

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. IPC-E-23-11
OF IDAHO POWER COMPANY FOR)
AUTHORITY TO INCREASE ITS RATES) NOTICE OF PROPOSED
AND CHARGES FOR ELECTRIC SERVICE) SETTLEMENT
IN THE STATE OF IDAHO AND FOR)
ASSOCIATED REGULATORY ACCOUNT) NOTICE OF AMENDED
TREATMENT) SCHEDULE
)
) **NOTICE OF CUSTOMER**
) **HEARINGS**
)
) **NOTICE OF TECHNICAL**
) **HEARING**
)
) **NOTICE OF PUBLIC COMMENT**
) **DEADLINE**
)
) **ORDER NO. 35985**
)

On June 1, 2023, Idaho Power Company (“Company”) filed an application (“Application”) with the Idaho Public Utilities Commission (“Commission”) requesting authority to increase its rates and charges for electric service to its customers in the State of Idaho and for associated regulatory accounting treatment. The Company requested a July 1, 2023, effective date.

On June 23, 2023, the Commission issued a Notice of Application, Notice of Suspension of Proposed Effective Date, and Notice of Intervention Deadline. Order No. 35825. The Commission granted intervention to: Clean Energy Opportunities for Idaho; Idaho Irrigation Pumpers Association, Inc.; Industrial Customers of Idaho Power; Micron Technology, Inc.; the city of Boise City; The United States Department of Energy on behalf of the Federal Executive Agencies; Idaho Conservation League; Idaho Hydroelectric Power Producers Trust d/b/a IdaHydro; NW Energy Coalition; and Walmart Inc. Order Nos. 35823; 35840; 35850; 35867, and 35901.

NOTICE OF PROPOSED SETTLEMENT
NOTICE OF AMENDED SCHEDULE
NOTICE OF CUSTOMER HEARINGS
NOTICE OF TECHNICAL HEARING
NOTICE OF PUBLIC COMMENT DEADLINE
ORDER NO. 35985

On August 2, 2023, the Commission issued a Notice of Schedule, Notice of Virtual Public Workshops, and Notice of Technical Hearing. Order No. 35873.

On September 18, October 4, and October 5, 2023, Commission Staff (“Staff”), the Company, and all Intervenors participated in settlement conferences. Based upon those settlement conferences, at the Commission’s October 10, 2023, decision meeting, Staff informed the Commission that Staff believed a settlement had been reached in principle amongst the parties in the case (“Proposed Settlement”), and Staff requested that the Commission vacate the written testimony deadlines until such time as a Proposed Settlement was filed for Commission review, or the Commission is informed that a Proposed Settlement will not be filed. On October 11, 2023, the Commission issued an Order Vacating Testimony Deadlines. Order No. 35954.

On October 27, 2023, the Company filed a Stipulation and Settlement (“Proposed Settlement”) and a Motion for Approval of Stipulation and Settlement (“Motion”). The Proposed Settlement was signed by Staff, the Company, and all Intervenors (collectively “the Parties”).

NOTICE OF PROPOSED SETTLEMENT

YOU ARE HEREBY NOTIFIED that under the Proposed Settlement, the Company’s overall retail revenue will increase by \$54.7 million annually for an average increase of 4.25 percent, which is net of a Power Cost Adjustment (“PCA”) decrease of \$168.3 million and a reduction to annual Energy Efficiency Rider collection of \$3.5 million. Proposed Settlement at 2. The Parties agree that the Proposed Settlement represents a fair, just, and reasonable compromise of the issues in this proceeding and that the Proposed Settlement is in the public interest. *Id.*

YOU ARE FURTHER NOTIFIED that the Proposed Settlement sets forth certain revenue requirement adjustments to the Company’s filed case with accompanying explanation. *Id.* at 4. The adjustments are summarized in the table below.

