

RULE M  
FACILITIES CHARGE SERVICE

This rule applies to eligible customers taking Primary or Transmission Service under Schedules 9, 19 or Special Contract, or Transmission Service under Schedule 24. Eligible Customers may request that the Company design, install, own, and operate transformers and other facilities beyond the Point of Delivery that are solely provided to meet the Customer's service requirements. This service is provided at the Customer's request and at the option of the Company in exchange for the Customer paying a monthly facilities charge to the Company. Primary and Transmission Service level Customers not taking facilities charge services are responsible for providing the transformation of power beyond the Point of Delivery needed to meet the Customer's service requirements. See Rule B.

**1. Company-Owned Facilities Beyond the Point of Delivery**

Under a facilities charge arrangement, the Company will own and operate facilities beyond the Point of Delivery that are installed to solely benefit the Customer, and the Customer will pay a monthly facilities charge to the Company based on a percentage of the initial investment cost of the facilities installed. As part of this arrangement, the Customer agrees to allow Idaho Power access to the Customer's property to provide installation of facilities, operation and maintenance, alteration, relocation, upgrade, conversion, and/or removal in order to meet the Customer's service requirements. The Customer agrees to provide rights-of-way as outlined in Rule C.

Company-owned facilities beyond the Point of Delivery will be set forth in a Distribution Facilities Investment Report (DFI) provided to the Customer. As the Company's investment in facilities beyond the Point of Delivery changes in order to meet the Customer's service requirements, the Company shall notify the Customer of the additions and/or deletions of facilities by forwarding to the Customer a revised DFI. The Company will also adjust the monthly facilities charge to be paid by the Customer based on any increase or decrease in the investment cost of the Company-owned facilities resulting from additions and/or deletions as set forth in the revised DFI.

**2. Alteration and Failure of Company-Owned Facilities**

In the event the Customer requests the Company to alter (remove, reinstall, or change) Company-owned facilities beyond the Point of Delivery, the Customer shall pay to the Company the "non-salvable cost" of such removal, reinstallation, or change. Non-salvable cost as used herein is comprised of the total depreciated costs of materials, labor, and overheads of the facilities, less the difference between the salvable cost of material removed, and removal labor cost including appropriate overhead costs.

Failed equipment will be replaced by the Company as part of providing ongoing operation and maintenance of Company-owned facilities installed beyond the Point of Delivery. When a failed piece of equipment is replaced by the Company, the initial investment cost of the failed piece of equipment will be removed from the Customer's DFI and replaced with the investment cost of the new piece of equipment to calculate the Customer's monthly facilities charge.

RULE M  
FACILITIES CHARGE SERVICE

**3. Sale of Company-Owned Facilities**

Customers paying a facilities charge may request to purchase Company-owned facilities installed beyond the Point of Delivery. All sales of facilities must meet the following provisions:

- a. No mixed ownership of facilities. A Customer purchasing Company-owned facilities installed beyond the Point of Delivery must purchase all facilities listed on the DFI for that location.
- b. The Customer must provide the operation and maintenance of all facilities installed beyond the Point of Delivery after the sale is complete.
- c. The Customer must prepay engineering costs for sales determinations taking greater than 16 estimated hours of preparation. Sales determinations equal to or less than 16 estimated hours of preparation will be billed to the Customer as part of the sales agreement, or after the engineering is completed in instances where the sale is not finalized.

The factors set forth in *Idaho Code* § 61-328(3) will be considered as a guide for the sale of Company-owned facilities installed beyond the Point of Delivery to the customer served by those facilities. All sales shall be brought before the Commission, whether as an application or other informal procedure.

**4. Monthly Facilities Charge Rate**

Effective January 1, 2012, a facilities charge, as specified in Schedule 66, will be assessed on each facilities charge customer's monthly billing.

**5. Consent and Acknowledge Form**

Prior to entering into a facilities charge arrangement, the Customer and Company must agree to and sign the Facilities Charge Service Consent and Acknowledgement Form attached to this rule.

RULE M
FACILITIES CHARGE SERVICE

Idaho Power Company
Facilities Charge Service
Consent and Acknowledgement Form

By signing this form, Idaho Power Company ("Idaho Power") and ("Customer") hereby consent to and acknowledge the following:

1. Idaho Power will design, install, own, and operate transformers and other facilities on the Customer's property which are beyond Idaho Power's Point of Delivery and are solely provided to meet the Customer's service requirements at the following Customer location:

\_\_\_\_\_

2. This service is provided at the Customer's request and at the option of Idaho Power in exchange for the Customer paying a monthly facilities charge to Idaho Power as specified in Schedule 66 of Idaho Power's current and effective tariff.

3. Idaho Power and the Customer agree that this arrangement is provided under the terms and conditions of Rule M, Facilities Charge Service, of Idaho Power's current and effective tariff.

Dated: \_\_\_\_\_

IDAHO POWER COMPANY

CUSTOMER

\_\_\_\_\_

\_\_\_\_\_

PRINT NAME

PRINT NAME

\_\_\_\_\_

\_\_\_\_\_

TITLE

TITLE

\_\_\_\_\_

\_\_\_\_\_