilities as shall promote the safety, health, comfort and convenience of its patrons, employees and the public, and as shall be in all respects adequate, efficient, just and reasonable."

I have been a resident of Atlanta, Idaho for 20 years. I have experienced the change of ownership of the Atlanta Power Company. I am also aware of previous complaints about the services provided by the company, and the ensuing Final Order of May 13, 2010. There is plenty of historical evidence that shows there has been a problem with Atlanta Power Company outages for many years.

This complaint, today, is to inform you that Atlanta Power Company is NOT DOING WHAT they agreed to do per the Final Order dated May 13, 2010 (Order # 31086) in which it states: "It is further ordered that Atlanta Power Company continue to monitor the power concerns. If the power concerns are not mitigated, then the staff and company will advise the commission on appropriate course of action." It has been 7 years since this order, and the power outages still occur. Many people have complained to the PUC, yet no action is taken. This complaint poses the question: Why is the Atlanta Power Company not being held accountable to uphold its duties as a utility provider by the PUC? Please, we need help!

Also, after an investigation into Atlanta Power Company by PUC in February, 2005, Order #29706, it states that "It appears Dave Gill's availability has changed. He is available in Atlanta for immediate system repairs most of the time." This is NO LONGER TRUE. Dave Gill no longer lives in Atlanta, Idaho. Hence, this formal complaint, filed here, now is:

1. There continues to be frequent power outages in Atlanta, Idaho.
2. Power outages HARM the safety of Atlanta residents, due to needing access to electronics for emergencies, drinking water (for those with electronic water pumps), and access to healthy food (refrigerators go out and food spoils during outages).
3. There is no one in town who knows how to fix the system when the owner of Atlanta Power Company (Israel Ray) is out of town.
4. Israel Ray does not hire anybody to be available to diagnose problems and fix problems during outages.
5. Although there is a generator up here, in Atlanta, it does not function in cold weather, due to diesel fuel.
6. Israel Ray, as owner of Atlanta Power Company is not fulfilling his lawful duty as a utility company per statute 61-302 which states: DUTIES OF PUBLIC UTILITIES: 61-302. MAINTENANCE OF ADEQUATE SERVICE. Every public utility shall furnish, provide and maintain such service, instrumentalities, equipment and facilities as shall promote the safety, health, comfort and convenience of its patrons, employees and the public, and as shall be in all respects adequate, efficient, just and reasonable." Evidence that demonstrates Failure to comply with this statute includes, but not limited to:
  - a. There is no telephone number to call for assistance when the power goes out in Atlanta, Idaho. The number to call is Israel's, and the message inbox is ALWAYS FULL. No other number to call, or way to contact him or anybody who knows how to help during a power outage. This is blatant disregard for us, consumers, customers, residents of Atlanta, who pay our bills to Atlanta Power Company every month for services we EXPECT to receive in exchange!
  - b. Israel Ray leaves town and nobody has any way to contact him. He leaves town and is nowhere to be found during a power outage, nor has he trained anybody to help during his absence. This is simply irresponsible, and a blatant disregard for Statute 61-302.
7. After many, many years of problems with the power in Atlanta, Idaho, there seems to be no resolution. If something gets fixed, it's momentary. Granted, there is a generator up here now, but it doesn't start in the winter, and in the summer, it runs out of gas and we need to wait days before we get diesel gas up here. Therefore, the Time is NOW to fix the problem!! When will this be resolved??

Please, please give attention to this formal complaint. The situation in Atlanta needs ATTENTION now! Israel Ray and The Atlanta Power Company need to be held accountable for their LACK of ACTIONS in adhering to the law for public utilities. For, I, myself am a paying customer, as are many others in this town and we simply WANT TO NOT HAVE TO DEAL WITH THE CONSTANT POWER OUTAGES and TOTAL LACK OF CUSTOMER CONSIDERATION, and the lack of ACCOUNTABILITY demonstrated by Israel Ray and the Atlanta Power Company.

Thank you for your action in this matter.

Sincerely,  
s/ Mary E. Drake

Mary E. Drake

Unique Identifier: 216.182.111.139

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 28<sup>TH</sup> DAY OF DECEMBER 2018, SERVED THE FOREGOING **STAFF REPORT OF THE COMMISSION STAFF**, 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

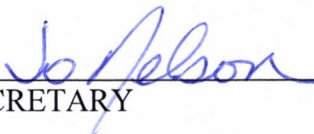
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SECRETARY