

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

<b>IN THE MATTER OF ROCKY MOUNTAIN POWER’S APPLICATION FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES IN IDAHO</b>	) <b>CASE NO. PAC-E-24-04</b> ) ) <b>NOTICE OF APPLICATION</b> ) ) <b>NOTICE OF INTERVENTION DEADLINE</b> ) ) <b>ORDER NO. 36229</b> )
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On May 31, 2024, PacificCorp dba Rocky Mountain Power (“Company”) applied for authority to increase its Idaho jurisdictional revenue requirement by \$92.4 million, or approximately 26.8 percent. The Company proposes the first increase of \$66.7 million, or 19.4 percent, take effect on January 1, 2025, and a second increase of \$25.7 million, or 7.4 percent, take effect on January 1, 2026.

The Commission now issues this Notice of Application and sets deadlines by which interested persons may intervene.

**NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that the Company estimates its existing rates would generate an overall return on equity (“ROE”) of about 1.10 percent during the test year.<sup>1</sup> The Company thus requests a revenue requirement increase of \$92.4 million—an increase of approximately 26.8 percent—with a ROE of 10.30 percent. The proposed increase is based on a historical test year ending December 31, 2023, “adjusted for known and measurable changes through December 31, 2024, except for net power costs (“NPC”), which is based on a forecast for 2025[.]” Application at 3.

YOU ARE FURTHER NOTIFIED that the Company’s Application proposes the following increases to customer rates by schedule:

	Effective January 1, 2025	Effective January 1, 2026
Residential – Schedule 1	17.9%	5.3%
Residential – Schedule 36	19.2%	6.0%

<sup>1</sup> The approved settlement in the Company’s most recent rate case did not address ROE, capital structure, or return on rate base. *See* Order No. 35277.

General Service – Schedule 6	20.5%	6.8%
General Service – Schedule 9	18.6%	6.5%
Irrigation – Schedule 10	22.5%	6.8%
General Service – Schedule 23	19.9%	6.4%
General Service – Schedule 35	20.8%	6.9%
Public Street Lighting	6.7%	0%
Contract – Schedule 400	18.5%	6.5%
Overall Increase	19.4%	6.3%

YOU ARE FURTHER NOTIFIED that this change in rates represents an Idaho-allocated revenue requirement of \$361.9 million, including \$12.4 million for liability insurance proposed to be collected in a new Electric Service Schedule No. 92 – Insurance Cost Adjustment, plus \$11.1 million to fund the Company’s proposed Catastrophic Fire Fund through a dedicated surcharge, Electric Service Schedule No. 193. *Id.*

YOU ARE FURTHER NOTIFIED that the Company asserts that net power costs (“NPC”) for 2025 are \$2.382 billion on a total-Company basis and \$136.7 million on an Idaho-allocated basis. *Id.* at 4. The Company represents this increase is mostly caused by higher regional power and natural gas commodity prices. *Id.*

YOU ARE FURTHER NOTIFIED that the Company requests approval to include the incremental additions to its rate base, including Gateway South transmission line, Gateway West Segment D1 transmission line, Rock Creek 1 wind facility, and Foote Creek II, III, and IV and Rock River I repowering projects, for a total Idaho rate base of approximately \$1.1 billion. *Id.*

YOU ARE FURTHER NOTIFIED that the Company seeks approval to modify the Energy Cost Adjustment Mechanism (“ECAM”) to replace the 90/10 sharing band for NPC variances with a 95/5 sharing band. The Company asserts the “90/10 sharing band is outdated as it does not reflect how the Company dispatched resources, the uncertainty in being able to accurately forecast NPC, and the Company’s plan to join the EDAM.” *Id.*<sup>2</sup>

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<sup>2</sup> In support of its request to change the sharing band percentages the Company also asserts that the ECAM is not consistent with similar net power cost mechanisms in comparable states. *Id.*

YOU ARE FURTHER NOTIFIED that The Company seeks to remove the renewable energy certificate (“REC”) revenue adjustment from the annual ECAM calculation and instead provide a new voluntary renewable energy credit option tariff and a new REC revenue adjustment tariff. *Id.*

YOU ARE FURTHER NOTIFIED that the Company is requesting approval of an Insurance Cost Adjustment (“ICA”) that will recover the costs for excess liability insurance through a separate surcharge. The Company claims that “separating recovery for this expense will enable the Company to annually procure insurance for third-party liability using the most economical combination of commercial insurance and self-insurance through a new Insurance Mechanism that the Company is developing.” *Id.* The Company is also “proposing a Catastrophic Fire Fund framework that will facilitate creation of a multi-state risk pool for potential catastrophic events where third-party liabilities are in excess of the Company’s insurance coverage.” *Id.* The Company contends that “without the requested increase in revenues and proposals to address wildfire liability, it will be increasingly difficult for the Company to maintain its utility infrastructure and continue to provide adequate, efficient, just, and reasonable service to its Idaho customers.” *Id.*

YOU ARE FURTHER NOTIFIED that the Company’s Application includes written testimony from several witnesses and exhibits explaining and defending the calculation of the Company’s proposed rate increase.

