



*Case No: PAC-E-19-06*

*Order No: 34337*

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## **Telephonic public hearing set in case involving asset transfer between Rocky Mountain Power and the city of Idaho Falls**

**BOISE (May 23, 2019)** –The Idaho Public Utilities Commission has scheduled a telephonic public hearing in a case involving the proposed transfer of assets from Rocky Mountain Power to the city of Idaho Falls.

The assets include underground conductors, transformers and meters used to provide electric service to five customers located on Professional Way and one customer located on Broadway. The customers are all located within Idaho Falls city limits but receive electric service from Rocky Mountain Power.

The hearing is set for June 11 at 2 pm and serves as an opportunity for anyone interested in providing testimony for the official case record.

To testify, call (800) 920-7487 and enter passcode 6674 832# when prompted. Those interested in testifying are asked to call a few minutes before the hearing begins.

For those unable to testify at the hearing, the Commission is accepting written comments on the proposal through June 18, 2019.

Rocky Mountain Power provides electric service to approximately 82,000 customers in eastern Idaho.

The city of Idaho Falls owns and operates Idaho Falls Power, a municipal electric utility that provides electric service to most of the city's residents. Its service territory is surrounded by Rocky Mountain Power's service territory.

There is some overlap in service; Rocky Mountain Power serves some customers inside the city's boundaries, and the city provides electric service to some customers within the company's service territory.

In order to reduce duplication of service and promote stability in their service territories, the two sides entered into a [service allocation agreement](#) in late 2017.

The Commission approved the agreement in December 2017 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 six-page service allocation agreement 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 also is required to purchase the assets no longer needed or required by the other utility to serve that customer.

The [proposed transaction](#) now before the Commission would be the sixth transaction processed under the service allocation agreement.

It calls for a sale price of \$31,751, including \$16,435 for existing assets, \$2,122 in separation costs and approximately \$9,164 for revenue over the previous 12 months.

Go [here](#) to submit a comment. Or go to the Commission’s web site, [www.puc.idaho.gov](http://www.puc.idaho.gov), click on the “Case Comment Form” under the “Electric” heading. Please include the case number, PAC-E-19-06.

Comments can also be submitted via mail, to P.O. Box 83720, Boise, ID 83720-0074 or by fax, (208) 334-3762.

All documents filed in this case, including Rocky Mountain Power’s [application](#), can be found [here](#), at the Commission’s web site, [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on “Open Cases” under the “Electric” heading and scroll down to case number PAC-E-19-06.