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IDAHO PUBLIC
UTILITIES COMMISSION

Lisa D. Nordstrom
Attorney II

October 5, 2007

Jean D. Jewell, Secretary
Idaho Public Utilities Commission
472 West Washington Street
P. O. Box 83720
Boise, Idaho 83720-0074

Re: Case No. IPC-E-07-14
Bowers v. Idaho Power Company

Dear Ms. Jewell:

Please find enclosed for filing an original and seven (7) copies of Idaho Power Company's Response to the Commission's Notice of Investigation for the above-referenced matter.

I would appreciate it if you would return a stamped copy of this transmittal letter in the enclosed self-addressed, stamped envelope.

Very truly yours,



Lisa D. Nordstrom

LDN:sh
Enclosures

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IDAHO PUBLIC UTILITIES COMMISSION

LISA NORDSTROM, ISB # 5733
BARTON KLINE, ISB # 1526
Idaho Power Company
1221 West Idaho Street
P. O. Box 70
Boise, Idaho 83707
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Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

PAMELA AND SCOTT BOWERS,

COMPLAINANTS,

v.

IDAHO POWER COMPANY,

RESPONDENT.

CASE NO. IPC-E-07-14

IDAHO POWER'S RESPONSE TO THE
COMMISSION'S NOTICE OF
INVESTIGATION

Pursuant to Idaho Public Utilities Commission Order No. 30421, Notice of Investigation, in Case No. IPC-E-07-14, Idaho Power Company ("Idaho Power" or the "Company") submits the following report to the Idaho Public Utilities Commission ("IPUC" or the "Commission").

I.

DETAILS SURROUNDING THE BOWERSES' SERVICE REQUEST

Pamela and Scott Bowers own a lot in the 20/26 Commercial Park Subdivision located in Caldwell, Idaho, a commercial subdivision recorded with the Canyon County Recorder on July 13, 2000, as document 200024601 (the "Subdivision"). The

Bowerses' property is Lot 2 of the Subdivision and is generally known by the property address, 15931 Gunfire Road (the "Bowerses' Lot").

In December 2004, the Bowerses requested underground single-phase electrical service from Idaho Power for a 200-amp panel located at the facility constructed on their lot. Pursuant to their request, Idaho Power placed a Company-owned 50 kVA pad-mounted transformer within a permanent ten-foot wide public utility easement within the Subdivision. The easement is located five feet on either side of the lot line between the Bowerses' Lot and Lot 1 of the Subdivision, the lot located immediately west of the Bowerses' Lot (the "Terra West Lot") as depicted in the Work Order Map in Attachment 1. Idaho Power sized the transformer to accommodate the loads anticipated by the Bowerses in their service request. The Bowerses' Service Request, attached as Attachment 2, requested service adequate to cover 30 kW of 1 Phase Demand and 50 kW of Connected Load.

As noted in Attachment 2, the work order estimate for the cost of the new distribution facilities and installation of the facilities requested by the Bowerses was \$2,660.00, of which the Bowerses paid \$1,461.00. Additionally, they were charged an engineering fee of \$144 for the work order design and an Underground Service Attachment fee of \$102.45.

The \$2,660.00 work order estimate was calculated using the provisions of Rule H, "New Service Attachments and Distribution Line Installations or Alterations" ("Rule H"), Section 4, "Charges for Line Installations and Additional Charges for Underground Service Attachments," Section a(i) "Line Installation Charges - Line Installation Charges Inside Subdivisions". The Company's Rule H tariff is attached as Attachment 3. The

breakdown of the \$2,660.00 estimated cost was: (1) \$1,121.17 for labor, (2) \$1,675.06 for materials, and (3) \$226.18 for use of Company equipment and vehicles.

The total work order cost of \$2,660.00 was offset by an Overhead Terminal Facilities allowance, as specified in Rule H, Section 4(a)(i), "Line Installation Charges Inside Subdivisions," in the amount of \$1,199.00. This amount was funded by the Company. Overhead terminal facilities are generally provided by the Company through the allowances listed in Rule H and include the transformer, meter, service cable and underground conduit (where applicable). Generally, the difference between the cost of overhead and underground facilities is charged to the customer. In this case, the Bowerses were charged \$1,461 for the new underground distribution facilities (the cost estimate less the estimated cost of the overhead terminal facilities.)

The applicable, non-refundable Underground Service Attachment charge was calculated using the guidelines listed in Rule H, Paragraph 4(b), "Underground Service Attachment Charge." The Underground Service Attachment charge included a \$1.05 per foot charge for the installation of service wire from the pad-mounted transformer to the Bowerses' meter base and a \$30.00 base charge. At a distance of 69 feet from the transformer to the Bowerses' meter base, including the \$30.00 base charge, the cost of the service extension was \$102.45.

