

IDAHO PUBLIC UTILITIES COMMISSION

MINUTES OF DECISION MEETING

August 25th, 2026 – 1:30 p.m.

In attendance was Commissioner Edward Lodge and Commissioner Dayn Hardie. Commissioner John R. Hammond was absent. Commissioner Lodge called the meeting to order.

The first order of business was the **APPROVAL OF MINUTES FROM THE PREVIOUS MEETING** on August 18th, 2026. The Commission voted unanimously to approve the minutes as written.

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

2. Action Item: Ty Johnson’s August 25, 2026, Decision Memorandum re: In the Matter of Intermountain Sewer and Water Corporation’s Application to Charge an Interim Rate for Service; Case No. ISW-W-25-02.

3. Action Item: Kelsea E. Ross’ August 25, 2026, Decision Memorandum re: In the Matter of Veolia Water Idaho, Inc.’s Application for an Accounting Order for Costs Associated with Load Study; Case No. VEO-W-26-02.

Commissioner Lode made a motion to approve Staff’s recommendations for Items 2 and 3 under the Consent Agenda. A vote was taken on the motion, and it carried unanimously.

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

4. Action Item: Allison Moore’s August 25, 2026, Decision Memorandum re: In the Matter of Generic Telephone – 2026 Annual Idaho Universal Service Fund Report; Case No. GNR-T-26-05.

Allison Moore presented the memorandum regarding the annual Universal Service Fund (USF) report, originally filed on July 15, 2026. Staff noted that the report contained multiple errors and inconsistencies. After the administrator resubmitted a corrected version on August 14, 2026 staff identified further issues and recalculated the report’s proposed options using the work papers provided. The administrator recommended option four, which would suspend the fund for the upcoming year due to declining local exchange services and ongoing federal transitions from copper to IP-based infrastructure. Allison noted that suspension would allow staff time to review rules and statutes considering federal changes. Staff agreed that federal developments would significantly affect both state and federal USF programs but recommended option one instead, maintaining the current structure to avoid surprising companies and to continue supporting necessary infrastructure upgrades—particularly for rural customers—to accommodate the IP transition.

Commissioners discussed whether companies would be surprised by following the administrator’s recommendation, the timing of any future transition, trends in service usage, and the possibility of revising surcharge pricing to address recurring surpluses. Staff highlighted slow declines in local service lines, slight increases in long-distance minutes, and the absence of a surcharge-pricing option in the current report.

Questions were also raised about why the fund does not earn interest, with staff noting that similar funds also do not accrue interest and the issue may be statutory. Commissioners confirmed no company outreach occurred regarding the report this year.

Commissioner Hardie made a motion to approve Staff's recommendation of option one, maintaining the current surcharge rates of 24 cents per residential line, 41 cents per business line, and 0.005 cents per intrastate MTS/Watts billed minute. The commission then approved the administrator's 2026–2027 budget. Finally, the commission directed the administrator to include in future reports an option to adjust surcharge pricing and funding levels. A vote was taken on the motion, and it carried unanimously.

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

5. Deliberation re: In the Matter of Idaho Power Company's Application for Approval of the Third Amendment to the Power Purchase Agreement Between Idaho Power Company and USG Oregon, LLC: Case No IPC-E-26-12 [Chris Burdin, Attorney].

6. Deliberation re: In the Matter of Avista Corporation's Application for an Accounting Order Authorizing a Carrying Charge on Balances Associated with the Company's Demand Side Management Programs; Case Nos. AVU-E-26-08 and AVU-G-26-04 [Kelsea E. Ross, Attorney].

Commissioner Lodge stated that Items 5 and 6 under Fully Submitted Matters would be deliberated privately.

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



COMMISSION SECRETARY

09/03/2026

DATE OF APPROVAL