



Idaho Public Utilities Commission

PO Box 83720 Boise, ID 83720-0074

Governor C.L. "Butch" Otter

Paul Kjellander, Commissioner

Kristine Raper, Commissioner

Eric Anderson, Commissioner

Case Nos. PAC-E-18-11

Contact: Matt Evans

Office: (208) 334-0339

Cell: (208) 520-4763

matt.evans@puc.idaho.gov

Telephonic public hearing set for Dec. 11 in case involving transfer of service and assets between Rocky Mountain Power and city of Idaho Falls

BOISE (Dec. 6, 2018) – State regulators will hold a telephonic public hearing on Dec. 11 regarding the proposed transfer of eight customers from Rocky Mountain Power to Idaho Falls Power in eastern Idaho.

The hearing is set for 2 pm on Dec. 11. It will consist solely of testimony from anyone interested in stating their support of or opposition to the proposal, for the official case record.

Call (800) 920-7487 and enter passcode 6674 832# to testify or listen to the proceeding. Anyone interested in testifying is encouraged to call in at least a few minutes before the scheduled start time.

Rocky Mountain's [proposal](#) calls for a purchase price of approximately \$31,934 and includes assets used to provide service to the customers, all located on North Yellowstone Highway.

It is the fourth proposed service-asset transfer between the city of Idaho Falls and Rocky Mountain Power since late 2017, when the Idaho Public Utilities Commission approved a service allocation agreement between the two entities.

The Idaho Public Utilities Commission approved the service allocation agreement after finding it consistent with Idaho Code 61-332, the Electric Supplier Stabilization Act (ESSA). The ESSA is intended to discourage the duplication of facilities, prohibit pirating of consumers, stabilize service territories and consumers, and promote harmony between electric suppliers.

The city of Idaho Falls' electric department, known as Idaho Falls Power, provides electric service to approximately 28,000 customers primarily within the city's municipal boundaries, though it does

serve some customers outside city limits. Idaho Falls' municipal boundaries are surrounded by the service territory of Rocky Mountain Power, which has approximately 77,600 customers in eastern Idaho, including some inside Idaho Falls city limits.

The six-page agreement between the two entities established the service territory of each utility, and called for the two to collaborate to identify facilities that are duplicative and to avoid duplicity when constructing new facilities.

The agreement provides for the transfer of service from one utility to the other as long as the acquiring utility agrees to pay the other "just compensation for lost revenues and the distribution facilities used to serve that customer."

"Just compensation for lost revenues" is defined in the agreement as an amount equal to 167 percent of the total of the respective customer's electric bills from the prior 12-month period.

The acquiring utility is also required to purchase the assets no longer needed or required by the other utility to serve that customer.

In the current case, those assets consist of six 35-foot power poles, all installed in 1968; four transformers installed in 1975; overhead lines and devices; and underground lines and devices. The two utilities have agreed on a sale price for the assets of \$11,713.

Expenses related to the service transfers are listed at \$20,222 and include separation costs of \$1,387 and compensation for lost revenue at \$17,335.

The Commission is accepting written comments on the proposed agreement through Jan. 17, 2019.

Comments are accepted electronically [here](#) or by accessing the Commission's web site at www.puc.idaho.gov and clicking on "Case Comment Form" under the "Consumers" heading. Fill in the case number (PAC-E-18-11) and enter your comments. Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

All documents related to this case, including Rocky Mountain Power's application, are available on the commission's Website [here](#). Or go to the Commission's web site, click on "Open Cases" under the "Electric" heading and scroll down to case number PAC-E-18-11.