

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. PAC-E-25-11**  
**FOR APPROVAL OF THE ASSET )**  
**TRANSFER AGREEMENT BETWEEN )**  
**ROCKY MOUNTAIN POWER AND THE ) ORDER NO. 36728**  
**CITY OF IDAHO FALLS – W. SUNNYSIDE )**  
**RD. )**  
**)**

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On May 13, 2025, Rocky Mountain Power (“Company”), a division of PacifiCorp, and the City of Idaho Falls (“City”) (collectively, “Parties”) jointly applied to the Idaho Public Utilities Commission (“Commission”) requesting approval of an Asset Transfer Agreement (“Agreement”) between the Company and the City for the City to purchase certain electric facilities currently owned and used by the Company to supply electric service to a customer (“Application”).

On June 17, 2025, the Commission issued a Notice of Application, Notice of Modified Procedure, and Notice of Telephonic Hearing. Order No. 36640. The Commission held a telephonic hearing on July 16, 2025. No members of the public testified. Commission Staff (“Staff”) filed comments supporting the Application (“Staff Comments”). No other comments were received.

Based on our review of the record, the Commission now issues this Final Order approving the Application.

**BACKGROUND**

In 2017, the Parties formed a Service Allocation Agreement (“SAA”) to decrease service duplication and increase stability in their service areas. Case No. PAC-E-17-12. The SAA permits the transfer of a customer’s service between the Parties if the utility acquiring the customer(s) pays just compensation for lost revenues and distribution facilities used to service the customer(s) according to the terms of the SAA. *Id.*

**THE APPLICATION**

The proposed Agreement would result in the transfer of a single customer’s service from the Company to the City. Application at 3. The Company represented that the \$49,886 proposed sale price reflected the value of the equipment servicing the customer, the prior 12 months of revenue at 167%, and other associated transaction costs. *Id.* at 2–3. The Company asserted that the

proposed transfer complied with *Idaho Code* § 61-328 because it would reduce service duplication without increasing rates for other customers. *Id.* at 3. Thus, according to the Company, the transaction would fulfill the customer's request to transfer their electrical service to the City, an entity with a bona fide intent and financial ability to provide service to the customer. *Id.*

### **STAFF COMMENTS**

Staff evaluated the Company's Application and proposed transaction and believed it adhered to the requirements of the Electric Supplier Stabilization Act ("ESSA") and prior Commission orders. Staff Comments at 2. Staff also believed that the Agreement complied with *Idaho Code* §§ 61-328 and 61-332(2). *Id.* Accordingly, Staff recommended approval of the Agreement. *Id.* at 3.

Staff believed that the transaction served the public interest because it fulfilled the customer's request to be served by the City. *Id.* at 2. Additionally, Staff verified that the \$49,886 proposed sale price included the replacement book value of the existing assets necessary to serve the customer, the lost customer revenue, separation costs, legal expenses, and transaction costs, pursuant to the Agreement. *Id.* Staff noted that the method the Company used to calculate the proposed sale price complied with the 2017 SAA. *Id.*

### **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 Idaho ESSA, *Idaho Code* §§ 61-332 *et seq.*, and prior Commission orders. Because this transfer complies with the SAA, the requirements of *Idaho Code* § 61-328(3), the ESSA, and prior Commission decisions, we find it reasonable to approve the Parties' Application.

### **ORDER**

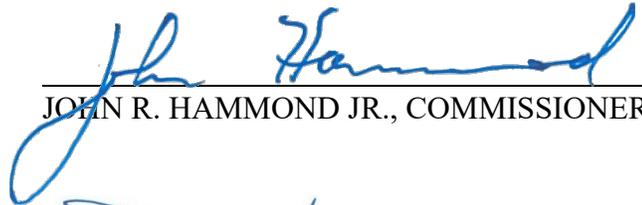
IT IS HEREBY ORDERED that the Application for the transfer of the electric service and related electric facilities to the City is approved.

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 19<sup>th</sup> day of August 2025.

  
EDWARD LODGE, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
DAYN HARDIE, COMMISSIONER

ATTEST:

  
Monica Barrios-Sanchez  
Commission Secretary

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