II.

DETAILS SURROUNDING THE SERVICE REQUEST OF TERRA-WEST

Subsequent to the Company's installation of the transformer within the designated public utility easement and unknown to Idaho Power, the Bowerses erected a security fence around the perimeter of their lot and along the shared lot line between the

Bowerses' Lot and the Terra West Lot. That action completely enclosed the Company-owned transformer within the Bowerses' Lot. Rule H, Section 2(b), "General Provisions – Ownership" states that "the Company will own all distribution Line Installations and retain all rights to them." However, Company personnel could no longer directly access the Company-owned transformer from either the public right-of-way or the dedicated utility easements within the Subdivision.

In November 2006, Terra West requested that electrical service be extended to its lot located adjacent to the lot owned by the Bowerses within the 20/26 Commercial Subdivision. At that time, Idaho Power determined that the Company-owned transformer serving the Bowerses' Lot had sufficient capacity to serve both the loads required by the Bowerses and the loads anticipated by Terra West. As a result, the Company was not required to install a second transformer. Instead, service to Terra West could be provided via extension of service wire between the existing transformer to the Terra West meter base.

At the time Terra West requested electrical service, Idaho Power personnel were unable to directly access the Idaho Power transformer from the public right-of-way and the utility easement along the Bowerses' Lot and the Terra West Lot due to the presence of the security fence erected by the Bowerses. That fence essentially locked the Company's transformer within the boundaries of the Bowerses' Lot.

The Company advised Terra West of its inability to access the transformer to provide the requested service. Terra West advised Company personnel that it would arrange with the Bowerses to enable the Company to access the transformer via the Bowerses' Lot on a designated date. On that date, December 4, 2006, and in accordance

with the representations made by Terra West, the gate to the Bowerses secured property was open when Company personnel arrived and Company personnel entered the Bowerses' Lot to provide service to the Terra West Lot.

Under the same Rule H tariff provisions as used for the Bowerses' line extension request, Terra West was charged for the Underground Service Attachment based on the \$1.05 per foot charge for installation of service wire from the pad-mounted transformer to the Terra West meter base and the \$30.00 base charge as defined in Rule H, Section 4(b), "Underground Service Attachment Charge." At a distance of 94 feet, the cost of the service extension and the base charge amounted to \$128.70. Terra West paid that amount.

It is the understanding of Idaho Power that the facilities installed by the Company are serving both customers at a level sufficient to cover the requirements the Bowerses and Terra West specified within their service requests to the Company. The Bowerses' service request specified Schedule 7 service and the Terra West request specified Schedule 9 service.

III.

EXPLANATION OF HOW TWO CUSTOMERS UTILIZING THE SAME FACILITIES ARE CHARGED DIFFERENTLY UNDER THE COMPANY'S RULE H TARIFF

The Bowerses take service under Schedule 7, "Small General Service," which is available "at points on the Company's interconnected system within the State of Idaho where *existing facilities* at adequate capacity and desired phase and voltage are *adjacent to the Premises to be served*, and *additional investment by the Company for transmission, substation and terminal facilities [e.g., a transformer] is not necessary to supply the desired*

service.” Schedule 7 Tariff (emphasis added). Because existing electrical facilities were not adjacent to the Bowerses’ Lot at the time of their service request, additional investment by the Company for installation of the required transformer was necessary.

Idaho Power Company’s IPUC-approved Rule H applies to requests under Schedule 7 within the Company’s service territory that “require the installation, alteration, relocation, removal or attachment of Company-owned distribution facilities.” Under Rule H, a customer may receive an allowance for the full cost of, or a portion of the cost of, certain improvements that are to be funded by the Company. Customers may also be eligible for refunds if and when additional users attach to the improvements originally requested and paid for by a customer. Such potential for refund is identified at the time of the original applicant’s service request. In conformance with Section 3 of Rule H, Idaho Power contributed an allowance to the Bowerses for the transformer required as a result of their service request. As noted on Attachment 2, that allowance amounted to \$1,199.00. The Bowerses were responsible for the balance of the cost of the improvements without the potential for refund.

Rule H also sets out mechanisms whereby certain applicants for electrical service extensions are eligible to receive refunds of the original investment they made in the improvements they required. Rule H permits refunds in three circumstances: (1) for payments for line installations *outside* a subdivision, (2) for line installation charges *inside* a subdivision when a *permanent residence* connects to the service, and (3) for undeveloped subdivisions platted prior to January 1, 1997. Rule H, Section 6 (emphasis added).

