DECISION MEMORANDUM

TO:COMMISSIONER NELSON

COMMISSIONER SMITH

COMMISSIONER HANSEN

MYRNA WALTERS

TONYA CLARK

DON HOWELL

STEPHANIE MILLER

DAVE SCHUNKE

GARY RICHARDSON

WORKING FILE

FROM:WELDON STUTZMAN

TONY JONES

BEV BARKER

KATHY STOCKTON

RICK STERLING

DATE:DECEMBER 27, 1995

RE:CASE NO. IPC-E-95-18

IDAHO POWER TARIFF ADVICE, RULE H; PROPOSAL TO MODIFY TARIFF TO INCREASE CHARGES TO NEW CUSTOMERS OR DEVELOPERS

On December 8, 1995, Idaho Power Company filed an Application for approval of modifications to its Tariff No. 101, Rule H, providing for charges for the construction of distribution line installations or alterations.  Idaho Power proposes to shift the cost for new service attachments and distribution line installations or alterations from the system revenue requirement to the new customer requesting the construction.  The major proposed changes to the existing Rule H procedures include the following:

1.extension allowances are discontinued;

2.a new system of refundable and non-refundable customer charges is established which include a:

●non-refundable Service Attachment Charge

●non-refundable Base Installation Charge

●refundable Supplementary Installation Charge

●non-refundable Vested Interest Charge

●miscellaneous non-refundable charges

●subdivisions and multiple tenant project charges are non-refundable except for charges resulting from facilities outside the subdivision or multiple tenant project.

The proposed new Rule H would require contributions from customers for new service attachments and/or distribution line installations or alterations.  For example, new residential customers would be required to pay a non-refundable “Service Attachment Charge” ranging from $120-735 and a non-refundable “Base Installation Charge” of $1500, in addition to any applicable “Vested Interest Charges” (non-refundable) and “Supplementary Installation Charges” (refundable).

Idaho Power suggests the Commission issue a notice of the proposed tariff, including a scheduled workshop to determine whether the Company, Staff, and other interested parties can agree to modifications to the Rule H tariff.  It is not necessary to suspend the tariff because it does not contain an effective date.

Staff agrees with Idaho Power’s proposal for processing its Application.  Thus, Staff recommends issuing a notice of the tariff filing, including a scheduled workshop for January 23, 1996 at 1:30 p.m.  Staff is willing to meet with the Company and other interested parties during the workshop session in January to identify and address issues raised by Idaho Power’s proposal.  To the extent possible, workshop participants will seek to resolve contested issues.

Commission Decision

Should the Commission issue a notice of the proposed tariff filing, including a workshop in January to determine whether the parties can identify and resolve any differences in the proposed tariff?

Weldon Stutzman

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