

Allison Marks

From: Brad Mullins <brmullins@mwanalytics.com>
Sent: Wednesday, January 6, 2021 11:55 AM
To: 'Ron Williams'; Allison Marks
Cc: Tom Bergin
Subject: RE: Staff report

Yes, this looks good to share from my perspective. This provides \$1,400,000 more funding than the \$8,400,000 estimate Idaho power previously provided. The main difference is that Idaho Power corrected the error I identified in my last email where the surcharge rates had been calculated to collect more than the \$8,400,000 of originally proposed funding. Idaho Power also adjusted the calculation to assume 1% growth, which also increased the funding amount by approximately \$600,000.

I was unable to exactly duplicate the hardcoded number in cell D39, but it looks like the end of period compounding issue I identified in the previous version is not an issue in this version. Idaho Power did not, however, consider the approximate 5% tax gross-down that I recommended in my previous email, which would be worth around \$500,000 in additional undergrounding. (Idaho Power still has not responded to our request for the workpapers behind the 16% gross-up).

I also recommend that the monthly surcharge for non-residential customers be calculated as a volumetric charges to avoid large impacts to small commercial customers.

Other than those issues, it looks like a good starting point.

Thanks,

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From: Ron Williams <ron@williamsbradbury.com>
Sent: Wednesday, January 6, 2021 7:43 PM
To: Allison Marks <amarks@co.blaine.id.us>; brmullins@mwanalytics.com
Cc: Tom Bergin <tbergin@co.blaine.id.us>
Subject: RE: Staff report

I agree that adding the spreadsheet help and will answer questions in advance of how the surcharge is calculated. The spreadsheet is what we have been looking at for several months, but with the additional undergrounding segment.

I will wait to hear from Brad and his confirmation.

Ron Williams

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