# **BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

IN THE MATTER OF ROCKY MOUNTAIN POWER'S APPLICATION FOR AUTHORITY TO INCREASE ITS RATES AND CHARGES IN IDAHO	<ul> <li>) CASE NO. PAC-E-24-04</li> <li>)</li> <li>) NOTICE OF PROPOSED</li> <li>) SETTLEMENT</li> </ul>
	) NOTICE OF AMENDED ) SCHEDULE
	) NOTICE OF COMMENT ) DEADLINE
	) NOTICE OF TECHNICAL ) HEARING
	) ) ORDER NO. 36424 )

On May 31, 2024, PacifiCorp dba Rocky Mountain Power ("Company") applied for authority to increase its Idaho jurisdictional revenue requirement by \$92.4 million, or approximately 26.8 percent. Order No. 36229. The Company proposed increasing its revenue requirement by \$66.7 million, or 19.4 percent, effective January 1, 2025, with a second increase of \$25.7 million, or 7.4 percent, effective January 1, 2026.

Idaho Irrigation Pumpers Association, Inc. ("IIPA"), P4 Production, LLC, an affiliate of Bayer Corporation ("Bayer"), Idaho Conservation League ("ICL"), , and PacifiCorp Idaho Industrial Customers ("PIIC") (collectively, the "Intervenors") intervened in the case. *See* Order Nos. 36230, 36240 & 36253.

On September 25, 2024, Commission Staff ("Staff") notified the Commission that the parties intended to enter settlement discussions with the intent to resolve the outstanding issues in the case. *See* IDAPA 31.01.01.271 through .277.

On November 22, 2024, the Commission set a schedule for processing this case, including dates for Staff and Intervenor prefile testimony, a customer hearing, Company rebuttal testimony, and a technical hearing. Order No. 36364.

On December 6, 2024, a proposed Stipulation and Settlement ("Settlement") were filed with the Commission. See IDAPA 31.01.01.056, .272, and .274. The proposed Settlement was signed by the Company, Staff, Bayer, IIPA and PIIC (collectively the "Parties" or individually "Party").<sup>1</sup>

With this Order, we provide notice of the proposed Settlement, amend the procedural schedule for this case, and provide notice of a customer comment deadline.

## NOTICE OF PROPOSED SETTLEMENT

YOU ARE HEREBY NOTIFIED that the Parties agree the proposed Settlement represents a fair, just, and reasonable compromise of the issues in this proceeding and the proposed Settlement is in the public interest.

YOU ARE FURTHER NOTIFIED that under the proposed Settlement, the Company would be allowed an overall base rate increase of \$57.94 million or 16.8 percent, effective January 1, 2025.

YOU ARE FURTHER NOTIFIED that the Schedule 94 Energy Cost Adjustment Mechanism ("ECAM") rates for recovery of 2023 deferred costs will be reduced by 50 percent, effective on the latter of January 1, 2025, or when the rate increase described above becomes effective. The remaining 2023 deferral and costs deferred in 2024 will be collected over the following two years.

YOU ARE FURTHER NOTIFIED that the adjustment to ECAM rates described above reduces the net impact of the overall rate increase by \$32.5 million, resulting in a net rate change of \$25.44 million or 7.4 percent. The Parties agree that the increase does not represent agreement or acceptance by the Parties of any specific revenue requirement method, unless specified.

YOU ARE FURTHER NOTIFIED that the Parties agree that the base rate increase includes recovery of the Gateway South and Gateway West transmission projects as well as the Rock River I, Foot Creek II-IV, and Rock Creek I wind projects.

YOU ARE FURTHER NOTIFIED that the Parties reserve the right to review and provide recommendations to the Commission regarding recovery of capital costs associated with the

<sup>1</sup> The one party that did not sign—ICL—had already filed a notice of withdrawal on November 14, 2024. NOTICE OF PROPOSED SETTLEMENT NOTICE OF AMENDED SCHEDULE NOTICE OF COMMENT DEADLINE NOTICE OF TECHNICAL HEARING **ORDER NO. 36424** 2

transmission level line extension for Project Specialized (Oregon) in the Company's next general rate case.

YOU ARE FURTHER NOTIFIED that under the proposed Settlement, the following revised base amounts for the ECAM are included in Attachment A to the Proposed Settlement:

- Net Power Costs \$2,228,403,177 or \$36.66/MWh total-company, \$128,240,000 or \$36.91/MWh Idaho-allocated.
- Base Production Tax Credits are equal to the amount filed in the application at (\$4.31)/MWh
- LCAR \$6.29/MWh

YOU ARE FURTHER NOTIFIED that the Company withdraws its proposal for a Catastrophic Fire Fund but reserves the right to propose the fund in a future proceeding.

YOU ARE FURTHER NOTIFIED that, respecting Excess Liability Insurance Premium costs, the Parties agree to \$9,806,312 as Idaho's allocation of such costs. Excess liability insurance premium cost differing from the amount in base rates will be tracked separately in a deferral. Prudently incurred insurance cost exceeding the amount in base rates will be amortized in the Company's next general rate case.

YOU ARE FURTHER NOTIFIED that the Parties agree to implementation of a Voluntary Renewable Energy Credit Option Tariff, subject to conditions contained in the Settlement.

