



# Introduction to Energy Utility Rate Cases

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# Idaho Power Proposed Rate Changes

Current	Avg. Usage/Mo.	Residential Avg. Basic Charge \$/Mo.	Residential Avg. Bill \$/Mo.
Residential	1,164	\$8.00	\$139.92

Oct 15, 2024 Increase		Scenario if increase were \$10.7 M*			
IPC Proposed	\$10.7 Million*	New Residential Basic Charge \$/Mo.	New Residential Avg. Bill \$/Mo. **	Increase \$/Mo	% Increase
Residential		\$15.00	\$172.29	\$32.37	23.14%

\* Oregon jurisdictional overall base rate revenue increase equates to 19.28 percent

\*\* Includes the following Riders: Schedule 55 (APCU), Schedule 56 (PCAM), Schedule 91 (Energy Efficiency), Schedule 93 (Solar PV), and the proposed Schedule 64 (Bill Discount for Qualified Customers Cost Recovery Mechanism).

# Proposed Rates - Residential Customer Impact

Current Residential ONLY	Avg. Usage/Mo. <sup>1</sup>	Residential Avg. Basic Charge \$/Mo.	Residential Avg. Bill \$/Mo. <sup>2</sup>
Malheur - Outlying Areas	1,511	\$8.00	\$178.33
Mobile Home Owners	1,205	\$8.00	\$141.60
Ontario - East	1,158	\$8.00	\$136.04
Baker/Harney - Outlying Areas	1,137	\$8.00	\$133.62

<sup>1</sup>. Based on 2023 Actuals. Not weather normalized.

<sup>2</sup>. Calculated using the Avg Usage/Mo and using all current base rates and riders. Includes the following Riders: Schedule 55 (APCU), Schedule 56 (PCAM), Schedule 91 (Energy Efficiency), and Schedule 93 (Solar PV).

IPC Proposed	Oct 15, 2024 Increase	Scenario if increase were \$10.7 M*			
Residential Only	\$10.7 Million*	New Residential Basic Charge \$/Mo.	New Residential Avg. Bill \$/Mo. **	Increase \$/Mo	% Increase
Malheur - Outlying Areas		\$15.00	\$217.74	\$39.41	22.10%
Mobile Home Owners		\$15.00	\$174.02	\$32.41	22.89%
Ontario - East		\$15.00	\$167.47	\$31.43	23.10%
Baker/Harney - Outlying Areas		\$15.00	\$164.43	\$30.82	23.06%

\* Oregon jurisdictional overall base rate revenue increase equates to 19.28 percent

\*\* Includes the following Riders: Schedule 55 (APCU), Schedule 56 (PCAM), Schedule 91 (Energy Efficiency), Schedule 93 (Solar PV), and the proposed Schedule 64 (Bill Discount for Qualified Customers Cost Recovery Mechanism).

# Customer Impact After Other Rate Changes

* Scenario	Total Company Proposed Increase Oct. 15, 2024 \$M	Residential Basic Charge Current \$ / Mo.	Residential Average Bill Current \$ / Mo.	Residential Basic Charge Proposed \$ / Mo.	Residential Average Bill Proposed \$ / Mo.	Residential Average Bill % Increase
1. Company Proposed Base Revenue Change <sup>1</sup>	\$10.7 M	\$8.00	\$112.33	\$15.00	\$142.39	26.76%
2. Company Proposed Billed Impact <sup>2</sup>	\$10.7 M	\$8.00	\$139.92	\$15.00	\$172.29	23.14%