None of these refund opportunities exist for the Bowerses since the 20/26 Commercial Subdivision was platted after January 1, 1997, residential development was not

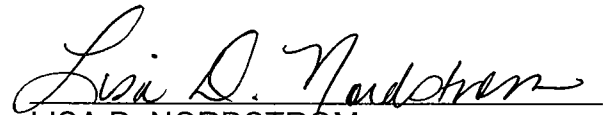
anticipated (or permitted) on the Bowerses' Lot and the line extension requested by the Bowerses was not located outside of a subdivision. When Terra West requested a line extension with service under Schedule 9, existing facilities were available to that business via the transformer originally installed in response to the Bowerses' request. In accordance with the tariff, Terra West was only required to pay the line installation charges set out in Section 4 of Rule H. Furthermore, because of the restrictions of Rule H, Terra West was not required to contribute toward any of the costs incurred by the Bowerses for the electrical service improvements they required and Terra West subsequently utilized. Although the "costs of new facilities outside Subdivisions are subject to Vested Interest Refunds," Rule H is silent as to new facilities located inside non-residential subdivisions. Rule H. 4(a)(i). As a result, the Bowerses were unable to recover any of the investment they made in the facilities that supply electrical service to their business and Terra West.

The Commission has requested the Company's explanation as to the rationale for not having refund provisions for circumstances such as those in this case. As the Commission may recall, refunds for joint use of terminal facilities (i.e., transformer, meter, service cable, and underground conduit) have never been a provision in Rule H or its predecessor, Schedule 71. In Order No. 27680 issued on February 6, 1997 in Case No. IPC-E-95-18, the Commission "balanced the competing objectives of fairness and administrative complexity" as they pertained to refund provisions for vested interests by limiting the number of additional applicants and the refund period. (Order No. 26780 at 17.)

Commercial subdivision refund provisions were eliminated in the tariffs filed on February 27, 1997 to comply with that Order. In this present case, Rule H provides an allowance in Section 4(a)(i) to offset the installation cost but does not enumerate a scenario in Section 6

under which the Bowerses could receive refunds from additional applicants. Thus, the methodology largely remains a “first in time, first in cost responsibility approach”.

Respectfully submitted this 5th day of October 2007.


LISA D. NORDSTROM
Attorney for Idaho Power Company

CERTIFICATE OF MAILING

I HEREBY CERTIFY that on the 5th day of October 2007, I served a true and correct copy of the within and foregoing document upon the following named parties by the method indicated below, and addressed to the following:

Donovan Walker
Idaho Public Utilities Commission
472 W. Washington Street
P.O. Box 83720
Boise, Idaho 83702

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Email:

Scott And Pamela Bowers
9559 West Hills Gate Drive
Star, Idaho 83669

- U.S. Mail, Postage Prepaid
- Hand Delivered
- Overnight Mail
- Facsimile
- Email:



LISA D. NORDSTROM

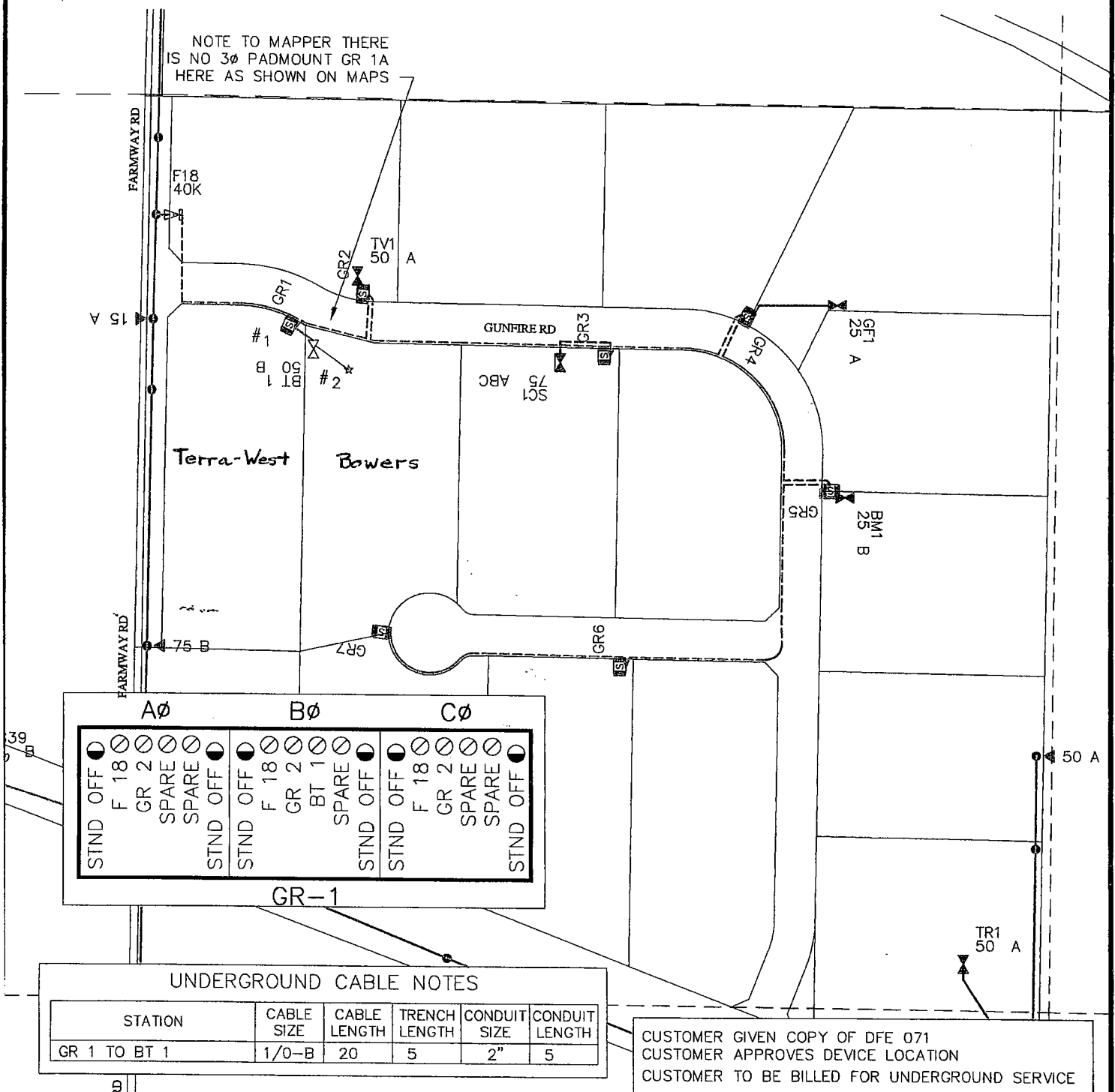
BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-07- 14

