

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
LEGAL
WORKING FILE

FROM: MARIA BARRATT-RILEY

DATE: April 14, 2014

RE: CALCULATING THE 2014 REGULATORY FEE ASSESSMENTS FOR PUBLIC UTILITIES AND RAILROADS, CASE NOS. F-2014-1, F2014-2 and F-2014-3.

HB 554 and SB 1429 appropriated a total of \$5,815,200 to the Commission for Fiscal Year 2015. The total appropriation includes \$5,595,600 from fees assessed on public utilities and railroad corporations; \$179,600 for federal grants, and \$40,000 for indirect funds. Attachment 1 shows the calculations to arrive at the amounts to be collected. Attachment 2 shows the calculations to arrive at the assessment for utilities and railroads, respectively.

1. Utility Assessment. The utilities do not have any carry-over balance from Fiscal Year 2013 Expenditures. The calculated 2014 assessment for public utilities for Fiscal Year 2015 is \$5,420,200 (\$5,595,600-\$175,400).

For calendar year 2013, Title 61 and Title 62 utilities reported gross intrastate operating revenues of approximately \$2,286,100,000. This is a reported revenue increase of approximately \$223.4 million (10.8%) from the prior year. The proportionate share for each utility's regulatory fee is to be assessed at .2371% (.002371) of each utility's gross intrastate operating revenue. Pursuant to *Idaho Code* § 61-1004(2) and 61-1004(4) the maximum fee payable shall not exceed three-tenths (3/10) of one percent (1%) of the gross operating revenues derived from the intrastate utility business of each such public utility and the minimum regulatory fee assessed is no less than \$50.00

2. Railroad Assessment. The railroads do not have any carry-over balance from Fiscal Year 2013 Expenditures. The calculated 2014 assessment for railroads for Fiscal Year 2015 is \$175,400.

For calendar year 2013, the railroads reported gross intrastate operating revenues of approximately \$32,926,800. This is an increase of approximately \$14.5 million (78.2%) from the prior year. Accordingly, the proportionate share for each railroad's fee is to be assessed at .5327% (.005327) of each railroad's gross intrastate operating revenues. Pursuant to *Idaho Code* § 61-1004(1) and 61-1004(4) the maximum fee payable shall not

exceed one percent (1%) of the gross operating revenues derived from the intrastate utility business of each railroad corporation and the minimum regulatory fee assessed is no less than \$50.00

3. Pipeline Assessment. In 2013 the Legislature amended *Idaho Code* § 61-1004 regarding regulatory fees associated with the safety supervision and regulation of each pipeline corporation. The Commission is authorized to assess each pipeline corporation a regulatory fee to recover the Commission's time and expense devoted to the safety supervision and regulation of each pipeline corporation. In no case shall the fee be less than fifty dollars (\$50.00).

For calendar year 2014, each pipeline corporation shall be assessed \$50.00.

COMMISSION DECISION

1. Does the Commission agree with the Staff's calculation of the regulatory assessment for the utilities of \$5,420,200 and for railroads of \$175,400?
2. Does the Commission agree with the Staff's calculation of the regulatory assessment rate for the utilities of .2371% (.002371)?
3. Does the Commission agree with the Staff's calculation of the regulatory assessment rate for the railroads .5327% (.005327)?
4. Does the Commission agree with the Staff's calculation of the regulatory assessment fee of \$50 for each pipeline corporations?


Maria Barratt-Riley
Deputy Administrator

**IDAHO PUBLIC UTILITIES COMMISSION
CALCULATION OF 2014 ASSESSMENT
For Fiscal Year 2015
(amounts are in dollars)**

	Federal	Indirect	Railroad	Utilities	Total
Total FY 2015 Appropriation	179,600	40,000	175,400	5,420,200	5,815,200
Adjustments:					
Subtract FY 2013 year end savings (net expenses- assessed revenues)			-	-	-
<i>Subtotal: FY 2015 Funding Target</i>			175,400.00	5,420,200.00	5,595,600.00
Total FY 2015 Regulatory Programs			175,400.00	5,420,200.00	5,595,600.00

Attachment 2

Apportionment Factor (%)
Calculation of 2014 Assessment for FY 2015

Assessments	Railroad	Utilities	Totals
2014 Calculated Total	175,400.00	5,420,200.00	5,595,600.00
2013 Actual Assessment	113,700.00	4,648,000.00	4,761,700.00
Change from prior year	61,700.00	772,200.00	833,900.00
percent increase/(decrease) from last year	54.27%	16.61%	

Gross Intrastate Revenues(GIOR)			
Reported Gross Intrastate Revenues for CY2013	32,926,804.50	2,286,052,142.02	2,318,978,946.52
Reported Gross Intrastate Revenues for CY2012	18,474,771.45	2,062,636,841.83	2,081,111,613.28
Change from prior year	14,452,033.05	223,415,300.19	237,867,333.24
percent increase/(decrease) from last year	78.23%	10.83%	

Apportionment Factor Calculation		
2014 Calculated Assessment Rate	0.005327	0.002371
2013 Assessment Rate	0.006154	0.002253
Change from prior year	(0.000827)	0.000118
percent increase/(decrease -) over last years factor	-13.44%	5.22%

Maximum Percentage Allowed by Law	1.0%	0.3%
Maximum Percent Express as a decimal	0.010000	0.003000