

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF THE APPLICATION OF</b>	)	
<b>AVISTA CORPORATION DBA AVISTA</b>	)	<b>CASE NO. AVU-E-03-5</b>
<b>UTILITIES FOR AN ORDER APPROVING A</b>	)	
<b>CONTRACT WITH KOOTENAI ELECTRIC</b>	)	<b>NOTICE OF APPLICATION</b>
<b>COOPERATIVE, INC. TO ALLOCATE</b>	)	
<b>SERVICE TERRITORIES, A CONSUMER, AND</b>	)	<b>NOTICE OF MODIFIED</b>
<b>FUTURE CONSUMERS.</b>	)	<b>PROCEDURE</b>
	)	
	)	<b>ORDER NO. 29268</b>

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On June 5, 2003, Avista Corporation dba Avista Utilities filed an Application seeking the Commission's approval of a contract between Avista and Kootenai Electric Cooperative, Inc. In the contract Avista and Kootenai agree to exchange a current customer and to allocate service territories and future consumers. The Agreement was executed on June 2, 2003, pursuant to the provisions of the Electric Supplier Stabilization Act (ESSA) and specifically *Idaho Code* § 61-333(1).

**NOTICE OF APPLICATION**

The parties propose to exchange one current customer and realign service areas for two subdivisions. More specifically, Avista will allow Kootenai to serve Roy Armstrong. Mr. Armstrong is currently an Avsita customer and has pumping facilities located within the new Fieldstone subdivision. Development of the Fieldstone subdivision requires Mr. Armstrong's existing service to be relocated underground. Kootenai supplies electric service to the Fieldstone subdivision.

Kootenai's service territory includes the Grayling Estates subdivision (approximately 41 lots) being developed by Prairie Falls L.L.C. Kootenai agrees that this subdivision may be transferred to and served by Avista. The Application asserts that it would be cost efficient for the utilities to exchange the one existing customer and the service territory. The Agreement was also endorsed by Mr. Armstrong and by Prairie Falls, the developer of the Grayling Estates subdivision.

*Idaho Code* § 61-333(1) provides that electric suppliers may contract for the purpose of “allocating territories, consumers, and future consumers . . . and designating which territories and consumers are to be served by which contracting electric supplier.” This section further provides that the Commission may, after notice and opportunity for hearing, approve or reject the customer exchange contract between electric cooperatives and public utilities. *Id.*

**NOTICE OF MODIFIED PROCEDURE**

YOU ARE HEREBY NOTIFIED that *Idaho Code* § 61-333(1) requires the Commission to review contracts between electric suppliers for the purpose of allocating territories, consumers, or future consumers.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201 through -.204.

**NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that *Idaho Code* § 61-333(1) requires the Commission to review Service Territory Agreements and amendments to such agreements entered into by public utilities and electric cooperatives.

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter and will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities Commission’s Rules of Procedure, IDAPA 31.01.01.201 through -.204.

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 within twenty-one (21) days from the service date of this Notice. 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 may be mailed to the Commission and the Applicant at the addresses reflected below:

COMMISSION SECRETARY  
IDAHO PUBLIC UTILITIES COMMISSION  
PO BOX 83720  
BOISE, ID 83720-0074

STREET ADDRESS FOR EXPRESS MAIL:

472 W. WASHINGTON STREET  
BOISE, ID 83702-5983

KELLY NORWOOD  
VP, RATES & REGULATION  
AVISTA CORPORATION  
1411 E. MISSION AVENUE  
PO BOX 3727  
SPOKANE, WA 99220-3727  
E-mail: [kelly.norwood@avistacorp.com](mailto:kelly.norwood@avistacorp.com)

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 [www.puc.state.id.us](http://www.puc.state.id.us). Click the "Comments and Questions" icon, and complete the comment form, using the case number as it appears on the front of this document. These comments must also be sent to the Applicant at the e-mail address listed above.

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.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission's office. The Application is also available on the Commission's Website at [www.puc.state.id.us](http://www.puc.state.id.us) under the "File Room" icon.


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 specifically *Idaho Code* §§ 61-332 and 61-333(1).

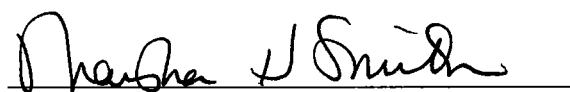
YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

**ORDER**

IT IS HEREBY ORDERED that this Application be processed under Modified Procedure. Persons interested in submitting written comments regarding this matter should do so within 21 days of the service date of this Order.

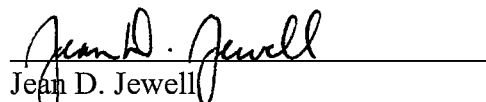
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 23<sup>rd</sup> day of June 2003.

  
PAUL KJELLANDER, PRESIDENT

  
MARSHA H. SMITH, COMMISSIONER

  
DENNIS S. HANSEN, COMMISSIONER

ATTEST:

  
Jean D. Jewell  
Commission Secretary

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