IDAHO POWER COMPANY

ATTACHMENT 1

NOTE TO MAPPER THERE IS NO 3Ø PADMOUNT GR 1A HERE AS SHOWN ON MAPS



AØ	BØ	CØ
STND OFF	STND OFF	STND OFF
F 18	F 18	F 18
GR 2	GR 2	GR 2
SPARE	BT 1	SPARE
SPARE	SPARE	SPARE
STND OFF	STND OFF	STND OFF
STND OFF	STND OFF	STND OFF
STND OFF	STND OFF	STND OFF

GR-1

UNDERGROUND CABLE NOTES

STATION	CABLE SIZE	CABLE LENGTH	TRENCH LENGTH	CONDUIT SIZE	CONDUIT LENGTH
GR 1 TO BT 1	1/0-B	20	5	2"	5

CUSTOMER GIVEN COPY OF DFE 071
 CUSTOMER APPROVES DEVICE LOCATION
 CUSTOMER TO BE BILLED FOR UNDERGROUND SERVICE

TIMES SCALE 0 1 2 3 4 Customer: _____ Date: _____

Job Title: **BOWERS TRANSPORT-UNDERGROUND SINGLE PHASE EXT**
 Additional Description: **15941 GUNFIRE RD**
 Additional Description: _____



Feeder Map file Name: CDWL160					Surveyed or GPS: NONE	Fdr By: _____	Designer: SLB6687
Quo	Twn	Rng	Sec	Mer	Joint Use Attachments: No	Date: _____	Design No: 0000043899
2	4N	3W	9	BM	Pre-Built Date: 12/07/04	ArcFM By: _____	Work Order No: 27185586
State ID	County CANYON				Built as Designed:	Date: _____	
					Construction Date: 12/9/04		
					Operating Voltage: 7.2 kV		

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-07-14

IDAHO POWER COMPANY

ATTACHMENT 2



Idaho Power Company
Service Request

Page: 1
Date: 11/30/2004

Service Request Number: 00161640

BOWERS TRANSPORT-UNDERGROUND SINGLE PHASE EXT

Work Order Number: 27185586

Request Type: CS

Rate Sch: 07

Reply By:

Eng Fee Amount: 144.00

Eng Fee Service Agreement No: 525838835 DCR1036

Eng Fee Service Agreement Date: 11/24/04 FJE

Customer No: 6845207375

Feeder: CDWL16C

Service Location: 15941 GUNFIRE RD CADLWELL, ID 83605

Required in Service Date: 12/5/2004

Planning Center Team: NCANYON

Contact Detail:

252R APTP INC BOWERS TRANSPORT
9559 w hills gate dr., STAR ID 83669-5300

286-9909

CUST SCOTT BOWERS

213-880-1092

IPCO STEVE BROWN

465-8632

Attribute Information

RES/COM

Service Voltage: 120/240

No. Of Phases: 1

KW Motor Load:

Largest Motor:

1 Phase KW Demand: 30

3 Phase KW Demand:

Connected KW Load: 50

Commercial Deposit Amount:

No. of Meters: 1

Mtr. Loc: PED

Ct Loc:

Primary OH UG: UG

Service OH UG: UG

Srv. Owner: IPCO

Panel Amp Size:

Notes

15' URD SINGLE PHASE PRIMARY

50KVA PADMOUNT

40 URD SERVICE

I understand that the information provided above is accurate to the best of my knowledge. Changes to load: voltage: location: etc. may result in additional engineering charges.

