

DECISION MEMORANDUM

TO: COMMISSIONER KJELLANDER
COMMISSIONER REDFORD
COMMISSIONER SMITH
COMMISSION SECRETARY
COMMISSION STAFF

FROM: DON HOWELL
DEPUTY ATTORNEY GENERAL

DATE: MARCH 5, 2013

SUBJECT: PACIFICORP DBA ROCKY MOUNTAIN POWER'S APPLICATION TO
INITIATE DISCUSSIONS REGARDING AN ALTERNATIVE RATE
PLAN PROPOSAL, CASE NO. PAC-E-13-04

On March 1, 2013, PacifiCorp dba Rocky Mountain Power filed two documents. First, Rocky Mountain filed a "Notice of Intent" pursuant to Rule 122 that the Company intends to file a general rate case. Rule 122 requires utilities to file a notice of intent at least 60 days before filing such rate case. IDAPA 31.01.01.122.01.¹ The Company acknowledges in the Notice that in its last rate case, Rocky Mountain stipulated it would not file a general rate case before May 31, 2013, and that rates resulting from such rate case will not be effective until January 1, 2014. Notice at 1.

Second, the Company filed an Application requesting that the Commission open a case "to identify interested parties that would like to participate [in] settlement discussions" regarding alternatives to filing a general rate case. Application at 1. The Company has had informal discussions "with the majority of [Rocky Mountain's] customer representatives including Commission Staff, PacifiCorp Idaho Industrial Customers, Idaho Irrigation Pumpers Association and Monsanto" regarding alternatives to a rate case. The purpose of this case would be to allow parties to enter into discussions "that could possibly avoid the necessity and associated expenses for all parties [by] avoiding a general rate case." *Id.* at 2.

¹ Rule 122.01 also provides that if the general rate case is not filed within 120 days "after filing of the notice of intent to file a general rate case, [the] notice of intent to file a general rate case will be considered withdrawn unless it is supplemented with a written statement that the utility still intends to file a general rate case of the kind described in its notice. . . ."

The Company's Application concedes that it is prohibited from filing a general rate case until May 31, 2013, and that rates from such case may not become effective prior to January 1, 2014. *Id.* at 2. In essence, the Company requests that the Commission initiate a case, set a deadline for intervention, and establish a schedule for settlement conferences to allow the parties to enter into settlement discussions. Settlement by the parties in this case "would allow the Company to avoid filing a general rate case in 2013 and extend the existing rate plan for an additional period of time." Application at 2-3.

STAFF RECOMMENDATION

Staff concurs in the Company's proposal to initiate settlement discussions in an effort to avoid or narrow issues in a general rate case. Staff believes it is appropriate for the Commission to issue a Notice of Application and set a deadline for intervention to ensure that all interested persons may have notice and participate in the settlement discussions. Once the deadline for intervention has passed, Staff would recommend that the parties convene an informal prehearing conference to determine and recommend a settlement conference schedule.

COMMISSION DECISION

Does the Commission wish to issue a Notice of Application, set a deadline for intervention, and schedule an informal prehearing conference for the parties to develop a settlement schedule?



Don Howell
Deputy Attorney General

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