

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER HANSEN
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

FROM: SCOTT WOODBURY

DATE: MAY 9, 2003

**RE: CASE NO. PAC-E-02-5 (PacifiCorp)
REQUESTED CHANGE IN DEPRECIATION RATES**

On October 1, 2002, PacifiCorp dba Utah Power & Light Company (PacifiCorp; Company) filed an Application for a change in its current depreciation rates. The net effect of the Company's Application was to increase depreciation expense allocated to Idaho by \$0.6 million annually. On May 7, 2003, Commission Staff and PacifiCorp filed a proposed stipulated Settlement for Commission consideration. Should the Commission accept the Stipulation, the depreciation expense currently booked by the Company will decrease approximately \$0.9 million annually. This is a \$1.5 million difference from the Company's original request for an increase of \$0.6 million.

Commission Decision

Staff recommends that the Commission issue a Notice of the Proposed Settlement Stipulation filed by Commission Staff and PacifiCorp and process the matter under Modified Procedure, i.e., by written submission rather than by hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-.204. Staff recommends a comment period of two weeks. Does the Commission agree with Staff's proposed procedure?

Scott Woodbury