

BOISE, MONDAY, OCTOBER 3, 2025, at 11:10 A.M.

IN THE SUPREME COURT OF THE STATE OF IDAHO

PACIFICORP, dba ROCKY MOUNTAIN)	
POWER,)	
)	
Applicant-Appellant,)	
)	
v.)	Docket No. 52508
)	
IDAHO PUBLIC UTILITIES)	
COMMISSION,)	
)	
Respondent.)	
_____)	

Appeal from the Idaho Public Utilities Commission.

Stoel Rives LLP, Boise and Markowitz Herbold PC, Portland, Oregon, for Appellant.

Raúl R. Labrador, Idaho Attorney General, Boise, for Respondent.

PacifiCorp, which provides electricity to customers in Idaho under the name Rocky Mountain Power, appeals from an order of the Idaho Public Utilities Commission rejecting its application for a rate increase. Specifically, the Commission objected to PacifiCorp's proposed recovery of costs it incurred related to the operation of its natural gas powerplant in Chehalis, Washington. The Chehalis powerplant provides electricity to Idahoans and is subject to Washington's Climate Commitment Act. The Act requires greenhouse gas emitters to purchase "Allowances" when their emissions reach certain thresholds. PacifiCorp expended \$42 million purchasing Allowances and sought to allocate approximately \$2.3 million of that expense to its Idaho customers with the Commission's permission.

On appeal, PacifiCorp argues the Commission is obligated to allow its recovery of Allowance costs from Idaho customers. PacifiCorp maintains that obligation arises from the 2020 PacifiCorp Inter-Jurisdictional Protocol, to which it is a party along with the Commission and utility regulators from five other states. PacifiCorp reads the Protocol as a contract that binds the Commission's rate-making decision in this matter. In response, the Commission argues that the Protocol cannot be legally enforced against it for various reasons. The Commission further argues that even if the Protocol were legally enforceable, its order denying PacifiCorp's recovery of CCA costs comports with the Protocol's terms and purpose. Finally, the Commission maintains its separate determination that the policy design of the CCA would make passing its costs along to Idaho ratepayers neither fair, just, nor reasonable, is a determination that the Idaho Supreme Court can overturn only if it finds the Commission abused or exceed its authority.