Summary of Stipulated Revenue Requirement Adjustments (Figures reflect Idaho Jurisdictional Amounts)		
Filed Net Revenue Increase: \$111,304,981		
Stipulated Adjustments	Adjustment Impact	Net Rate Change
1. Cost of Capital		
a. Rate of Return	(\$23,461,105)	\$87,843,876
2. Rate Base		
b. Test Year Methodology Adjustments	(\$8,294,557)	\$79,549,319
c. Battery Augmentation	(\$2,273,749)	\$77,275,569
3. Expenses		
d. Employee Housing	(\$136,485)	\$77,139,084
e. Long-Term Pay at Risk	(\$5,448,325)	\$71,690,760
f. General Labor	(\$8,961,081)	\$62,729,679
g. Uncollectible Expenses	(\$1,629,964)	\$61,099,715
h. Miscellaneous Adjustments	(\$1,365,132)	\$59,734,583
i. Non-Specific Reduction	(\$4,195,215)	\$55,539,368
4. Deferrals and Mechanisms		
j. Low Income Energy Assistance	(\$1,324,853)	\$54,214,516
k. Removal of WRAP Expenses	(\$585,182)	\$53,629,334
l. Intervenor Funding Amortization	(\$235,319)	\$53,394,015
m. Wildfire Removal and Amortization	\$1,617,743	\$55,011,758
n. Net Power Supply Expense	(\$291,972)	\$54,719,786

Id.

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the Parties agree to a 9.6 percent return on equity (“ROE”) and a 7.247 percent overall rate of return (“ROR”) based on a non-specified cost of debt and capital structure, applied to an authorized Idaho jurisdictional rate base of \$3,816,351,478. *Id.* at 5.

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the Parties do not agree on any particular cost-of-service methodology and the Proposed Settlement does not request that the Commission approve a particular cost-of-service methodology. *Id.* at 9.

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the Parties agree that the \$54.7 million net revenue increase should be recovered by implementing tariffs in conformance with Exhibit No. 1 attached to the Proposed Settlement. *Id.* The Parties represent that the rate spread was generally developed using a method to increase the rates for each customer

class by a factor at least 0.5 times, but not more than 1.3 times, the overall 4.25 percent increase, with no increase for any customer class above 120 percent of the cost-of-service index. *Id.*

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the Parties agree, for settlement purposes, to the rate design and tariff provisions included in Attachment No. 2 to the Motion and set forth in Exhibit No. 2 attached to the Proposed Settlement, which detail the rate calculations for the various schedules that differ from the Company's Application. *Id.*

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, in determining the individual rates for residential Schedules 1, Residential Service Standard Plan, and 6, Residential Service On-Site Generation, the customer billing determinants as proposed by the Company will be used but maintain the current percentage differential between each block. *Id.* at 9-10.

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the residential Service Charge will increase from \$5 per month to \$10 per month on January 1, 2024, and to \$15 per month on January 1, 2025. *Id.* at 10.

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the small general Service Charge will increase from \$5 to \$25 per month on January 1, 2024. *Id.*

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, a summer mid-peak period from 3 p.m. to 7 p.m. is added to residential time-of-use ("TOU") offerings contained in Schedules 5, Residential Service Time-of-Use Plan, and 6, Residential Service On-Site Generation, to generally align with Schedules 9, Large General Service, and 19, Large Power Service as defined in the respective tariff schedules included in Attachment No. 2 to the Motion. *Id.*

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the revenue requirement allocated to Schedule 30, U.S. Department of Energy Special Contract, will be effectuated by setting the demand charge at \$9.75/kW (a 14.71 percent increase from the current demand charge) and the energy charge at \$0.040951/kWh (a 37.84 percent increase from the current energy charge). *Id.*

YOU ARE FURTHER NOTIFIED that under the Proposed Settlement, the Schedule 8 tariff sheet will be updated to reflect the inclusion of September as part of the summer season as reflected in Attachment No. 2 to the Motion. *Id.*

YOU ARE FURTHER NOTIFIED that the Proposed Settlement contains provisions concerning Generation Interconnection Charges related to Schedule 72, and information on Separate Informal Proceedings concerning the feasibility of implementing a revenue neutral bill protection mechanism. *Id.* at 10.

YOU ARE FURTHER NOTIFIED that the Proposed Settlement contains Non-Revenue Stipulated Agreements concerning: Coal-Fired Plant Investments; Capital Investments; the Revenue Sharing Mechanism; the ADITC Revenue Sharing Mechanism; the Power Cost Adjustment; Third Party Wheeling Tracking; Radial Transmission Line Analysis; Test Year Sales Methodology for Future General Rate Cases; the Fixed Cost Adjustment; the Sales Based Adjustment Rate; Natural Gas-Fired Plant Maintenance; and the Wildfire Mitigation Plan. *Id.* at 12-16.