Steve Brown 12/6/04
Client Signature Date

Steve Brown 11/30/04
Facility Rep. Signature Date



CUSTOMER COSTS - IDAHO

Project or Customer BOWERS TRANSPORT - 15941 GUNFIRE RD URD PRIMARY	Design # 0	Work Order # 27185586
---	----------------------	---------------------------------

1. Line Installation/Upgrade Costs	\$	2,660	
2. Company Betterment	\$	-	
3. Line Installation Allowances			
a. Customer Cash Allowance or Salvage Credit	\$	-	
b. Terminal Facilities Allowance	(\$	1,199)	
c. TOTAL ALLOWANCES (Lines 3a + 3b)	(\$	1,199)	
4. Line Installation Credit (Customer Provided Trench -- FOJE)	\$	-	
5. Net Construction Cost (1-2-3c-4)			\$ 1,461
6. Vested Interest Paid to Previous Applicant (NSR) (Rule H Option 2) (Paid to WO#)		0	\$ -
7. Vested Interest Paid to Previous Applicant (Rule H Option 1) (Paid to WO#)		0	\$ -
8. Unusual Conditions			\$ -
9. Net Amounts for Refund Distributions			
a. Customer Payment for Line Installation (50% of Customer Payment)	\$	-	
b. Customer Payment Inside Residential Sub (Smaller amount of # of Lots x \$800 or Customer Payment.)	\$	-	
c. Vested interest Payment (Rule H after 2-26-97 Option 1) (Line 1 - 20% of Original Applicant's Line Installation Cost - see Applicants A's Cost)	\$	-	
d. TOTAL AMOUNT AVAILABLE FOR REFUND (Line 8+9a+9b+9c)	\$	-	
10. 20% or Excess Investment (NSR) (Line 5 + 6 + 7 + 8 - 9d)	\$	1,461	
11. Temporary Line Installation / Up&Down (NSR)			\$ -
12. Right of Way Permits (NSR)	\$		\$ - Unpaid
13. Engineering Charges (NSR) (\$36 per Hour)			
a. Prepaid Engineering Charges	\$	144	Paid
b. Additional Engineering Charges			\$ -
14. Underground Service Attachment Charge (NSR)			
a. Base Charge (\$30 Base or \$255 if Riser is Needed)	\$	-	
b. IPCo provided Trench (Trench Footage x \$5.05)	\$	-	
c. Customer provided Trench - FOJE (Trench Footage x \$1.05)	\$	-	
e. TOTAL UNDERGROUND SERVICE ATTACHMENT CHARGE (a+b+c+d)			\$ -
15. Temporary Service Charge (NSR) (Overhead \$120, Underground \$140)	\$		\$ - Unpaid
16. Relocation Charges (NSR)			
a. Relocation or removal with new load			\$ -
b. Relocation or removal with NO new load			\$ -
Salvage Credit on Relcoation or Removal			\$ -
17. Other Charges			\$ -
18. Idaho Power Co. Contribution (Lines 2 + 3c)	\$	1,199	
19. Prepaid Customer Charges (Lines 13+14+16)	\$	144	
20. Total Customer Payment Due (Lines 5+6+7+8+9d+11+12+13b+14e+15+16a+16b+17)			\$ 1,461

Comments

Notice: This written quotation shall be binding on the Company for a period of sixty days (60) from the date below indicated, subject to changes in information provided by the Customer or changes in the Company's ability to obtain satisfactory rights-of-way or to comply with governmental regulations, including but not limited to the rules, regulations, and tariffs of the Idaho Public Utilities Commission. The Customer must make payment of the quote amount not less than thirty (30) days prior to the start of construction, but the Company does not represent that construction will commence within 30 days of receipt of payment. The start of construction will be subject to the Company's ability to obtain the necessary labor, materials and equipment.

