

## DECISION MEMORANDUM

**TO:** COMMISSIONER KJELLANDER  
COMMISSIONER RAPER  
COMMISSIONER ANDERSON  
COMMISSION SECRETARY  
COMMISSION STAFF  
LEGAL

**FROM:** EDWARD JEWELL  
DEPUTY ATTORNEY GENERAL

**DATE:** SEPTEMBER 26, 2018

**SUBJECT:** APPLICATION OF ROCKY MOUNTAIN POWER FOR  
AUTHORIZATION TO CHANGE DEPRECIATION RATES  
APPLICABLE TO ELECTRIC PROPERTY; CASE NO. PAC-E-18-08.

On September 11, 2018, Rocky Mountain Power, a division of PacifiCorp (“Rocky Mountain Power” or “Company”) filed an Application seeking approval of its proposed changes to depreciation rates applicable to the Company’s electric plant. The Company’s last depreciation case, PAC-E-13-02, was approved by the Commission in 2013.

### THE APPLICATION

Rocky Mountain Power states that approval of its Application would increase the Company’s annual depreciation expense by approximately \$14.1 million on an Idaho basis. Application at 3-4. Rocky Mountain Power states that approval of its request to end its excess reserve amortizations would increase the Company’s depreciation expense by approximately \$3.2 million on an Idaho basis. *Id.* at 4. Rocky Mountain Power states that approval of its request to increase its incremental rate from the 2013 study would increase the Company’s depreciation expense by approximately \$2.0 million on an Idaho basis. *Id.* In total, Rocky Mountain Power’s proposed changes would increase the Company’s Idaho jurisdictional depreciation expense by \$19.3 million. *Id.* The Company requests the proposed depreciation rates be made effective January 1, 2021. *Id.* at 2.

The Company does not request, as part of this filing, that new depreciation rates approved in this case be reflected in tariff prices at this time. *Id.* at 4. The Company intends to

include impacts from any changes to its depreciation schedule in a future regulatory proceeding with the Commission. *Id.*

The Company represents that it has filed the Depreciation Study that it relies on in this Application in all six of its state service territories. *Id.* at 5.

### **STAFF RECOMMENDATION**

Staff recommends the Commission issue a Notice of Application and Notice of Intervention Deadline. Staff recommends setting an intervention deadline 21 days after the service date of such Order.

### **COMMISSION DECISION**

Does the Commission wish to issue a Notice of Application and Notice of Intervention Deadline that establishes an intervention deadline 21 days after the service date of such Order?

  
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Edward J. Jewell  
Deputy Attorney General

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