

## DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER  
COMMISSIONER RAPPER  
COMMISSIONER REDFORD  
COMMISSION SECRETARY  
LEGAL  
WORKING FILE**

**FROM: MARIA BARRATT-RILEY**

**DATE: April 10, 2015**

**RE: CALCULATING THE 2015 REGULATORY FEE ASSESSMENTS FOR  
PUBLIC UTILITIES, RAILROADS, and PIPELINES; CASE NOS. F-2015-  
1, F2015-2 and F-2015-3.**

HB 228 and SB 1119 appropriated a total of \$6,174,100 to the Commission for Fiscal Year 2016. The total appropriation includes \$5,766,500 from fees assessed on public utilities and railroad corporations; \$307,600 for federal grants, and \$100,000 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 2014 Expenditures. The calculated assessment for public utilities for Fiscal Year 2016 is \$5,623,500 (\$5,766,500-\$143,000).

For calendar year 2014, Title 61 and Title 62 utilities reported gross intrastate operating revenues of approximately \$2,266,423,800. This is a reported revenue decrease of approximately \$19.6 million (less than 1%) from the prior year. The proportionate share for each utility's regulatory fee is to be assessed at .2481% (.002481) 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 2014 Expenditures. The calculated assessment for railroads for Fiscal Year 2016 is \$143,000.

For calendar year 2014 the railroads reported gross intrastate operating revenues of approximately \$23,508,800. This is an increase of approximately \$5.9 million (34.2%) from the prior year. Accordingly, the proportionate share for each railroad's fee is to be assessed at .6083% (.006083) 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. *Idaho Code* § 61-1004 authorizes the Commission to assess each pipeline corporation a regulatory fee to recover the Commission's actual 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).

### COMMISSION DECISION

1. Does the Commission agree with the Staff's calculation of the regulatory assessment for the utilities of \$5,623,500 and for railroads of \$143,000?
2. Does the Commission agree with the Staff's calculation of the regulatory assessment rate for the utilities of .2481% (.002481)?
3. Does the Commission agree with the Staff's calculation of the regulatory assessment rate for the railroads .6083% (.006083)?
4. Does the Commission agree with the Staff's calculation of the minimum regulatory assessment fee of \$50 for each pipeline corporation?
5. Does the Commission agree with the Staff's procedures for recovering actual time and expenses for those pipelines that are safety supervised and regulated?



Maria Barratt-Riley  
Deputy Administrator

Attachment 1

**IDAHO PUBLIC UTILITIES COMMISSION  
CALCULATION OF 2015 ASSESSMENT**  
For Fiscal Year 2016  
(amounts are in dollars)

	Federal	Indirect	Railroad	Utilities	Total
<b>Total FY 2016 Appropriation</b>	307,600	100,000	143,000	5,623,500	6,174,100
<b>Adjustments:</b>					
Subtract FY 2014 year end savings (net expenses- assessed revenues)			-	-	-
<i>Subtotal: FY 2016 Funding Target</i>			143,000.00	5,623,500.00	5,766,500.00
<b>Total FY 2016 Regulatory Programs</b>			<b>143,000.00</b>	<b>5,623,500.00</b>	<b>5,766,500.00</b>

Attachment 2

**Apportionment Factor (%)**  
**Calculation of 2015 Assessment for FY 2016**

<b>Assessments</b>	<b>Railroad</b>	<b>Utilities</b>	<b>Totals</b>
2015 Calculated Total for FY 2016	143,000.00	5,623,500.00	5,766,500.00
2014 Actual Assessment for FY2015	93,335.87	5,420,200.00	5,513,535.87
Change from prior year	49,664.13	203,300.00	252,964.13
percent increase/(decrease) from last year	53.21%	3.75%	

<b>Gross Intrastate Revenues(GIOR)</b>			
Reported Gross Intrastate Revenues for CY2014	23,508,879.50	2,266,423,848.25	2,289,932,727.75
Reported Gross Intrastate Revenues for CY2013	17,521,282.50	2,286,052,142.02	2,303,573,424.52
Change from prior year	5,987,597.00	(19,628,293.77)	(13,640,696.77)
percent increase/(decrease) from last year	34.17%	-0.86%	

<b>Apportionment Factor Calculation</b>			
2015 Calculated Assessment Rate for FY 2016	0.006083	0.002481	
2014 Assessment Rate for FY 2015	0.005327	0.002371	
Change from prior year	0.000756	0.000110	
percent increase/(decrease -) over last years factor	14.19%	4.64%	

<b>Maximum Percentage Allowed by Law</b>	1.0%	0.3%
<b>Maximum Percent Express as a decimal</b>	0.010000	0.003000