

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. CO7-E-05-1
OF KOOTENAI ELECTRIC COOPERATIVE,)
INC. FOR APPROVAL OF AN AGREEMENT) NOTICE OF APPLICATION
TO RELEASE A CUSTOMER TO THE CITY)
OF PLUMMER)
) NOTICE OF
) MODIFIED PROCEDURE
)
) ORDER NO. 29823

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on June 24, 2005, Kootenai Electric Cooperative, Inc. ("KEC") filed an Application seeking the Commission's approval of a contract between KEC and the City of Plummer to exchange an existing customer. The exchange agreement between the parties, dated April 6, 2005, is submitted for the Commission's review pursuant to the provisions of the Electric Suppliers Stabilization Act (ESSA). *Idaho Code* § 61-332 *et seq.*

YOU ARE FURTHER NOTIFIED that the ESSA prohibits an electric supplier from serving a customer already served by another supplier, except as provided in the Act. *Idaho Code* § 61-332B. The Act allows electric suppliers to contract with one another for the purpose of exchanging customers; however, such a contract must be filed with the Commission for approval. *Idaho Code* § 61-333. The Commission shall approve such contracts only upon finding that the transfer is consistent with the purposes of the ESSA. *Idaho Code* § 61-334(B)(1). The purposes of the ESSA are: (1) to promote harmony among and between electric suppliers; (2) prohibit the "pirating" of consumers; (3) discourage the duplication of electric facilities; (4) actively supervise the conduct of electric suppliers; and (5) stabilize the territories and consumers served with electricity by such electric suppliers. *Idaho Code* § 61-332(2). Pursuant to the ESSA, the Commission has authority to approve or reject a contract between a municipality and a cooperative; however, the Commission has jurisdiction only over the cooperative in such a proceeding. *Idaho Code* §§ 61-333, 61-334B(1).

YOU ARE FURTHER NOTIFIED that the parties propose to exchange one existing customer solely for the purpose of supplying three-phase electric service. More specifically, KEC will allow Plummer to provide new three-phase electric service to KEC customer Kurt R. Morris of Benewah County. The parties agree that Mr. Morris will remain a KEC customer for all current and future single-phase electric service.

YOU ARE FURTHER NOTIFIED that Mr. Morris is currently a KEC customer with single-phase electric service, and he applied to KEC for three-phase electric service. To provide three-phase service to this location, KEC would be required to extend its facilities approximately three miles at substantial cost to Mr. Morris. The City can provide three-phase service to Mr. Morris at substantially less cost by making a line extension of approximately one-quarter mile. Plummer is willing to extend its three-phase service to Mr. Morris, and KEC is willing to release Mr. Morris as a customer of three-phase electric service.

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the Application in this case and has preliminarily determined that the public interest in this matter may not require a hearing to consider the issues presented, and that the issues raised by the Application may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.210 – 204.

YOU ARE FURTHER NOTIFIED that the Commission may not hold a hearing in this proceeding unless it receives written protests or comments opposing the use of Modified Procedure and stating why Modified Procedure should not be used. IDAPA 31.01.01.203.

YOU ARE FURTHER NOTIFIED that the **deadline for filing written comments or protests** with respect to Kootenai Electric Cooperative's Application and the use of Modified Procedure in this case is twenty-one (21) days from the service date of this Order. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Applicant at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5983

Stephen M. Ayers
Attorney at Law
1424 Sherman Avenue, Suite 1100
Coeur d'Alene, ID 83814-4045
E-Mail: sayers@icehouse.net

Larry Bryant
Marketing Manager
Kootenai Electric Cooperative, Inc.
PO Box 278
Hayden, ID 83835

Donna Spier, City Clerk
City of Plummer
PO Box B
Plummer, ID 83851

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via email may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Comments and Questions" icon, and complete the comment form using the case number as it appears on the front of this document. These comments must also be sent to the Applicant at the e-mail address listed above.

YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission may consider the matter on its merits and may enter its Order without a formal hearing. If written comments or protests are received within the deadline, the Commission will consider them and in its discretion may set the matter for hearing or may decide the matter and issue its Order based on the written comments before it. IDAPA 31.01.01.204.

YOU ARE FURTHER NOTIFIED that the Application has been filed with the Commission and is available for public inspection during regular business hours at the Commission offices or on the Commission's website, www.puc.idaho.gov by clicking on "File Room" and "Electric Cases."

ORDER

IT IS HEREBY ORDERED that the Application of Kootenai Electric Cooperative, Inc. be processed by Modified Procedure, IDAPA 31.01.01.201 - .204. Persons interested in submitting written comments in this matter must do so no later than twenty-one (21) days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 14th day of July 2005.



PAUL KJELLANDER, PRESIDENT

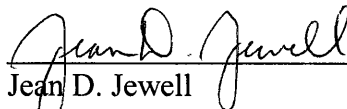


MARSHA H. SMITH, COMMISSIONER



DENNIS S. HANSEN, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

O:CO7E0501_kdp

NOTICE OF APPLICATION
NOTICE OF MODIFIED PROCEDURE
ORDER NO. 29823