

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION)
FOR APPROVAL OF A SERVICE AREA) **CASE NO. PAC-E-12-15**
EXCEPTION AGREEMENT BETWEEN)
PACIFICORP DBA ROCKY MOUNTAIN)
POWER AND FALL RIVER ELECTRIC) **ORDER NO. 32726**
COOPERATIVE TO EXCHANGE ONE)
CUSTOMER)

On December 13, 2012, PacifiCorp dba Rocky Mountain Power filed an Application seeking the Commission’s approval of a contract between Rocky Mountain and Fall River Electric Cooperative to exchange a single electric customer. The contract between the parties (denoted as the “Service Area Exception Agreement”) is being submitted for the Commission’s approval pursuant to the Electric Supplier Stabilization Act (ESSA) and specifically *Idaho Code* §§ 61-333(1) and 61-334B. On January 2, 2013, the Commission issued Order No. 32705 soliciting public comment regarding Rocky Mountain’s Application. Only the Commission Staff submitted comments and it recommended approval of the Agreement. After reviewing the Agreement and Staff comments, we approve the Application.

THE APPLICATION

The parties propose to exchange one current customer. More specifically, Rocky Mountain will allow Fall River to serve a customer’s residence in Tetonia, located within Rocky Mountain’s service territory. Rocky Mountain’s service to the residence was provided by an underground distribution feeder running through the customer’s cultivated field. Application at 3.

On June 15, 2012, Rocky Mountain’s service to the customer’s residence was interrupted. “In order to restore service expeditiously without destroying a significant portion of the customer’s planted crop, [Rocky Mountain], in conjunction with Fall River and the customer, agreed to connect the customer’s residential load to the adjacent electric distribution facilities owned by Fall River.” *Id.* Fall River’s service territory is adjacent to the customer’s residence and serves the customer’s potato cellar “in close proximity to his residence.” *Id.*

To avoid an expensive repair of underground facilities and the unnecessary disturbance of the customer’s field, Rocky Mountain and Fall River entered into an Agreement

to allow Fall River to permanently serve the customer's residence. The parties' Agreement¹ is attached to the Application.

In their Agreement, the parties agree that their respective certificated service areas will remain unchanged as the result of allowing Fall River to provide service to the customer's residence. Agreement at § 2.2. The Agreement further provides that either party may terminate the Agreement upon six months written notice to the other party. § 4.1. In the event the Agreement is terminated, then Rocky Mountain may purchase from Fall River any of the electrical distribution facilities used by Fall River to serve the residential load in question at Fall River's depreciated book value. *Id.* at § 4.2.

STAFF COMMENTS

Staff recommended the Commission approve the parties' Agreement. Staff noted that the exchange of the customer requires the parties to seek an "exception" to the anti-pirating provision of the ESSA. *Idaho Code* § 61-332B. Given the proximity of Fall River's distribution facilities and the desire to avoid disturbance of the customer's crop lands, Staff asserted it would be more efficient for Fall River to supply service to the customer's residence. Consequently, Staff recommended the Commission grant an exception to the anti-pirating provision of the ESSA and find that the exchange of the single customer is in compliance with the goals of the ESSA as codified at *Idaho Code* § 61-332(2).

COMMISSION FINDINGS

Idaho Code § 61-332B prohibits an electric supplier from serving a customer already served by another supplier, except as otherwise ordered by the Commission. *Idaho Code* § 61-334B(1) provides that any exception to the anti-pirating provision of the ESSA must be reviewed and approved by the Commission. This section further provides that the Commission may only approve the exchange of a customer after finding that the transfer is consistent with the purposes of the ESSA.

After reviewing the parties' Agreement and Staff comments, we find it is appropriate to approve the Application and the Agreement to exchange the single customer. We find the exchange of the customer (and service to his residence) is consistent with the purposes of the

¹ Although the Service Area Exception Agreement was filed as a confidential document, Rocky Mountain maintains that the only confidential information contained in the Agreement was the name and address of the customer. Consequently, the utility subsequently agreed to redact the name of the customer and his street address, and to publicly disclose the redacted Agreement.

ESSA. In particular, we find that the exchange promotes harmony among the two suppliers and discourages duplication of electric facilities. *Idaho Code* § 61-332(2). We further find that the exchange of the single customer is a reasonable exception to the anti-pirating provision of *Idaho Code* § 61-332B. We also find that the other terms and conditions contained in the Agreement are reasonable and appropriate.

ORDER

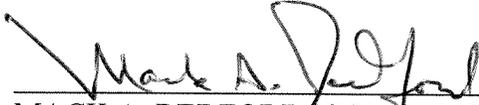
IT IS HEREBY ORDERED that Rocky Mountain Power's Application to approve its Agreement with Fall River Electric Cooperative to exchange a single customer is granted.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. PAC-E-12-15 may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this case. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* § 61-626.

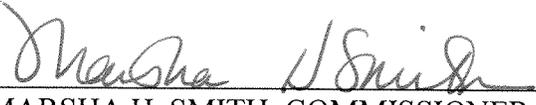
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 29th day of January 2013.



PAUL KJELLANDER, PRESIDENT

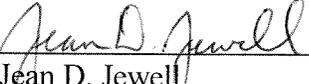


MACK A. REDFORD, COMMISSIONER



MARSHA H. SMITH, COMMISSIONER

ATTEST:



Jean D. Jewell
Commission Secretary

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