

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE JOINT ) CASE NO. PAC-E-23-25**  
**APPLICATION FOR APPROVAL OF THE )**  
**ASSET TRANSFER AGREEMENT )**  
**BETWEEN ROCKY MOUNTAIN POWER ) ORDER NO. 36094**  
**AND THE CITY OF IDAHO FALLS—GOOSE )**  
**LAKE )**  
**)**

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On December 8, 2023, Rocky Mountain Power, a division of PacifiCorp, (“Company”), and the City of Idaho Falls (“City”) jointly applied for an order approving the transfer of electric facilities serving one customer of the Company to the City. This asset transfer would occur in parallel with the transfer of the customer’s service for two vacant, unmetered lots from the Company to the City. The Company asserts that the proposed transfer complies with *Idaho Code* § 61-328.

On December 29, 2023, the Commission issued a Notice of Application, Notice of Modified Procedure, and Notice of Telephonic Hearing. Order No. 36043. The Commission held a telephonic hearing on January 18, 2024. No members of the public testified. Commission Staff (“Staff”) filed comments supporting the Application. No other comments were received.

Based on our review of the record, the Commission now issues this final order approving the Company’s Application.

**BACKGROUND**

In 2017, the Company and City formed a Service Allocation Agreement (“Agreement”) to decrease service duplication and increase stability in their service areas. The Agreement permits the transfer of a customer’s service between the parties if the utility acquiring the customer pays the other just compensation for lost revenues and distribution facilities used to service the customer.

**THE APPLICATION**

The proposed transfer would result in the transfer of a customer’s service for two vacant, unmetered lots from the Company to the City. Because the lots are vacant and unmetered, the \$1,065.97 proposed sale price reflects the value of the equipment servicing the customer without the prior twelve months of revenue which is contemplated in the Agreement. The Company asserts

that the proposed transfer complies with *Idaho Code* § 61-328 because it will reduce service duplication without increasing rates for other customers. Thus, according to the Company, the transaction will fulfill the customer's request to transfer their electrical service to the City, an entity with a bona fide intent and financial ability to serve the customer.

### **STAFF COMMENTS**

Staff evaluated the Company's Application and believed it follows the Electric Supplier Stabilization Act ("ESSA") and prior Commission orders. Staff also believed that the proposed transaction complies with *Idaho Code* § 61-328. Accordingly, Staff recommended approval of the proposed transaction.

Regarding compliance with *Idaho Code* § 61-328, Staff believed that the transaction serves the public interest because it fulfills the customer's request to be served by the City. Additionally, Staff verified that the \$1,065.97 proposed sale price includes the replacement book value of the existing assets necessary to serve the customer, separation costs, legal expenses, and transaction costs, pursuant to the Agreement, but not lost revenues because the service being transferred is for vacant, unmetered lots. Staff noted that the method the Company used to calculate the proposed sale price complies with the Agreement and prior Commission orders. Furthermore, the City confirmed that, as a subdivision of the State of Idaho, it has the bona fide intent and financial ability to provide service to the transferred customer.

### **COMMISSION FINDINGS AND DISCUSSION**

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-328 and 61-332 *et seq.* The Commission has reviewed the record, including the Application and comments. Specifically, as required by *Idaho Code* § 61-328(3), the Commission finds that the property transfer is consistent with the public interest, will not increase the cost of rates for supplying service, and the private party acquiring the property being transferred has the bona fide intent and financial ability to operate and maintain it. Additionally, the proposed transfer follows the ESSA and prior Commission orders. Accordingly, we find it reasonable to approve the Application.

### **ORDER**

IT IS HEREBY ORDERED that the Company's Application is approved. The transfer of the electric service and related electric facilities serving the Company's customer identified in the Application to the City of Idaho Falls 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 16<sup>th</sup> day of February 2024.



ERIC ANDERSON, PRESIDENT



JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Monica Barrios-Sanchez  
Commission Secretary

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