

The following comment was submitted via PUCWeb:

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Submission Time: Aug 11 2023 5:30PM
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Idaho Falls, ID 83405

Name of Utility Company: Idaho Falls Power

Case ID: C15-E-23-01

Comment: "I am also going to email my comment in which is in a PDF and on our letterhead which is easier to read.

August 11, 2023

IDAHO FALLS POWER'S (IFP's) COMMENTS
FOR SUBMISSION TO THE PUBLIC UTILITIES COMMISSION
RE: UNITED ELECTRIC CO-OP, INC. V. CITY OF BURLEY IPUC DOCKET NO. C15-E-23-01

The Commission has invited "all affected utilities" to provide comments supporting or opposing the City of Burley's Petition for Declaratory Judgment that its existing service territory agreement with United Electric Co-op, Inc. should be terminated, in part, because: citizens [should] ... not be forced into using one service provider over another based on an agreement 37 years ago.

Burley appears to make other technical legal arguments regarding why its service territory agreement with United Electric should be terminated based on their interpretation of Idaho contract law. IFP limits its comments to emphasize the importance of maintaining the integrity of exclusive electric utility service territories.

IFP recognizes that Idaho utilities operate in exclusive electric utility service territories that require citizens to use one service provider over another. Idaho has never embraced open competition for its electric utilities. In fact, the Idaho legislature has explicitly rejected the entire concept of allowing citizens to arbitrarily select their electric supplier. That is why it adopted the Electric Supplier Stabilization Act (ESSA), which prevents retail competition for electric customers. It has been the law in Idaho for many decades.

The express purpose of the ESSA is to promote harmony among and between electric suppliers; prohibit "pirating" of consumers of another electric supplier; discourage duplication of electrical facilities; actively supervise certain conduct of electric suppliers; and stabilize the territories and consumers served with electricity.

IFP has benefitted for many years from its Service Allocation Agreement (Oct. 9, 2017) with PacifiCorp, dba Rocky Mountain Power. The Service Allocation Agreement has resolved many functional and economic challenges related to City growth and the annexation of property into the City within the incumbent provider's service territory and has provided predictable, cost effective, and fair transfer of customers and assets between the parties. Voiding service territory agreements (or laws) will have the

effect of increases in costs, uncertainty, duplicative service lines, pirating, and makes long-range utility planning difficult.

To upset the capabilities of incumbent providers to rely on their ability to contractually agree to asset and customer transfer upsets legal, historical, regulative, and contractual precedents to the detriment of the consumers of both the incumbent provider and the City.

In IFP's experience, when the agreements between IFP and RMP needed to be adjusted, the parties did so contractually after a series of candid, professional meetings and exchanges, which resulted in the current Agreement consistent with ESSA. This adjustment did not require a breach of long-standing contractual agreements. IFP does not believe that breach of contract or PUC extension of authority is necessary for adjustments to be made to a service allocation agreement.

IFP believes the Commission has the requisite authority to ensure, for incumbent providers over which it has jurisdiction, that existing service territory boundary agreements are enforced and enforceable.

In Sum, IFP, urges the Commission to enforce and uphold the clear State policy of protecting the integrity of electric utility service territories within its authority – including duly executed and Commission-approved agreements between utilities that establish such territories.

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¹ Docket No. C15-E-23-01, Order No. 35885 at pp. 2 – 3.

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Bear Prairie
General Manager

cc. Randy Fife / IFP General Counsel
Stephen Boorman / IFP Assistant GM
File / BP597