

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION )**  
**OF AVISTA CORPORATION TO APPROVE ) CASE NO. AVU-E-06-06**  
**AN AGREEMENT ALLOCATING )**  
**TERRITORY WITH NORTHERN LIGHTS, ) NOTICE OF APPLICATION**  
**INC. )**  
**)**  
**) NOTICE OF**  
**) MODIFIED PROCEDURE**  
**)**  
**) ORDER NO. 30133**

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On September 7, 2006, Avista Corporation dba Avista Utilities filed an Application to approve an agreement allocating service territory with Northern Lights, Inc. pursuant to the Electric Supplier Stabilization Act (ESSA), *Idaho Code* §§ 61-332 *et seq.* The parties request that the Application be processed by Modified Procedure.

**THE APPLICATION**

YOU ARE HEREBY NOTIFIED that according to the Application the parties have entered into an agreement pursuant to the ESSA in order to allow Avista to supply electric service to a Northern Lights customer, Treeland Partners LLC (the Developer). Northern Lights has agreed to relinquish the right to serve the Developer's 34-lot parcel in Sandpoint, Idaho to Avista.

YOU ARE FURTHER NOTIFIED that the Application states that Northern Lights currently provides electric service to two structures adjacent to a portion of the development. These two structures are currently scheduled for demolition, and a new access road is scheduled to go in at the demolition site. The Developer has requested Northern Lights to remove its electric facilities from the demolition site to enable the construction of the access road. Once the facilities are removed Avista will be the closest utility to the majority of the 34 lots within the development.

YOU ARE FURTHER NOTIFIED that according to the Customer Allocation Agreement (Attachment #1 to the Application) the Developer has requested Avista to provide the backbone infrastructure and to provide electric and natural gas services to the entire development, and that it is in the Developer's best interest to have a single source utility provider

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to serve the development. Northern Lights has agreed to allow Avista to provide electric service to the entire development.

YOU ARE FURTHER NOTIFIED that *Idaho Code* § 61-333(1) provides that electric suppliers may contract for the purpose of “allocating territories, consumers, and future consumers ... and designating which territories and consumers are to be served by which contracting electric supplier.” Under the ESSA, both Avista and Northern Lights are defined as electric suppliers. *Idaho Code* § 61-332A(4). After notice and opportunity for hearing, the Commission may approve agreements allocating service territories and customers between electric suppliers only upon finding that the allocation is in conformance with the purposes of the ESSA. *Idaho Code* § 61-333A(1). As set out in *Idaho Code* § 61-332(2), the purpose of the ESSA is to: discourage duplication of facilities; prohibit “pirating” of consumers; stabilize service territories and consumers; and promote harmony between electric suppliers.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission’s Website at [www.puc.idaho.gov](http://www.puc.idaho.gov) under the “File Room” icon.

#### **NOTICE OF MODIFIED PROCEDURE**

YOU ARE FURTHER NOTIFIED that the Commission has reviewed the filing of record in Case No. AVU-E-06-06. The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case and that issues raised by the Company’s filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

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 if no protests or written comments are received within the deadline, the Commission will consider the matter and enter its Order without a hearing. If protests or comments are filed within the deadline, the Commission will

consider them and may, in its discretion, set the matter for hearing or decide the matter and issue its Order on the basis of the written positions before it. IDAPA 31.01.01.204.

### NOTICE OF COMMENT/PROTEST DEADLINE

YOU ARE FURTHER NOTIFIED that **the deadline for filing written comments or protests** with respect to the Application and the Commission's use of Modified Procedure in Case No. AVU-E-06-06 is **21 days from the service date of this Order**. Persons desiring a hearing must specifically request a hearing in their written protests or comments.

YOU ARE FURTHER NOTIFIED that written comments concerning this case should be mailed to the Commission and to the Company 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

Brian Hirschhorn, Manager, Pricing  
Linda Gervais, Regulatory Analyst,  
State and Federal Regulation  
Avista Corporation  
1411 E. Mission Avenue  
Spokane, WA 99220  
E-mail: [brian.hirschhorn@avistacorp.com](mailto:brian.hirschhorn@avistacorp.com)  
E-mail: [linda.gervais@avistacorp.com](mailto:linda.gervais@avistacorp.com)

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's homepage located at [www.puc.idaho.gov](http://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 addresses listed above.

### FINDINGS/CONCLUSIONS

The Idaho Public Utilities Commission has jurisdiction over Avista, its Application to approve agreement allocating territory, and the issues involved in this case by virtue of Title 61, Idaho Code, specifically *Idaho Code* §§ 61-129, 61-333(1) and 61-334B, and the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

The Commission has preliminarily determined that the public interest may not require a hearing to consider the issues presented in this case, and that issues raised by the Company's filing may be processed under **Modified Procedure**, i.e., by written submission rather than by hearing. IDAPA 31.01.01.201-204. In so doing, the Commission notes that

Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

**ORDER**

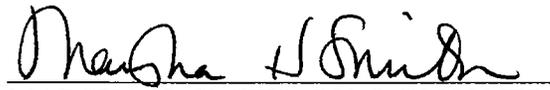
IT IS HEREBY ORDERED that this case be processed under Modified Procedure. Persons interested in submitting written comments regarding this case or protesting the use of Modified Procedure should do so no later than 21 days from the service date of this Order.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 29<sup>th</sup> day of September 2006.



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PAUL KJELLANDER, PRESIDENT



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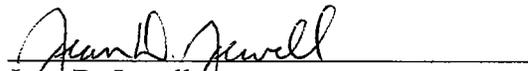
MARSHA H. SMITH, COMMISSIONER



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DENNIS S. HANSEN, COMMISSIONER

ATTEST:



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Jean D. Jewell  
Commission Secretary

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