DECISION MEMORANDUM

TO:COMMISSIONER HANSEN

COMMISSIONER NELSON

COMMISSIONER SMITH

MYRNA WALTERS

TONYA CLARK

BILL EASTLAKE

STEPHANIE MILLER

DAVID SCHUNKE

DON HOWELL

KEITH HESSING

DAVID SCOTT

WORKING FILE

FROM:SCOTT WOODBURY

DATE:OCTOBER 5, 1998

RE:CASE NO.  WWP-E-98-10 (WASHINGTON WATER POWER)

PETITION TO SUSPEND PCA REBATE FILING ($3,093,000) REQUIREMENT

On September 8, 1998, The Washington Water Power Company (Water Power; Company; WWP) filed a “Notice of Power Cost Adjustment (PCA) Trigger Being Exceeded” with the Idaho Public Utilities Commission (Commission).  The Company in its notice stated that deferral related to PCA for the month of August 1998 had increased the rebate balance in the PCA deferral account to $3,093,000, exceeding the “trigger” amount of $2,200,000.  Pursuant to established PCA methodology the filing of a proposed revised PCA tariff together with supporting testimony and exhibits is required within 45 days of formal notice.  Reference PCA Methodology Case No.  WWP-E-88-3, Order No.  22816.

On September 30, 1998, Water Power filed a Petition with the Commission in Case No. WWP-E-98-10 requesting permission to suspend the required filing of a revised PCA tariff (i.e., $3,093,000 rebate).  The Company notes that pending before the Commission is its April 1, 1998 filing in Case No.  WWP-E-98-4 in which the Company is requesting termination of the PCA and recommending that no additional rebates be given to customers.  A hearing is scheduled in that case for October 28, 1998.  The Company is requesting that any decision regarding obligation to file be deferred pending the Commission’s final Order in that case.  If the Commission determines that a tariff filing is necessary as a result of its findings in the PCA termination case, Water Power agrees to file a tariff change within 30 days of the date of the Commission’s Order.  Waiting for the outcome of the PCA termination case the Company contends should not unduly delay the implementation of a tariff change, if a tariff change were to occur (estimated 30 day delay).

COMMISSION DECISION:

Without a suspension The Washington Water Power Company would be required to make a PCA tariff filing no later than October 23, 1998.  Does the Commission based on the filings of record (attached) wish to grant or deny the Company’s Petition.  Alternatively, does the Commission wish to issue a Notice of Petition? Should the Commission determine to notice this petition, interested parties would have 21 days in which to respond, object or file a motion to dismiss.  Reference IDAPA 31.01.01.052.02.  If noticed, Staff intends to file an objection/motion to dismiss/motion to compel contending that the PCA methodology continues until changed and that the Company is obliged to rebate the accrued $3,093,000 to its customers.  What is the Commission’s procedural preference?

Scott D.  Woodbury

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