

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER RAPER
COMMISSIONER ANDERSON
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL

FROM: DAYN HARDIE
DEPUTY ATTORNEY GENERAL

DATE: OCTOBER 9, 2020

SUBJECT: IN THE MATTER OF ROCKY MOUNTAIN POWER'S APPLICATION
FOR APPROVAL OF THE BISH'S RV ASSET TRANSFER AGREEMENT
BETWEEN ROCKY MOUNTAIN POWER AND THE CITY OF IDAHO
FALLS; CASE NO. PAC-E-20-12

On September 23, 2020, Rocky Mountain Power ("Company"), a division of PacifiCorp, filed an Application requesting approval of an asset transfer agreement ("Agreement") between the Company and the City of Idaho Falls ("City"). Under the Agreement, the City will purchase certain electric facilities currently owned and used by the Company to supply electric service to Bish's RV. The Company submits its Application under *Idaho Code* § 61-328, which states that the Commission "shall issue a public notice and *shall conduct a public hearing* upon the application (emphasis added)."

THE APPLICATION

The Company and the City entered into a service allocation agreement in 2017 to reduce duplication of service and promote stability in their respective service areas. Application at 2. The Commission approved the service allocation agreement in Case No. PAC-E-17-12, Order No. 33943.

Under the Agreement, the City will provide electric service to Bish's RV in Idaho Falls. *Id.* at 1. The City will purchase the electric facilities from the Company necessary to serve these customers and will also compensate the Company for the lost revenue from the customers. *Id.* Under the service allocation agreement, "just compensation for lost revenues [is] the amount equal to 167% of the total of the respective customer's electric bills from the prior twelve-month period." *Id.* at 3.

The Company requests the Commission approve the Agreement, and that the case be processed under Modified Procedure. *Id.* at 4.

STAFF RECOMMENDATION

Staff recommends the Commission issue a Notice of Application, Notice of Modified Procedure, and a Notice of Telephonic Public Hearing. Staff recommends establishing a 21-day public comment deadline and 28-day Company reply deadline. Staff recommends the Commission schedule a telephonic public hearing in the same time frame to comply with the public hearing requirement in *Idaho Code* § 61-328(2).

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application, Notice of Modified Procedure, and a Notice of Telephonic Public Hearing with public comments due in 21 days, Company reply comments due in 28 days, and a telephonic public hearing before the Commission deliberates?



Dayn Hardie
Deputy Attorney General

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