\* Based on the Company's filing

1. Compares total current base rate revenues to proposed base rate revenues.

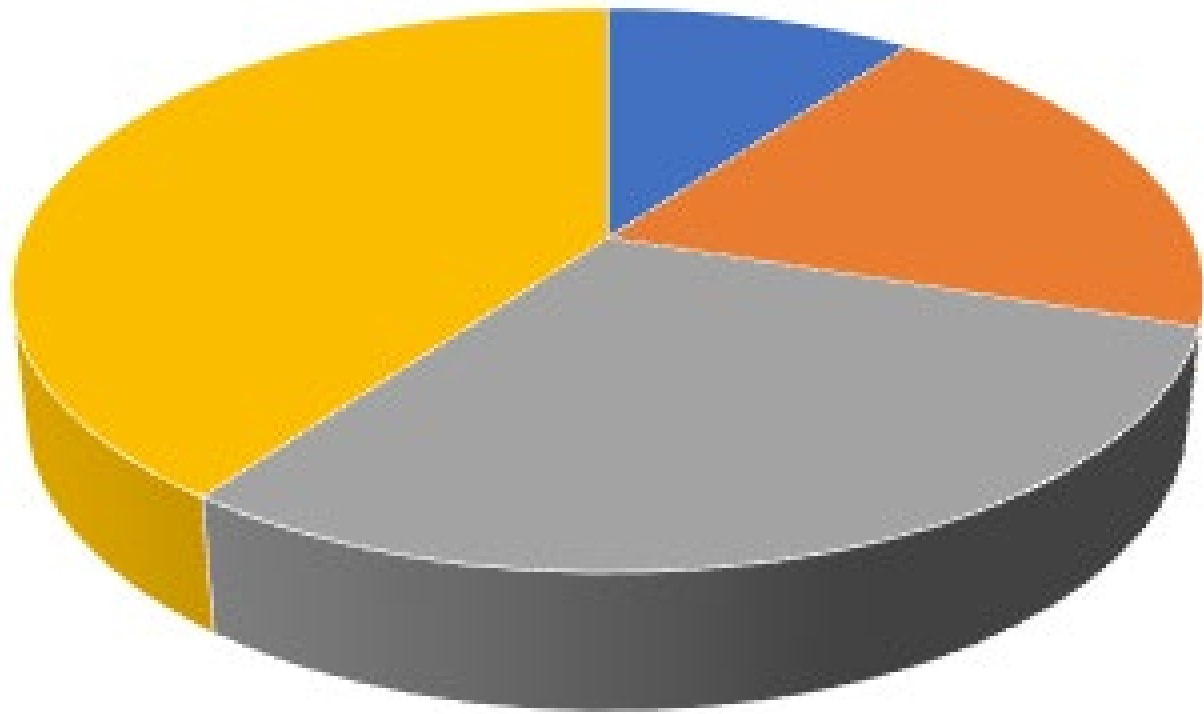
2. Includes the following Riders: Schedule 55 (APCU), Schedule 56 (PCAM), Schedule 91 (Energy Efficiency), Schedule 93 (Solar PV), and the proposed Schedule 64 (Bill Discount for Qualified Customers Cost Recovery Mechanism) and reflects a customer's "bill" impact inclusive of all current and proposed elements.



# Key Cost Drivers

## Reasons Cited by Idaho Power for Rate Increase

### Cost Drivers



	Cost Driver	%
1	Capital Investments	51%
2	Cost of Capital	1%
3	Operations and Maintenance	35%
4	Depreciation	14%
		<hr/> 100%



OREGON Rate Case Cost Drivers	Approximate Idaho Power Proposed Revenue Impact	
	\$ Millions	Percent
<b>Driver 1: Capital Projects</b> (Examples Below) Current Rate Base \$189 Million	<b>7.3</b>	<b>13.2%</b>
Example 1: Transmission Plant	<b>1.2</b>	<b>2.2%</b>
Example 2: Batteries (Incl in Dist Plant)	<b>1.1</b>	<b>2.0%</b>
Example 3: Account 368	<b>2.0</b>	<b>3.6%</b>
Example 4: Other Distribution Plant	<b>2.0</b>	<b>3.6%</b>
Example 4: General Plant	<b>1.0</b>	<b>1.8%</b>
<b>Driver 2: Cost of Capital</b> (as requested) 10.4% ROE, 51% Equity, 5.104% Cost LT Debt	<b>0.13</b>	<b>0.2%</b>
<b>Driver 3: O&amp;M + Regulatory Debits and Credits</b>	<b>5.0</b>	<b>9.1%</b>
<b>Driver 4: Depreciation</b>	<b>2.0</b>	<b>3.6%</b>
<b>Driver 5: Taxes (offset)</b>	<b>-0.6</b>	<b>-1.2%</b>
<b>Driver 6: Operating Revenues (offset)</b>	<b>-3.1</b>	<b>-5.8%</b>
<b>Total</b>	<b>10.7</b>	<b>19.2%</b>



# What this General Rate Case Won't Address

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- New HB 2475 and Docket UM 2211 energy justice programs
  - Energy justice lens used to review Idaho Power filing.
- Broad State Environmental Programs or Building Electrification
  - Green energy projects reviewed for prudent management and efficient cost control.



## About Staff

- Staff Working on Rate Cases:
  - Accountants
  - Financial Analysts
  - Economists
  - Engineers
  - Among others
- Paired with Attorney from DOJ





## Staff Role

- Staff:
  - Analyze Idaho Power filing
  - Request more information
  - Submit, defend written testimony
  - Review all testimony, assess for reasonableness
  - Develop settlement positions
- Attorneys working with Staff:
  - Cross examine witnesses
  - Submit legal briefs
  - Make oral arguments