

PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: February 21, 2017

REGULAR \_\_\_\_\_ CONSENT X EFFECTIVE DATE March 1, 2017

DATE: February 14, 2017

TO: Public Utility Commission

FROM: George Compton *GPC*

THROUGH: Jason Eisdorfer and Marc Hellman *J* *M*

SUBJECT: IDAHO POWER: (Docket No. ADV 499/Advice No. 17-01) Revises Schedule 95, to accommodate the City of Nyssa's franchise fee increase.

**STAFF RECOMMENDATION:**

Staff recommends that Idaho Power's (Company) request to update Schedule 95 to accommodate a City of Nyssa franchise fee increase be approved, effective on March 1, 2017.

**DISCUSSION:**

Issue

Whether the Commission should approve the request filed by Idaho Power on January 13, 2017, to update Schedule 95 to accommodate a City of Nyssa franchise fee increase.

Applicable Law

The application was filed consistent with OAR 860-22-0040.

Analysis

The Company's rates include the cost of franchise fee, and city residents are not directly assessed franchise fees, as long as the fee does not exceed 3.5 percent. To the extent a city raises the fee above 3.5 percent, those excess amounts are charged directly to those city residents via Schedule 95, which was established in order to minimize cross-subsidization of high-franchise-fee communities by low-franchise-fee

communities. Customers within the City of Nyssa are now to join with the customers of Ontario and Huntington in paying an additional rate. Since Nyssa is increasing its franchise fee rate from 3.5 to 5 percent, the specific Schedule 95 City of Nyssa bill addition is to be 1.5 percent.

### Conclusion

Staff concludes that the Company's request is appropriate and should be allowed.

### **PROPOSED COMMISSION MOTION:**

Approve Idaho Power's request to revise Schedule 95, to accommodate the City of Nyssa's franchise fee increase effective on March 1, 2017.