

## Diane Holt

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**From:** pcave6@gmail.com  
**Sent:** Friday, June 8, 2018 10:56 AM  
**To:** Beverly Barker; Diane Holt; Matthew Evans  
**Subject:** Case Comment Form: Patrick Cave

Name: Patrick Cave  
Case Number: AVU-E-17-09//AVU-G-17-05  
Email: pcave6@gmail.com  
Telephone:  
Address: 2502 Sunnyside Rd  
Sandpoint Idaho, 83864

Name of Utility Company: AVISTA  
Comment: Date: 08JUN18

Subj: Underserved/Unserved natural gas customers of Avista Utilities

REFR: IPUC Case AVU-E-17-09 vs NMGCI Case 15-00327-UT

Dear Sirs:

I respectfully submit the following "Stipulation" (CASE NO: 15-00327-UT) placed into effect on the New Mexico Gas Company, INC.(during NMGCI purchase/acquisition by TECO/EMERA filed on 19OCT15)

The purpose of providing the stipulation is as an example of what may be considered purchase requirements during the potential acquisition of AVISTA UTILITIES Co's by an outside company (HYDRO ONE). Specifically, as the stipulation applies to Natural Gas customers that are considered "Underserved, or unserved". (Please see excerpt of stipulation below).

Over 40 of my neighbors (near/along 2502 SUNNYSIDE RD, Sandpoint, ID) have signed a petition to request consideration of Avista's natural gas pipeline extension. A request for extension to this unserved area has been ongoing for over 10 years and we believe the opportunity will become evermore challenged should AVISTA be purchased.

As a neighborhood representative of the petition submitted to Avista's Jim Kane on 29MAY18, we would like to request the IPUC to schedule comments of a similar proposed stipulation. We desire the IPUC to respond to the potential implementation of the stipulation during the upcoming public hearing scheduled at the Sandpoint High School at 6PM Wednesday 13JUN18.

I can provide a copy of the entire New Mexico Gas Co, INC. stipulation (CASE#: 15-00327-UT or you may find it on their website: [www.nmprc.state.nm.us](http://www.nmprc.state.nm.us)). click on the following path to find the Case number details on page 371 of 386 pages in the "2016 ANNUAL REPORT". Path: Consumer Relations/Company Directory/Gas/New-Mexico-Gas-Company/Annual Reports/2016. The title of the document is: "NMGCI-Annual Final Orders Report-Rule 17.1.2.10B2(d) NMAC-"FINAL ORDERS THROUGH DECEMBER 31,2016.

The important "excerpt" of the stipulation is as follows:

NMGC agrees to establish, at shareholder expense, a matching fund of \$10 million for the specific purpose of extending NMGC's natural gas infrastructure to existing communities in New Mexico that are underserved or unserved

(community defined as greater than 10 new customers) (the "Fund"). Through the Fund, NMGC will match on a 1:1 basis money provided by existing communities that are underserved or unserved to pay for the cost of extending NMGC's natural gas infrastructure to the existing communities that are underserved or unserved. The Fund will have a maximum life of five years from the later of a) Closing, b) the posting of notice of the Fund on the NMGC website, or c) the delivery of notice of the Fund to Staff for posting to the NMPRC website ("Five-year Period"). NMGC will work with Staff on the form and content of the notice. The Fund will terminate upon the earlier of the exhaustion of the Fund through allocation, or the end of the Five-year Period. In the event that at the end of the Five-year Period, less than \$3 million has been allocated for gas infrastructure expansion projects, NMGC agrees to reallocate the difference between the amount matched and \$3 million for economic development as identified in subparagraph 18c below, and any further obligations under this paragraph shall expire. At the end of the Five-Year Period, any amounts exceeding \$3 million remaining in the Fund and not allocated for gas infrastructure expansion projects shall be retained by the shareholders. Any funds Unopposed Stipulation 8 NMPRC Case No. 15-00327-UT NMGCO#3222833 Co expended pursuant to this paragraph will be treated as a shareholder expense, thus, (1) NMGC will not include them in rate base and therefore will not earn a return on the expenditures and (2) NMGC will not seek recovery of any depreciation associated with the expenditures. In all future base rate proceedings, revenues associated with this extended infrastructure will be accounted for in a manner consistent with similar revenues earned by NMGC. NMGC will identify amounts expended by the Fund in an annual compliance filing with the Commission.

Respectfully submitted,

Patrick W. Cave  
2502 Sunnyside Rd.  
Sandpoint, ID 83864  
email: pcave6@gmail.com

Unique Identifier: 72.168.160.2