

**IDAHO PUBLIC UTILITIES COMMISSION**

**MINUTES OF DECISION MEETING**

**SUBJECT TO APPROVAL**

**September 3, 2024 – 1:30 p.m.**

In attendance was Commissioner Eric Anderson, Commissioner John R. Hammond, Jr. and Commissioner Lodge. Commissioner Anderson called the meeting to order.

The first order of business was the **APPROVAL OF MINUTES FROM THE PREVIOUS MEETING** on August 27<sup>th</sup>, 2024. The Commission voted unanimously to approve the minutes as written.

The next order of business was **CONSENT AGENDA:**

**2. Action Item: Dayn Hardie’s September 3, 2024, Decision Memorandum re: In the Matter of the Investigation into Aspen Creek Water Company’s Billing Practices; Case No. ASP-W-24-01.**

**3. Action Item: Dayn Hardie’s September 3, 2024, Decision Memorandum re: In the Matter of Aspen Creek Water Company’s Application to Amend Certificate of Public Convenience and Necessity No. 403; Case No. ASP-W-24-02.**

**4. Action Item: Dayn Hardie’s September 3, 2024, Decision Memorandum re: In the Matter of Aspen Creek Water Company’s Application to Increase Its Rates and Charges for Water Service in the State of Idaho; Case No. ASP-W-24-03.**

**5. Action Item: Adam Triplett’s September 3, 2024, Decision Memorandum re: In the Matter of Rocky Mountain Power’s Application for Authority to Increase Its Rates and Charges in Idaho; Case No. PAC-E-24-04.**

**6. Action Item: Chris Burdin’s September 3, 2024, Decision Memorandum re: In the Matter of the Application of Riverside Electric Company, Limited and Farmer Electric Company, Ltd for an Order Approving a Service Territory Agreement Between the Applicants; Case No. C12-E-24-01.**

Commissioner Anderson made a motion to approve Staff’s recommendations for Items 2 through 6 under the Consent Agenda. A vote was taken on the motion, and it carried unanimously.

The next order of business was **MATTERS IN PROGRESS:**

**7. Action Item: Chris Burdin’s September 3, 2024, Decision Memorandum re: In the Matter of the Application of Riverside Electric Company, Limited and City of Rupert for an Order Approving a Service Territory Agreement Between the Applicants; Case No. C12-E-24-02.**

Mr. Burdin presented the decision memorandum regarding the application of Riverside Electric Company Limited and City of Rupert for an order approving a service territory agreement between the applicants.

The agreement was initially approved by the commission on June 5, 2024, but not executed. Riverside submitted a notarized agreement signed only by their board president. Riverside indicated that the application had been in the possession of the city of Rupert since before March 15, 2024. And after several inquiries, they had not been able to get a written reply from Rupert. Riverside requested commission intervention due to lack of response from the City of Rupert. Staff recommended rejecting the unexecuted agreement or to reject the unexecuted agreement and provide Riverside with 14 days to submit additional argument and authority to support the request for the commission to intervene.

Commissioner Hammond sought clarification regarding whether Mr Burdin had any contact with the City of Rupert. And if we were apprised of the issues between the parties of this case. Mr. Burdin confirmed there was no contact with the City of Rupert and the specific issue in question were not shared by the parties.

Commissioner Anderson clarified that both utilities are part of the public power group not regulated by the commission and are seldom before the commission apart from territory agreement cases. Mr. Burdin confirmed.

Commissioner Anderson made a motion to reject the unexecuted agreement and allow 14 days for additional argument for the commission to intervene. A vote was taken on the motion, and it carried unanimously.

**8. Action Item: Chris Burdin's September 3, 2024, Decision Memorandum re: In the Matter of the Application of Riverside Electric Company, Limited and East End Mutual Electric for an Order Approving a Service Territory Agreement Between the Applicants; Case No. C12-E-24-03.**

Mr. Burdin presented the decision memorandum regarding Riverside Electric Company and East End Mutual's service territory agreement filing. Mr. Burdin noted the application was almost identical to the previous discussion. The agreement was initially approved but not executed. Riverside submitted a notarized agreement signed only by their board president. Riverside requested commission intervention due to lack of response from the East End Mutual due to a disagreement in the boundary line through Andoni Farms. Staff recommended rejecting the unexecuted agreement or to reject the unexecuted agreement and provide Riverside with 14 days to submit additional argument and authority to support the request for the commission to intervene.

Commissioner Anderson made a motion to reject the unexecuted agreement and allow 14 days for additional argument for the commission to intervene. A vote was taken on the motion, and it carried unanimously.

