

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF ROCKY MOUNTAIN) CASE NO. PAC-E-20-05
POWER'S APPLICATION FOR APPROVAL)
OF A LEASE AGREEMENT WITH) ORDER NO. 34734
EXTENET SYSTEMS INC)

On May 7, 2020, PacifiCorp dba Rocky Mountain Power (“Company”) applied to the Commission for an order approving a Lease Agreement (“Lease”) between the Company and ExteNet Systems Inc. (“ExteNet”). The Company submitted its Application under *Idaho Code* §§ 61-328 and 61-332, et. seq. The Company requested its Application be processed under Modified Procedure with Staff recommending the same.

On June 1, 2020, the Commission issued a Notice of Application, Notice of Modified Procedure, and Notice of Telephonic Hearing establishing deadlines for public comments and the Company’s reply and setting the time and date for a telephonic public hearing. The Commission held a telephonic public hearing on June 23, 2020. No members of the public offered comments at the telephonic hearing. Staff filed the only comments and supported the Company’s Application. The Company did not reply.

Having reviewed the record, the Commission enters this Order approving the Company’s Application as discussed below.

THE APPLICATION

The Lease allows ExteNet to use Company-owned streetlight poles to place small cell wireless facility attachments throughout the State of Idaho. The Lease has a term of ten-years with automatic one-year renewals until either the Company or ExteNet terminates it.

ExteNet will pay a per-pole application fee, processing and review fee, and an inspection fee. ExteNet will submit applications to use individual streetlight poles to the Company. The Company will grant or deny those applications. ExteNet estimates it will eventually place cell facilities on 125-streetlight poles.¹ Service to ExteNet will be provided under the Company’s Electric Service Regulation No. 4—supply of service to allow unmetered service to small usage devices.

¹ The Application states that the best way to estimate the rate of placement is to assume the cell facilities will be placed on 12 streetlight poles per year during the ten-year term of the Lease.

STAFF COMMENTS

Staff analyzed the Company's Lease with ExteNet under *Idaho Code* § 61-328(3), which requires: (a) the transaction is consistent with the public interest; (b) the costs of and rates for supplying services will not be increased by reason of such transactions; and (c) the applicant for such acquisition or transfer has the bona fide intent and financial ability to operate and maintain said property in the public service.

Staff believed the Company sufficiently showed that its Application met the requirements of *Idaho Code* § 61-328(3). Staff opined that the Lease compensates the Company for the use of space on streetlight poles and those revenues would be used to offset costs to serve customers. Additionally, Staff noted the Lease limits the Company's liability, which protects customers from increasing rates. Staff did not believe the Lease would increase the costs and rates of serving customers because ExteNet will pay for its usage under Electric Service Regulation No. 4. Finally, Staff noted ExteNet is a large entity with a nearly 20-year operating history and a market valuation exceeding one billion dollars. Staff expressed its confidence that ExteNet has the financial ability and bona fide intent to operate and maintain its equipment under the Lease. Staff thus recommended the Commission approve the Application and Lease with ExteNet.

COMMISSION DECISION AND DISCUSSION

The Commission has jurisdiction over this matter under Title 61 of the *Idaho Code*. *Idaho Code* § 61-501 gives the Commission the power to "supervise and regulate public utilities in the state." Additionally, Rocky Mountain Power is an electrical corporation under *Idaho Code* § 61-119 and a public utility under *Idaho Code* § 61-129. *Idaho Code* § 61-328 prohibits an electric public utility or electrical corporation owning or operating any property in Idaho from leasing that property without an order from the Commission. After reviewing the record, including the Company's Application and the Lease, we find the Application complies with the requirements of *Idaho Code* § 61-328(3). Accordingly, we approve the Company's Application.

ORDER

IT IS HEREBY ORDERED the Company's Application and the Lease between the Company and ExteNet System's Inc. is approved.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order regarding any

matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 22nd day of July 2020.



PAUL KJELLANDER, PRESIDENT

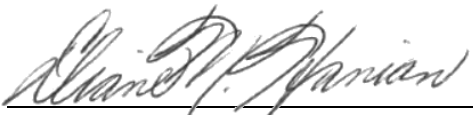


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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