

# **IDAHO PUBLIC UTILITIES COMMISSION**

## **MINUTES OF DECISION MEETING**

### **SUBJECT TO APPROVAL**

**August 26th, 2025 – 1:30 p.m.**

In attendance was Commissioner Hammond Jr and Commissioner Hardie. Commissioner Lodge participated telephonically. Commissioner Hammond called the meeting to order.

The first order of business was the **APPROVAL OF MINUTES FROM THE PREVIOUS MEETING** on August 19th, 2025. The Commission voted unanimously to approve the minutes as written.

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

**2. Action Item: Johan Kalala-Kasanda's August 26, 2025, Decision Memorandum re: In the Matter of Qwest Corporation dba CenturyLink QC's Application for Approval of the Amendment to Its Interconnection Agreement with Bandwidth.com CLEC, LLC; Case No. QWE-T-25-02.**

**3. Action Item: Erika K. Melanson's August 26, 2025, Decision Memorandum re: In the Matter of Idaho Power's Application for Approval of a Power Purchase Agreement and Energy Storage Agreement with Crimson Orchard Solar, LLC; Case No IPC-E-25-10.**

**4. Action Item: Jeffrey R. Loll's August 26, 2025, Decision Memorandum re: In the Matter of Assurance Wireless USA, L.P.'s Application to Expand Its Eligible Telecommunications Carrier Service Area; Case No. VMU-T-25-01.**

**5. Action Item: Yao Yin's August 26, 2025, Decision Memorandum re: In the Matter of Idaho Power Company's Application for Approval of a Power Purchase Agreement with Blacks Creek Energy Center, LLC; Case No. IPC-E-24-42.**

Commissioner Lodge made a motion to approve Staff's recommendations for Items 2 through 5 under the Consent Agenda. A vote was taken on the motion, and it carried unanimously.

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

**6. Action Item: Johan Kalala-Kasanda's August 26, 2025, Decision Memorandum re: 2024-2025 Idaho Universal Service Fund Annual Report and Recommendations; Case No. GNR-T-25-07.**

Mr. Kalala-Kasanda presented the memorandum regarding the Idaho Universal Service Fund's Annual Report & Staff's Recommendation. Per Rule 303, Staff found that as a result of the order issued by the commission on October 1<sup>st</sup>, 2024, the fund has met all its obligations ending the 2024-2025 fiscal year on June 30<sup>th</sup>, 2025, with a balance of \$264,000. Staff has concluded that if the current rates are maintained throughout the 2025-2026 fiscal year the fund has a projected balance of \$231,000 meeting all financial obligations.

Commissioner Hardie inquired if staff had insight as to why the commission only received confidential versions of the administrators' report despite the request to submit the non-confidential report through a commission issued order in August. And if staff anticipated coordinating with the Administrator next year to ensure that the commission receives a redacted version for public review.

Mr. Kalala-Kasanda informed the commission that there was an issue with regards to the compliance of statutory requirements and clarified that after the duplicate submission of the confidential report the Administrator did submit a redacted version of the report.

Commissioner Hardie also sought clarification on the differences and calculation logic between Options 1 & 2.

Mr. Kalala-Kasanda explained the funds are declining due to a continued drop in access lines, particularly residential. For example, this year's fund level is \$234,000, compared to a projected \$231,000 next year. While adjusting rates may help, access lines keep decreasing regardless of rate changes. To prevent further strain on the fund, rates must be maintained at a sustainable level. However, even with rate increases (as in option two), the ongoing decline in access lines means the issue will need to be revisited in a few years.

Commissioner Hardie questioned if the reduced access lines or the decreasing access lines apply to both Options 1 & 2. And why, under option two, increasing the surcharge still results in a lower fund balance by June 2026 compared to keeping rates the same.

Mr. Kalala-Kasanda clarified there was no calculation error. The rationale is to avoid putting additional burden on the shrinking number of residential access lines, which bear most of the rate increases. Instead, staff's approach is to hold off on rate hikes while exploring legislative solutions or alternative funding sources, since the fund's core problem is inadequate funding.

Commissioner Hammond asked for clarification on disbursements listed in the memo. Under option one (status quo), disbursements for 2025 and 2026 are shown as \$904,977. However, the speaker noted that in option two (rate increase), the memo does not specify whether the disbursement amounts for those years remain the same or differ and requested clarification.

Mr. Kalala-Kasanda confirmed that the disbursement would remain \$904,977 and clarified that the disbursement has a different approach that will require a commission order, similar to last year, to change what is going to be dispersed, applying Rule 106.

Commissioner Lodge emphasized that the Universal Service Fund needs a long-term fix at the legislative level, though it is uncertain whether it can be achieved this session. In the meantime, Commissioner Lodge made a motion to adopt staff's option one: keeping the surcharge rates at \$0.24 per residential line, \$0.41 per business line, and \$0.005 per interstate MTS/WATS billed. A vote was taken on the motion, and it carried unanimously.