Customer Signature <i>Steve Brown</i>	Date <i>11/30/09</i>
Quotation Date <i>11/30/09</i>	IPCo Representative <i>Steve Brown</i> 465-8632

Dfs 031a (10/02)

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

CASE NO. IPC-E-07- 14

IDAHO POWER COMPANY

ATTACHMENT 3

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS

This rule applies to requests for electric service under Schedules 1, 4, 5, 7, 9, 19, 24, 45, and 46 that require the installation, alteration, relocation, removal, or attachment of Company-owned distribution facilities. New construction beyond the Point of Delivery for Schedule 9 or Schedule 19 is subject to the provisions for facilities charges under those schedules. This rule does not apply to transmission or substation facilities, or to requests for electric service that are of a speculative nature.

1. Definitions

Additional Applicant is a person or entity whose Application requires the Company to provide new or relocated service from an existing section of distribution facilities with a Vested Interest.

Applicant is a person or entity whose Application requires the Company to provide new or relocated service from distribution facilities that are free and clear of any Vested Interest.

Application is a request by an Applicant or Additional Applicant for new electric service from the Company. The Company, at its discretion, may require the Applicant or Additional Applicant to sign a written application.

Company Betterment is that portion of the Work Order Cost of a Line Installation, alteration, and/or Relocation that provides a benefit to the Company not required by the Applicant or Additional Applicant. Increases in conductor size and work necessitated by the increase in conductor size are considered a Company Betterment if the Connected Load added by the Applicant or Additional Applicant is less than 100 kilowatts. If, however, in the Company's discretion, it is determined that the additional Connected Load added by the Applicant or Additional Applicant, even though less than 100 kilowatts, is (1) located in a remote location, or (2) a part of a development or project which will add a load greater than 100 kilowatts, the Company will not consider the work necessitated by the load increase to be a Company Betterment.

Connected Load is the total nameplate kW rating of the electric loads connected for commercial, industrial, or irrigation service. Connected Load for residences is considered to be 25 kW for residences with electric space heat and 15 kW for all other residences.

Fire Protection Facilities are water pumps and other fire protection equipment, served separately from the Applicant's other electric load, which operate only for short periods of time in emergency situations and/or from time to time for testing purposes.

Line Installation is any installation of new distribution facilities (excluding Relocations or alteration of existing distribution facilities) owned by the Company.

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
(Continued)

1. Definitions (Continued)

Line Installation Allowance is the portion of the estimated cost of a Line Installation funded by the Company.

Line Installation Charge is the partially refundable charge assessed an Applicant or Additional Applicant whenever a Line Installation is built for that individual.

Local Improvement District is an entity created by the appropriate city or county governing body, as provided by Idaho Code §50-2503, whose purpose is to provide for the study, financing and construction of a Distribution Line Installation or alteration. The governing body shall assess property owners to recover the cost of the distribution Line Installation or alteration. A Local Improvement District has discernible property boundaries.

Multiple Occupancy Projects are projects that are intended to be occupied by more than four owners or tenants. Examples include, but are not limited to, condominiums and apartments.

Relocation is a change in the location of existing distribution facilities.

Residence is a structure built primarily for permanent domestic dwelling. Dwellings where tenancy is typically less than 30 days in length, such as hotels, motels, camps, lodges, clubs, and structures built for storage or parking do not qualify as a Residence.

Subdivision is the division of a lot, tract, or parcel of land into two or more parts for the purpose of transferring ownership or for the construction of improvements thereon, that is lawfully recognized and approved by the appropriate governmental authorities.

Temporary Line Installation is a Line Installation for electric service of 18 calendar months or less in duration.

Temporary Service Attachment is a service attachment to a Customer-provided temporary pole which typically furnishes electric service for construction.

Terminal Facilities include transformer, meter, service cable, and underground conduit (where applicable).

Underground Service Attachment Charge is the non-refundable charge assessed an Applicant or Additional Applicant whenever new single phase underground service is required by a Schedule 1 or Schedule 7 customer attaching to the Company's distribution system.

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
(Continued)

1. Definitions (Continued)

Unusual Conditions are construction conditions not normally encountered. These conditions may include, but are not limited to: frost, landscape replacement, road compaction, pavement replacement, chip-sealing, rock digging, boring, nonstandard facilities or construction practices, and other than available voltage requirements.

Vested Interest is the right to a refund that an Applicant or Additional Applicant holds in a specific section of distribution facilities when Additional Applicants attach to that section of distribution facilities.

Vested Interest Charge is an amount collected from an Additional Applicant for refund to a Vested Interest Holder.

Vested Interest Holder is an entity that has paid a refundable Line Installation Charge to the Company for a Line Installation. A Vested Interest Holder may also be an entity that has paid a refundable charge to the Company under the provisions of a prior rule or schedule.

Vested Interest Refund is a refund payment to an existing Vested Interest Holder resulting from a Vested Interest Charge to an Additional Applicant.

Vested Interest Portion is that part of the Company's distribution system in which a Vested Interest is held.