**9. Action Item: Johan Kalala-Kasanda's September 3, 2024, Decision Memorandum re: 1023-2024 Idaho Universal Service Fund Annual Report and Recommendations; Case No. GNR-T-24-05.**

Mr. Kalala-Kasanda presented the decision memorandum regarding the Administrator's Idaho Universal Service Fund annual report and recommendations. Mr. Kalala-Kasanda informed the commission of the Administrator & staff's shared concerns surrounding the sustainability of the USF. To temporarily salvage the fund, the administrator is recommending a change in the fee structure which includes decreases to business and access lines while increasing the cost of residential lines by one cent until the end of the fiscal year, which is June 30, 2025, to give the fund a lifeline while issues are addressed. The fundamental key issue is the lack of revenue caused by dwindling amounts of customers throughout the last 15 years regardless of the constant increases in rates. While disbursements to provide support to rural companies have remained constant the funding source has diminished. All these factors were taken into consideration when staff made its recommendation supporting the administrator's third option.

Commission Hammond and Lodge inquired into the number of companies currently drawing from the fund, if they were rate regulated by the commission, and whether conversations were had with these companies to discuss their need for these resources annually.

Mr. Kalala-Kasanda clarified that, yes, conversations discussing the need for resources derived from the USF and lack of revenue to sustain the fund have occurred. Currently, the fund disburses funds to eight, soon to be, nine companies who are not regulated by the commission.

Commissioner Anderson called Mr. Ken McClure with Givens Pursley who represents the Idaho Telecom Alliance for additional testimony.

Mr. McClure clarified that all companies currently drawing from the fund, eight of them, are regulated. However, they are easily overlooked as regulated companies due to their lack of appearance before the commission. Mr. McClure provided historical information giving the commission insight as to how the fund came to this juncture. Mr. McClure stressed the importance of taking this matter to the legislature to help remedy the antiquated funding source structure. Mr. McClure presented alternatives to minimize the increase in rates to the ratepayer.

Commissioner Hammond sought clarification related to current rates for business lines/services, increase in MTS, and what was being asked of the commission from ITA.

Cynthia Mellilo stated she was unaware of the current rate for business services. She clarified that they are recommending an increase of 100% versus the proposed 125%.

Mr. McClure stated there was lack of transparency with the Administrator's annual report due to the confidential information contained within. Therefore, they are unable to verify any of the information provided by the Administrator.

Mr. Kalala-Kasanda informed the commission and Mr. McClure that the Administrator does not have the authority, per contract and statutorily, to divulge the financial data which is provided to her under strict confidential terms. Which is why the report was heavily redacted when submitted. A less redacted version of the report was provided to ITA at their request.

Mr. McClure explained that he expected to have the names of companies redacted while having visibility to the data those companies provided such as line counts and the charges.

Commissioner Anderson suggested Mr. Hardie look into reviewing the unredacted version of the annual report as part of a discovery request to minimize the number of redactions. Anderson agreed with Mr McClure that he is also unaware of what the legislature format will be this year.

Commissioner Hammond inquired if the companies would like additional time to submit comments.

Mr. McClure stated he believed the matter to be fully submitted and does not know what additional information can be provided. He also requested that someone verify the calculations entered by the Administrator.

Mr. Kalala-Kasanda clarified that it is his understanding that the Administrator bases her calculations on information provided to her but does not verify or audit the information.

Commissioner Anderson made a motion to hold this matter for a time certain. A vote was taken on the motion, and it carried unanimously.

The next order of business was **FULLY SUBMITTED MATTERS:**

**10. Deliberation Memorandum re: In the Matter of Idaho Power Company's Application for Approval of the First Amendment to the Power Purchase Agreement with PVS 2, LLC; Case No. IPC-E-24-20. [Adam Triplett, Attorney].**

**11. Deliberation Memorandum re: In the Matter of Idaho Power Company's Application for Approval of a Second Amendment to the Power Purchase Sales Agreement Between Idaho Power and Telocaset Wind Power Partners; Case No. IPC-E-24-24. [Michael Duval, Attorney].**

**12. Deliberation Memorandum re: In the Matter of Idaho Power Company's Application for Approval of a Second Amendment to the Energy Sales Agreement for the Sale and Purchase of Electric Energy from the Bypass Hydro Project; Case No. IPC-E-24-26. [Michael Duval, Attorney].**

**13. Deliberation Memorandum re: In the Matter of Idaho Power Company's Application for Approval of a Second Amendment to the Energy Sales Agreement for the Sale and Purchase of Electric Energy from the Lowline #2 Hydro Project; Case No. IPC-E-24-28. [Michael Duval, Attorney].**

Commissioner Anderson stated that Items 10 through 13 under Fully Submitted Matters would be deliberated privately.

Commissioner Anderson stated there was no further business before the Commission and the meeting was adjourned.

  
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COMMISSION SECRETARY

9/17/2024  
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DATE OF APPROVAL