YOU ARE FURTHER NOTIFIED that the Parties believe that the Proposed Settlement represents a fair, just, and reasonable compromise of the positions of the Parties in this case, and that the Proposed Settlement is in the public interest. *Id.* at 17.

YOU ARE FURTHER NOTIFIED that under Commission Rule 275, “[p]roponents of a proposed settlement carry the burden of showing that the settlement is reasonable, in the public interest, or otherwise in accordance with law or regulatory policy.” IDAPA 31.01.01.275.

YOU ARE FURTHER NOTIFIED that the Commission is not bound by the Proposed Settlement reached by the Parties. The Commission will independently review any proposed settlement to determine whether the settlement is just, fair, and reasonable, and in the public interest, or otherwise in accordance with law or regulatory policy. The Commission may accept a settlement, reject a settlement, or state additional conditions under which a settlement will be accepted. IDAPA 31.01.01.274-.276.

YOU ARE FURTHER NOTIFIED that if the Commission rejects any part or all of the Proposed Settlement or imposes any additional material conditions on its approval, each Party reserves the right to withdraw from the Proposed Settlement within fourteen (14) days of such order. Proposed Settlement at 17.

YOU ARE FURTHER NOTIFIED that the Proposed Settlement in Case. No. IPC-E-23-11 has been filed with the Commission and is available for public inspection during regular

business hours at the Commission’s office or on the Commission’s website at www.puc.idaho.gov. Click on the “ELECTRIC” tab in the left-hand column of the home page, click “Open Cases,” and select the case number as shown on the front of this document.

NOTICE OF AMENDED SCHEDULE

YOU ARE FURTHER NOTIFIED that the Commission establishes the following amended procedural schedule:

- November 15, 2023: All Party Testimony
- November 22, 2023: Rebuttal Testimony
- November 27, 2023: Customer Hearing in Twin Falls starting at 5:00 p.m. and ending at 8:00 p.m. (local time).
- November 28, 2023: Customer Hearing in Boise starting at 3:00 p.m. and ending at 6:00 p.m. (local time).
- November 29, 2023: Technical Hearing in Boise starting at 9:00 a.m. and ending at 5:00 p.m. (local time).
- November 30 through December 1, 2023: Technical Hearing continued as needed each day starting at 9:00 a.m. and ending at 5:00 p.m. (local time).¹

YOU ARE FURTHER NOTIFIED that all testimony and exhibits in this matter must comport with the requirements of Commission Rules of Procedure 231 and 267. IDAPA 31.01.01.231 and .267.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission’s Rules of Procedure, IDAPA 31.01.01.000, *et seq.*

NOTICE OF CUSTOMER HEARINGS

YOU ARE FURTHER NOTIFIED that the Commission will hold a customer hearing in this matter in **Twin Falls, Idaho, on MONDAY, NOVEMBER 27, 2023, starting at 5:00 p.m. and ending at 8:00 p.m. (local time), or after all customer testimony has been taken, whichever comes first.** The Commission, in its discretion, may adjust the scheduled times as necessary. The customer hearing will be held at the **American Legion Post 7 Building, 447 Seastrom Street, Twin Falls, ID 83301.** Persons attending the hearing in-person will have an

¹ At any point between November 29, 2023, and December 1, 2023, if the Technical Hearing has concluded, the remaining time(s) scheduled will not be utilized.

opportunity to provide testimony. Persons may also listen to the live testimony and proceedings at the hearing by calling **1-415-655-0001**, and then entering code 2630 429 5831 when prompted. However, persons will not be able to provide testimony by phone.

YOU ARE FURTHER NOTIFIED that the Commission will hold a customer hearing in this matter in **Boise, Idaho, on TUESDAY, NOVEMBER 28, 2023, starting at 3:00 p.m. and ending at 6:00 p.m. (local time), or after all customer testimony has been taken, whichever comes first.** The Commission, in its discretion, may adjust the scheduled times as necessary. The customer hearing will be held at the **Idaho Public Utilities Commission, 11331 W. Chinden Boulevard, Building 8, Suite 201-A, Boise, ID 83714.** Persons attending the hearing in-person will have an opportunity to provide testimony. Persons may also listen to the live testimony and proceedings at the hearing by calling **1-415-655-0001**, and then entering code 2634 629 2666 when prompted. However, persons will not be able to provide testimony by phone.