Work Order Cost is a cost estimate performed by the Company for a specific request for service by an Applicant or Additional Applicant. The Work Order Cost will include general overheads limited to 1.5 percent. General overheads in excess of 1.5 percent will be funded by the Company.

2. General Provisions

a. Cost Information. The Company will provide cost information as reflected in the charges contained in this rule, to potential Applicants and/or Additional Applicants. This preliminary information will not be considered a formal cost quote and will not be binding on the Company or Applicant but rather will assist the Applicant or Additional Applicant in the decision to request a formal cost quote. Upon receiving a request for a formal cost quote, the Applicant or Additional Applicant will be required to prepay non-refundable engineering costs to the Company.

b. Ownership. The Company will own all distribution Line Installations and retain all rights to them.

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
(Continued)

2. General Provisions (Continued)

c. Rights-of-Way. The Company will construct, own, operate, and maintain lines only along public streets, roads, and highways that the Company has the legal right to occupy, and on public lands and private property across which rights-of-way satisfactory to the Company may be obtained at the Applicant's or Additional Applicant's expense.

d. Removals. The Company reserves the right to remove any distribution facilities that have not been used for one year. Facilities shall be removed only after providing 60 days written notice to the last Customer of record and the owner of the property served, giving them a reasonable opportunity to respond.

e. Property Specifications. Applicants or Additional Applicants must provide the Company with final property specifications as required and approved by the appropriate governmental authorities. These specifications may include but are not limited to: recorded plat maps, utility easements, final construction grades, and property pins.

f. Undeveloped Subdivisions. When electric service is not provided to the individual spaces or lots within a Subdivision, the Subdivision will be classified as undeveloped.

g. Mobile Home Courts. Owners of mobile home courts will install, own, operate, and maintain all termination poles, pedestals, meter loops, and conductors from the Point of Delivery.

h. Conditions for Start of Construction. Construction of the Line Installations and/or Relocations will not be scheduled until the Applicant or Additional Applicant pays the appropriate charges to the Company.

i. Terms of Payment. All payments listed under this section will be paid to the Company in cash 30 days prior to the start of Company construction, unless mutually agreed otherwise.

j. Interest on Payment. If the Company does not start construction on a Line Extension and/or Relocation within 30 days after receipt of the construction payment, the Company will compute interest on the payment amount beginning on the 31st day and ending once Company construction actually begins. Interest will be computed at the rate applicable under the Company's Rule L. If this computation results in a value of \$10.00 or more, the Company will pay such interest to the Applicant, Additional Applicant, or subdivider.

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
 (Continued)

2. General Provisions (Continued)

k. Fire Protection Facilities. The Company will provide service to Fire Protection Facilities when the Applicant pays the full costs of the Line Installation including Terminal Facilities, less Company Betterment. These costs are not subject to a Line Installation Allowance, but are eligible for Vested Interest Refunds under Section 6.a.

l. Customer Provided Trench Digging and Backfill. The Company will at its discretion allow an Applicant, Additional Applicant or subdivider to provide trench digging and backfill. In a joint trench, backfill must be provided by the Company. Costs of Customer-provided trench and backfill will be removed or not included in the Work Order Costs and will not be subject to refund.

3. Line Installation Allowances

The Company will contribute an allowance for the Terminal Facilities necessary for service attachments and/or Line Installations. A Line Installation Allowance will be applied to the Line Installation costs for a Subdivision as outlined in Section 4.a.i. Subdividers may recoup their payments only through the refunding provisions under Section 6 of this rule.

	<u>Maximum Allowance</u>
<u>Schedule 1</u>	
Non-Electric Heat Residence	Overhead Terminal Facilities + \$1,000
All-Electric Residence	Overhead Terminal Facilities + \$1,300
Non-Residence	Cost of Meter Only
Multiple Occupancy Projects	
Single Phase	Overhead Terminal Facilities
Three Phase	80% of Terminal Facilities
<u>Schedule 7</u>	
Single Phase	Overhead Terminal Facilities
Three Phase	80% of Terminal Facilities
<u>Schedule 9</u>	
Single Phase	\$1,726
Three Phase	80% of Terminal Facilities
<u>Schedule 24</u>	
Single Phase	\$1,726
Three Phase	Overhead Terminal Facilities
<u>Schedule 19</u>	
Case-By-Case	

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
(Continued)

4. Charges for Line Installations and Additional Charges for Underground Service Attachments

An Applicant or Additional Applicant will pay the Company for construction of Line Installations and/or underground service attachments, less Line Installation Allowances, based upon the charges listed in this section.

a. Line Installation Charge. If a Line Installation is required, the Applicant or Additional Applicant will pay a partially refundable Line Installation Charge equal to the Work Order Cost less applicable Line Installation Allowances.

i. Line Installation Charges Inside Subdivisions. Inside a Residential Subdivision, the Line Installation Charges are calculated using the Work Order Cost less Terminal Facilities. The maximum refund will be the total per lot refund amount as specified in Section 6.b., but not more than the Work Order Cost less Terminal Facilities. Costs of new facilities outside Subdivisions are subject to Vested Interest Refunds.

