

## DECISION MEMORANDUM

**TO:** COMMISSIONER ANDERSON  
COMMISSIONER LODGE  
COMMISSIONER HAMMOND  
COMMISSION SECRETARY  
LEGAL  
WORKING FILE

**FROM:** CURTIS THADEN  
CLAIRE SHARP

**DATE:** SEPTEMBER 14, 2023

**RE:** REVISION TO IDAHO POWER ELECTRIC SERVICE SCHEDULE 95  
FRANCHISE AGREEMENT WITH THE CITY OF AMERICAN FALLS;  
TARIFF ADVICE NO. IPC-TAE-23-01

On August 23, 2023, Idaho Power (“Company”) submitted Tariff Advice No. IPC-TAE-01 to revise its Electric Service Schedule 95 to add the City of American Falls. The purpose of the filing is to pass through a new 1% franchise fee imposed on gross revenue from the sale of electricity to customers within corporate limits of the City of American Falls. The new agreement would remain in effect for 20 years from the effective date, unless amended in the manner set forth by Ordinance No. 659. Included with the filing are proposed changes to the 1) Ordinance, which sets forth the City Franchise Agreement with the Company; and 2) the proposed revisions to Schedule No. 95 (Sheet No. 95-1).

The proposed franchise fee agreement was approved by the City of American Falls on March 2, 2023, as authorized in City of American Falls Ordinance No. 659. The agreement was accepted by Idaho Power Company on July 12, 2023. Idaho Power requests an effective date of September 28, 2023.

### **BACKGROUND**

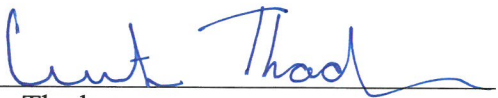
*Idaho Code* § 50-329A allows cities to establish franchise fees assessed upon a public service provider up to one percent without the consent of the public service provider or the approval of a majority of voters of the city voting on the proposal at an election. Franchise fees up to three percent are allowed with the consent of the public service provider or the approval of a majority of voters of the city voting on the question at an election.

**STAFF RECOMMENDATION**

Staff has reviewed the proposed tariff change, the franchise agreement for the City of American Falls, and the franchise fee requirements of *Idaho Code* § 50-329A. Staff recommends that the Commission accept the Company’s proposed revision to Electric Service Schedule 95-Municipal Franchise Fees, as filed. Staff recommends an effective date of September 28, 2023.

**COMMISSION DECISION**

Does the Commission wish to accept the Company’s proposed revision to Electric Service Schedule 95, as filed, effective September 28, 2023?

  
Curtis Thaden