**7. Action Item: Adam Triplett's August 26, 2025, Decision Memorandum re: In the Matter of the Application of Northern Lights, Inc. and the City of Bonners Ferry for an Order Approving a Service Territory Agreement Between the Applicants; Case No. C10-E-25-01.**

Mr. Triplett presented the memorandum regarding the application of Northern Lights and the City of Bonners Ferry for an order approving a service territory agreement between the applicants and Staff's motion to vacate the comment deadlines.

Commissioner Hammond asked if there was anyone on the phone that was attending or representing any of the parties or applicants to be an intervenor. Andrew Moratzka on behalf of Idaho Forest Group; Tyler Whitney on behalf of the City of Bonners Ferry; and Brian Epley of Cable Huston on behalf of the City of Bonners Ferry introduced themselves.

Mr. Triplett states that this matter is only on Staff's motion to vacate comment deadlines. The Commission issued a Notice of Application and a Notice of Modified Procedure in July that established August 21, 2025, deadline for Staff and public comments and September 4, 2025, deadline for applicants to reply. On August 19<sup>th</sup>, two days before Staff comments were due, IFG filed a Petition to Intervene. Attached and in support of their petition, there were several court filings. IFG alleges that approval of agreement could affect its electrical rates and service quality and a pending appeal with the Idaho Supreme Court from a district court case.

Staff promptly filed a motion to vacate the comment deadlines because they felt that they could not review those filings in a timely manner and provided the Commission with meaningful comments on how this case might affect the pending appeal or how those two cases would interact. Staff have requested that the Commission vacate the August 21<sup>st</sup> comment deadline. Staff put in preliminary comments knowing the Commission would not be able to grant it relief before the comments were due but reserve the right to supplement those comments.

The request is that Commission vacates the comment deadlines set in order number 36695 to allow Staff time to review the court filing submitted with IFG's Petition to Intervene. It was also noted that the applicants have objected to IFG's Petition to Intervene. In granting time by vacating the comment deadlines, it would give the Commission time to resolve that disputed petition.

Commissioner Hardie stated that he supports staff's request. He asked if there had been an oral argument at the Supreme Court yet or if it had been scheduled. He also asked if a stay would be necessary or appropriate to allow the Supreme Court appeal to process.

Mr. Triplett responded that when he last checked docket, an amended Notice of Appeal was filed at the beginning of August and that suggests they have not submitted briefing. Sometime a year or more potentially before argument and opinion issues. As for the stay, it may be possible to issue it. There has not been sufficient time to review and digest possible interactions between this case and appeal. A stay could be something the Commission potentially considers.

Commissioner Hammond asked if the other parties in the case have weighed in on whether vacating the deadlines was appropriate or not.

Mr. Triplett replied that in filings, IFG supports the request, and the applicants don't oppose it.

Commissioner Hammond asked for comments from the parties on the phone on the request to vacate deadline.

Mr. Whitney clarified that the City of Bonners Ferry thinks that Staff's request for more time is reasonable and does not object to this motion. Applicant has requested with regard to the motion that any extension or vacatur of existing schedule not modify or extend the window for interventions for the reasons that were in the applicant's pending motion to reject the intervention of IFG.

Mr. Moratzka said that IFG disputes the notion that there should have been an intervention deadline 6-7 days after notice of publication. IFG was involved in litigation that is now on appeal that relates to the pending application. IFG was not served with the application even though Cable Huston is counsel. IFG

did not receive the Notice of Modified Procedure. IFG only found out through the press release. IFG believes that their intervention is timely and should be granted. They dispute any assertion from the City of Bonners Ferry that any intervention deadline has passed.

Mr. Whitney states that they understand the nexus for Staff's pending motion on agenda. They did not address the substance of motion to object to IFG's intervention. They leave it to the Commission on if they would like to hear further commentary.

Commissioner Hammond notes that the pleadings were filed today on that matter. Staff have not had an opportunity to review. The issue of whether there is a timely intervention or appropriate intervention is up today.

Mr. Triplett agrees that Staff has not had time to review and fully digest the arguments on IFG's Petition to Intervene. Staff are not prepared to provide a position at this time.

Commissioner Hammond states that IFG's Petition to Intervene will be pushed to the next appropriate time so there is time to review. Everyone will be notified when that decision is made. There were no objections to vacating the comment deadlines.

Commissioner Hardie made a motion to issue order to vacating comment deadlines established in order number 36695. A vote was taken on the motion, and it carried unanimously.

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

**8. Deliberation Memorandum re: In the Matter of Falls Water Co., Inc.'s Application for an Order Authorizing Increases in the Company's Rates and Charges for Water Service in the State of Idaho; Case No. FLS-W-24-02 [Adam Triplett, Attorney].**

Commissioner Hammond stated that Items 8 under Fully Submitted Matters would be deliberated privately.

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

  
COMMISSION SECRETARY

09/02/2025  
DATE OF APPROVAL