NOTICE OF TECHNICAL HEARING

YOU ARE FURTHER NOTIFIED that the Commission will conduct a technical hearing in this matter beginning on **WEDNESDAY, NOVEMBER 29, 2023, starting at 9:00 a.m. and ending at 5:00 p.m. (local time), unless modified by the Commission. The technical hearing shall continue as necessary each day, NOVEMBER 30 through DECEMBER 1, 2023, starting each day at 9:00 a.m. and ending at 5:00 p.m. (local time), unless modified by the Commission or unnecessary.** The technical hearing will be held at the **Idaho Public Utilities Commission, 11331 W. Chinden Boulevard, Building 8, Suite 201-A, Boise, ID 83714.** A technical hearing is an opportunity for the parties to the case to present witnesses, testimony, and exhibits. IDAPA 31.01.01.241.04. Persons interested in listening to or watching the testimony and presentations at the technical hearing may attend the meeting using the information below:

Day	Scheduled time (local time)	To watch online:	To listen by telephone:
November 29, 2023	9:00 a.m- 5:00p.m.	visit idahogov.webex.com , and enter meeting number 2631 218 5942 (no spaces between numbers). Then, click on the green “Join” button. At the next	call 1-415-655-0001 and enter meeting number 2631 218 5942 when prompted.

		<p>window, please enter this password: WednesdayHearing. Next, please click on the green “Join Webinar” button. At the next window, please enter your name and e-mail address, and then click on the “Next” button. Then click on the green “Join Webinar” button.</p>	
<p>November 30, 2023</p>	<p>(as needed) 9:00 a.m-5:00p.m.</p>	<p>visit idahogov.webex.com, and enter meeting number 2634 498 0103 (no spaces between numbers). Then, click on the green “Join” button. At the next window, please enter this password: ThursdayHearing. Next, please click on the green “Join Webinar” button. At the next window, please enter your name and e-mail address, and then click on the “Next” button. Then click on the green “Join Webinar” button.</p>	<p>call 1-415-655-0001 and enter meeting number 2634 498 0103 when prompted.</p>
<p>December 1, 2023</p>	<p>(as needed) 9:00 a.m-5:00p.m.</p>	<p>visit idahogov.webex.com, and enter meeting number 2631 576 6124 (no spaces between numbers). Then, click on the green “Join” button. At the next window, please enter this password: FridayHearing. Next, please click on the green “Join Webinar” button. At the next window, please enter your name and e-mail address, and then click on the “Next” button. Then click on the green “Join Webinar” button.</p>	<p>call 1-415-655-0001 and enter meeting number 2631 576 6124 when prompted.</p>

YOU ARE FURTHER NOTIFIED that all hearings and prehearing conferences in this matter will be held in facilities meeting the accessibility requirements of the Americans with Disabilities Act (“ADA”). Persons needing the help of a sign language interpreter or other

- NOTICE OF PROPOSED SETTLEMENT
- NOTICE OF AMENDED SCHEDULE
- NOTICE OF CUSTOMER HEARINGS
- NOTICE OF TECHNICAL HEARING
- NOTICE OF PUBLIC COMMENT DEADLINE
- ORDER NO. 35985

assistance to participate in or to understand testimony and argument at a public hearing may ask the Commission to provide a sign language interpreter or other assistance at the hearing. The request for assistance must be received at least five working days before the hearing by contacting the Commission Secretary at:

IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
Telephone: (208) 334-0338
Facsimile: (208) 334-3762
Email: secretary@puc.idaho.gov

YOU ARE FURTHER NOTIFIED that the record in this matter is available for public inspection during regular business hours at the Commission's office. These documents are also available on the Commission's website at www.puc.idaho.gov. Click on the "ELECTRIC" icon, select "Open Cases," and click on the case number as shown on the front of this document.