Inside a non-Residential Subdivision, the Line Installation Charges are calculated as follows:

Table with 2 columns: Schedule (Schedule 7, Schedule 9) and Maximum Allowance (Overhead Terminal Facilities, 80% of Terminal Facilities). Rows include Single Phase and Three Phase for both schedules.

b. Underground Service Attachment Charge. Each Applicant or Additional Applicant will pay a non-refundable Underground Service Attachment Charge for attaching new Terminal Facilities to the Company's distribution system. The Company will determine the location and maximum length of service cable.

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
 (Continued)

4. Charges for Line Installations and Additional Charges for Underground Service Attachments (Continued)

Schedule 1 and Schedule 7, Single Phase

Underground Service Cable
 (Base charge plus distance charge)

Base Charge

from underground \$ 30.00

from overhead including riser \$255.00

Distance Charge (per foot)

Company Installed Facilities \$ 5.05

Customer Provided Trench & Conduit \$ 1.05 (Schedule 1 only, Single Family and Duplex)

c. Vested Interest Charge

Additional Definitions for Section 4.c. and Section 6.a.:

Original Investment - Work Order Cost less Terminal Facilities Allowance.

Vested Interest Holder's Contribution - Customer Payment plus Line Installation Allowances other than Terminal Facilities.

Vested Interest - Amount potentially subject to refund.

Load Ratio - Additional Applicant load divided by the sum of Additional Applicant's load and Vested Interest Holder's load.

Distance Ratio - Additional Applicant distance divided by original distance.

i. The initial Applicant will pay the original investment cost less any allowances. An Additional Applicant connecting to a Vested Interest Portion will have two options:

Option One - An Additional Applicant may choose to pay the current Vested Interest Holder's Vested Interest, in which case the Additional Applicant will become the Vested Interest Holder and, as such, will become eligible to receive Vested Interest Refunds up to that new Vested Interest Holder's contribution less 20 percent of the original investment.

Option Two - An Additional Applicant may choose to pay an amount determined by this equation:

Vested Interest Payment = Load Ratio x Distance Ratio x Vested Interest Holder's unrefunded contribution.

RULE H
NEW SERVICE ATTACHMENTS
AND DISTRIBUTION LINE
INSTALLATIONS OR
ALTERATIONS
 (Continued)

4. Charges for Line Installations and Additional Charges for Underground Service Attachments (Continued)

If Option Two is selected, the Additional Applicant has NO Vested Interest and the previous Vested Interest Holder remains the Vested Interest Holder. The Vested Interest Holder's Vested Interest will be reduced by the newest Additional Applicant's payment.

ii. The Vested Interest Charge will not exceed the sum of the Vested Interests in the Vested Interest Portion.

iii. If an Additional Applicant connects to a Vested Interest Portion which was established under a prior rule or schedule, the Vested Interest Charges of the previous rule or schedule apply to the Additional Applicant.

5. Other Charges

All charges in this section are non-refundable.

a. Relocation and Removal Charges. If an Applicant or Additional Applicant requests a Relocation or removal of Company facilities, the Applicant or Additional Applicant will pay a non-refundable charge equal to the Work Order Cost.

b. Engineering Charge. Applicants or Additional Applicants will be required to prepay all engineering costs for Line Installations, and/or Relocations greater than 16 estimated hours. Estimates equal to or less than 16 hours will be billed to the Applicant or Additional Applicant as part of the construction costs, or after the engineering is completed in instances where construction is not requested. Engineering charges will be calculated at \$50.00 per hour.

c. Engineering Charges for Agencies and Taxing Districts of the State of Idaho. Under the authority of Idaho Code Section §67-2302, an agency or taxing district of the State of Idaho may invoke its right to decline to pay engineering charges until the engineering services have been performed and billed to the agency or taxing district. Any state agency or taxing district that claims it falls within the provisions of Idaho Code §67-2302 must notify Idaho Power of such claim at the time Idaho Power requests prepayment of the engineering charges. Idaho Power may require that the state agency or taxing district's claim be in writing. If the state agency or taxing district that has invoked the provisions of Idaho Code Section §67-2302 does not pay the engineering charges within the 60-day period as provided in that statute, all the provisions of that statute will apply.

d. Right of Way Charge. Applicants or Additional Applicants will be responsible for any costs associated with the acquisition of right-of-way.