YOU ARE FURTHER NOTIFIED that the Company asserts it is providing notice of the Application to its customers through bill inserts, and in some instances through personal contact. The Company is also issuing a press release to local media organizations and providing copies of the Application on its website and at local Company offices.

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are 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](http://www.puc.idaho.gov). Click on the “Electric” icon, select “Open Cases,” and then click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that **the Commission has designated this case as a general rate case**. As such, the Company’s intrastate revenue requirement, and every component

of it, both rate base and expense, are at issue. The Commission may grant, deny, or modify the revenue requirement requested and may find a revenue requirement different from that proposed by any party is just, fair, and reasonable. IDAPA 31.01.01.124.01.

YOU ARE FURTHER NOTIFIED that all of the Company's retail rates and charges, both recurring and non-recurring, including those of special contract customers, are at issue, and every component of every existing and proposed rate and charge is at issue. The Commission may approve, reject, or modify the rates and charges proposed and may find that rates and charges different from those proposed by any party are just, fair, and reasonable. IDAPA 31.01.01.124.02.

YOU ARE FURTHER NOTIFIED that the Commission may approve, reject, or modify existing or proposed relationships between and among rates and charges within, between, or among customer classes or rate groupings and may approve, reject, or modify existing or proposed relationships among and between customer classes or rate groupings.

YOU ARE FURTHER NOTIFIED that the Commission may abolish, reduce, or create rate blocks or categories of rates and charges, abolish, create, or reduce components of rates and charges, abolish, reduce, or create customer classes or rate groupings, and abolish, reduce, or create absolute or relative differences among and between existing classes or rate groupings of customers.

YOU ARE FURTHER NOTIFIED that the tariffs, practices, rules, and regulations, service, instrumentalities, equipment, facilities, classifications, and customer relations of the utility are at issue, and the Commission may address any of them in its order.

YOU ARE FURTHER NOTIFIED that the Commission has jurisdiction over the Company, its filing, and the issues pertaining to this case pursuant to Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-501, -502, -507, -520, -523, and -622.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code.

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 INTERVENTION DEADLINE**

YOU ARE FURTHER NOTIFIED that persons desiring to intervene in this matter to obtain parties' rights of participation must file a Petition to Intervene with the Commission pursuant to this Commission's Rules of Procedure 72 and 73, IDAPA 31.01.01.072 and -.073.

**Persons who wish to intervene as a party must file a Petition to Intervene no later than 21 days after the date of service of this Order.** Such persons shall also provide the Commission Secretary with their email address to facilitate further communications. After the intervention deadline runs, the Commission Secretary shall issue a Notice of Parties that identifies the parties and assigns exhibit numbers to each party. Once the Notice of Parties has issued, Commission Staff shall informally confer with the Company and any intervening parties about how to further process this case and shall then report back to the Commission on a proposed case schedule.

YOU ARE FURTHER NOTIFIED that persons who would like to present their views without parties' rights of participation and cross-examination do not have to intervene but may present their views by submitting written comments to the Commission.

YOU ARE FURTHER NOTIFIED that the following people are designated as the Company's representatives in this matter:

Mark Alder  
Rocky Mountain Power  
1407 West North Temple, Suite 330  
Salt Lake City, Utah 84116  
[mark.alder@pacificorp.com](mailto:mark.alder@pacificorp.com)

Joe Dallas  
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[carla.scarsella@pacificorp.com](mailto:carla.scarsella@pacificorp.com)

### **ORDER**


IT IS HEREBY ORDERED that persons desiring to intervene in this matter must file a Petition to Intervene no later than 21 days from the service date of this Order. Once the deadline has passed, the Commission Secretary shall prepare and issue a Notice of Parties.

IT IS FURTHER ORDERED that, after the Notice of Parties has issued, Commission Staff shall confer with the parties regarding a procedural schedule for this matter including, if necessary, a hearing in this matter.

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 20<sup>th</sup> day of June 2024.

  
ERIC ANDERSON, PRESIDENT

  
JOHN R. HAMMOND JR., COMMISSIONER

  
EDWARD LODGE, COMMISSIONER

ATTEST:

  
Monica Barnes-Sanchez  
Commission Secretary

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