YOU ARE FURTHER NOTIFIED that the Parties agree that rate design will be established using the Company's proposed class cost of service study with a cap of 110 percent of the overall average base rate increase and a floor of zero percent price change for all classes. The cap and floor percentage will apply to the base rate increase before application of the Insurance Cost Adjustment and ECAM changes agreed to in the Settlement. Schedule 1 and Schedule 36 Customer Service Charges will continue to increase according to the timing specified in the Residential Rate Modernization Plan (Case No. PAC-E-22-15) with commensurate decreases in Energy Charges on June 1 each year of the plan. Schedule 1 Energy Charges will remain at the current 17 percent differential in tiers in both seasons. Rate schedules other than Schedule 1 and Schedule 36 will be consistent with the Company's proposed rate design. Schedule 24 will be eliminated. Additionally,

there will be a 30,000 kW load limit for Schedules 6, 6A, 23, and 23A. Tariff changes shall be consistent with the Company's proposals set forth in the Application.

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.

YOU ARE FURTHER NOTIFIED that the proposed Settlement in Case No. PAC-E-24-04 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 <u>www.puc.idaho.gov</u>. Click on the "ELECTRIC" tab in the left-hand column of the home page, click "Open Cases," click on either case number as shown on the front of this document. You then may access the Settlement by clicking on "SETTLEMENT STIPULATION.PDF" under the "Company" heading.

#### AMENDED NOTICE OF SCHEDULING

YOU ARE FURTHER NOTIFIED that based on the recently filed proposed Settlement, the Commission finds it reasonable to amend the procedural schedule. The new Schedule is:

Customer Hearing	December 16, 2024
Testimony In Support	December 19, 2024
Technical Hearing	January 9, 2025
Customer Comment Deadline	January 9, 2025

YOU ARE FURTHER NOTIFIED that the date established for a customer hearing has not changed from the schedule set in Order No. 36364. The technical hearing schedule has been amended and will take place on January 9, 2025.

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

#### NOTICE OF TECHNICAL HEARING

YOU ARE FURTHER NOTIFIED that the Commission will conduct a technical hearing in this matter on **Thursday, January 9, 2025, commencing at 10:00 a.m. (local time)**. 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 parties to the case to present witnesses and testimony (including exhibits). *See* IDAPA 31.01.01.241.04. Non-parties interested in listening to the testimony and presentations at the technical hearing can attend the meeting at the Commission's office:

> Idaho Public Utilities Commission 11331 W. Chinden Blvd. Building 8, Suite 201-A Boise, Idaho 83714

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 assistance in order 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 (208) 334-0338 (Telephone) (208) 334-3762 (FAX) <u>secretary@puc.idaho.gov</u>

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.

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 COMMENT DEADLINE

YOU ARE FURTHER NOTIFIED that persons desiring to state a position on this proposed Settlement may file a written comment explaining why the person supports or opposes the proposed Settlement. **Persons interested in filing written comments must do so by January 9, 2025.** 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 website at http://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.

To file by e-mail, persons must e-mail the comments to the Commission Secretary and all parties 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.

If computer access is unavailable, then comments may be mailed to the Commission and the Parties 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 Idaho Public Utilities 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, Idaho 83714

## For Rocky Mountain Power:

Mark Alder Rocky Mountain Power 1407 West North Temple, Suite 330 Salt Lake City, Utah 84116 mark.alder@pacificorp.com

Joe Dallas Carla Scarsella Rocky Mountain Power 1407 W. North Temple, Suite 320 Salt Lake City Utah 84116 joseph.dallas@pacificorp.com carla.scarsella@pacificorp.com

# ORDER

IT IS HEREBY ORDERED that the Staff and Intervenor Prefile Testimony deadline of December 12, 2024, and the Company Rebuttal Testimony deadline of January 7, 2025, are vacated.

IT IS FURTHER ORDERED that the procedural schedule, set forth in the above Amended Notice of Scheduling section, is approved.

IT IS FURTHER ORDERED that the Parties must file any testimony in support of the proposed Settlement and any exhibits by December 19, 2024.

IT IS FURTHER ORDERED that the Customer Hearing scheduled in Order No. 36364 will take place as previously scheduled at 1345 Barton Rd., Pocatello, ID 83204 (Idaho Fish and Game—Southeast Regional Office) at 4:00 p.m. (local time). Those planning on testifying are encouraged to arrive at the hearing location by 3:45 p.m. (local time) as the hearing will conclude when it appears all customer testimony has been received. For those who wish to call-in and listen only, please call 1-415-655-0001 and enter meeting number 2864 793 8995 when prompted (customers will not be allowed to testify telephonically).

IT IS FURTHER ORDERED that the Commission will hold a technical hearing for the Parties at its offices in Boise, Idaho, to offer evidence and examine witnesses on Thursday, January

<u>9, 2025, at 10:00 a.m. (local time)</u>. NOTICE OF PROPOSED SETTLEMENT NOTICE OF AMENDED SCHEDULE NOTICE OF COMMENT DEADLINE NOTICE OF TECHNICAL HEARING ORDER NO. 36424 IT IS FURTHER ORDERED that persons interested in submitting written comments on the proposed Settlement must do so by January 9, 2025.

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 19<sup>th</sup> day of December 2024.

ERIC ANDERSON, PRESIDENT

JOHN R. HAMMOND JR., COMMISSIONER

EDWARD LODGE, COMMISSIONER

ATTEST:

Sanchez

Commission Secretary

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