NOTICE OF PUBLIC COMMENT DEADLINE

YOU ARE FURTHER NOTIFIED that the Commission seeks comments from the public on the Proposed Settlement. Persons desiring to state a position on the Proposed Settlement may file a written comment explaining why the person supports or opposes the Proposed Settlement. **Persons must file comments by November 28, 2023.** Comments must be filed through the Commission's website or by e-mail unless computer access is unavailable. To comment electronically, please access the Commission's home page at www.puc.idaho.gov. Click the "Case Comment Form" and complete the form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that to file by e-mail, persons must e-mail the comments to the Commission Secretary and the Company at the e-mail addresses listed below. Persons submitting a comment by e-mail must provide their name, address, and the Case Number under which they are commenting. Persons submitting a comment by e-mail also acknowledge that submitting a comment in an open case constitutes a public record under *Idaho Code* § 74-101 (13), and all information provided by such person is available for public and media inspection.

NOTICE OF PROPOSED SETTLEMENT
NOTICE OF AMENDED SCHEDULE
NOTICE OF CUSTOMER HEARINGS
NOTICE OF TECHNICAL HEARING
NOTICE OF PUBLIC COMMENT DEADLINE
ORDER NO. 35985

YOU ARE FURTHER NOTIFIED that if computer access is unavailable, then comments may be mailed to the Commission and Company at the addresses below. Persons submitting a comment by mail must provide their name, address, and the Case Number under which they are commenting. Persons submitting a comment by mail also acknowledge that submitting a comment in an open case constitutes a public record under *Idaho Code* § 74-101 (13), and all information provided by such person is available for public and media inspection.

For the Commission:

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074
secretary@puc.idaho.gov

Street Address for Express Mail:

11331 W. Chinden Blvd.
Building 8, Suite 201-A
Boise, ID 83714

For the Company:

Lisa D. Nordstrom
Donovan E. Walker
Megan Goicoechea Allen
1221 West Idaho Street (83702)
P.O. Box 70
Boise, ID 83707
lnordstrom@idahopower.com
dwalker@idahopower.com
mgoicoecheaallen@idahopower.com
dockets@idahopower.com

Timothy Tatum
Connie Aschenbrenner
Matt Larkin
1221 West Idaho Street (83702)
P.O. Box 70
Boise, ID 83707
ttatum@idahopower.com
caschenbrenner@idahopower.com
mlarkin@idahopower.com

ORDER

IT IS HEREBY ORDERED that the Commission amends the procedural schedule as set forth above.

IT IS FURTHER ORDERED that written testimony in support of, or opposition to, the Proposed Settlement is due on November 15, 2023. The Company shall have until November 22, 2023, to file any rebuttal written testimony.

IT IS FURTHER ORDERED that the Commission shall hold a customer hearing in Twin Falls, Idaho, on MONDAY, NOVEMBER 27, 2023, starting at 5:00 p.m. and ending at 8:00 p.m. (local time), or after all customer testimony has been taken, whichever comes first.

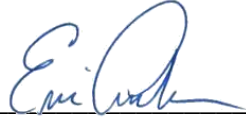
IT IS FURTHER ORDERED that the Commission shall hold a customer hearing in Boise, Idaho, on TUESDAY, NOVEMBER 28, 2023, starting at 3:00 p.m. and ending at 6:00 p.m. (local time), or after all customer testimony has been taken, whichever comes first.

IT IS FURTHER ORDERED that the Commission will conduct a technical hearing in this matter on WEDNESDAY, NOVEMBER 29, 2023, starting at 9:00 a.m. and ending at 5:00 p.m. (local time). The technical hearing shall continue as necessary each day, November 30 through December 1, 2023, starting at 9:00 a.m. and ending at 5:00 p.m. (local time).

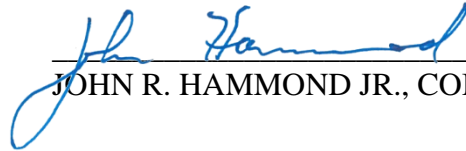
IT IS FURTHER ORDERED that persons desiring to submit public written comments must do so by November 28, 2023.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

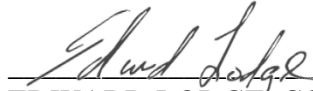
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 2nd day of November.



ERIC ANDERSON, PRESIDENT

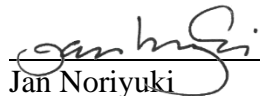


JOHN R. HAMMOND JR., COMMISSIONER



EDWARD LODGE, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

I:\Legal\ELECTRIC\IPC-E-23-11_Rates/orders\IPCE2311_Ntc_PSet_Sch_CH_TH_cb.docx