

**STATE BOARD OF EQUALIZATION
OPEN MEETING
MINUTES OF MEETING HELD AUGUST 19, 2019**

In attendance: Commissioners Tom Katsilometes, Tom Harris, Elliot S. Werk, and Janet Moyle; Maria Young, George Brown, Kathlyn Ireland, Phil Skinner, Erick Shaner, Kolby Reddish, Jerott Rudd, Erica Taggart, Mat Cundiff, Nathan Nielson, and Norman Ross.

Commissioner Katsilometes, the Chairman for the State Board of Equalization, reconvened the State Board of Equalization for 2019 (Board). The hearing for the presentation of the appeal of PacifiCorp Energy was called to order. Mr. Norman Ross, representing PacifiCorp Energy, Mr. Kolby Reddish of the Idaho Deputy Attorney General's Office and Erica Taggart of the Idaho State Tax Commission were sworn in by Secretary Maria Young.

Mr. Norman Ross presented his appeal of the Idaho State Tax Commission 2019 assessment. Mr. Ross said his duty is to assure that the values upon which PacifiCorp Energy pays those taxes are as close as possible to market value. He is here today because he believes the value placed by the Idaho State Tax Commission exceeds the market value of the subject property. Mr. Ross reviewed the presentation submitted to the Board prior to the hearing and submitted to questions from the Board during the course of his presentation. At the conclusion of the presentation, Chairman Katsilometes asked if the Board had any questions for Mr. Ross.

Mr. Kolby Reddish presented the case for the Idaho State Tax Commission and introduced Ms. Erica Taggart, witness. Mr. Reddish and Ms. Taggart reviewed the presentation submitted to the Board prior to the hearing. Ms. Taggart provided testimony and defined her disagreement with the PacifiCorp assessment. Mr. Reddish and Ms. Taggart submitted to questions from the Board during the course of the presentation. Chairman Katsilometes asked if the Board had any questions for Mr. Reddish and Ms. Taggart. Mr. Reddish was allowed to question Mr. Ross.

Chairman Katsilometes asked for questions, and after questions from the Board, opened the hearing to closings and rebuttals from both parties. Mr. Ross then had the opportunity for rebuttal and to answer questions from the Board. Mr. Ross presented his rebuttal and closing statements.

The Board recessed for 10 minutes.

Chairman Katsilometes reconvened the Board of Equalization to hear the appeal of the IdaHydro parties. He acknowledged that C. Tom Arkoosh represents the IdaHydro parties and that Erick Shaner represents the Idaho State Tax Commission Operating Property Staff. Chairman Katsilometes reviewed the appeal of the IdaHydro parties and read into record all parties involved in this presentation. They are: Bell Mountain Hydro, Birch Creek Hydro, Bypass Limited, Dry Creek Hydro, Hazelton A Hydroelectric, Lemhi Hydropower Company, Marsh Valley Hydro, Midway Power LLC, North Gooding Main Hydro LLC, North Side Canal Co Lt, Rock Creek Joint Venture Hydro, Saint Anthony Hydro, Shoshone Hydro Project, AJMS LLC, Arkoosh Little Wood River Ranch, BC Hydro LP, Briggs Creek Hydro, and Mink Creek Hydro LLC. Phil Skinner, Deputy Attorney General, legal counsel for the Idaho State Board of Equalization, presented the Board with the 2018 decision and explained that the IdaHydro parties have appealed the 2018 decision to District Court. Most of those parties have again filed in 2019. In light of that litigation, there is a stipulation

signed by Erick Shaner and Mr. C. Tom Arkoosh to waive oral arguments today and they ask the Board to uphold the decision from 2018 in the 2019 appeal.

The Board recessed at 11:45 a.m. for lunch and will reconvene at 1:00 p.m. today.

Chairman Katsilometes reconvened the Board at 1:00 p.m. and explained that the Board will deliberate on the PacifiCorp appeal. Chairman Katsilometes outlined the process and explained that the Board will need to provide staff enough direction to know what the actual value is for PacifiCorp. An actual value is needed so the draft decision and other calculations may be made by Monday, August 26, 2019, when the Board of Equalization adjourns. Chairman Katsilometes opened the meeting for deliberation and asked for the recommendations of the Board for the PacifiCorp Energy valuation. Commissioner Moyle, Commissioner Harris and Commissioner Werk gave their opinions and discussion followed. The Board gave direction to staff to prepare a draft decision upholding the appraisal, to be considered when the State Board of Equalization reconvenes on Monday, August 26, 2018 at 9 a.m.

Chairman Katsilometes opened the meeting for deliberation on the IdaHydro appeal. He outlined the process and explained that the Board will need to provide staff enough direction to know what the actual value is for the IdaHydro Parties. Commissioner Katsilometes asked what the recommendations of the Board were for the Non-utility Generator valuations. Commissioner Moyle, Commissioner Werk, and Commissioner Harris requested time to review the 2018 information prior to further deliberation.

The Board recessed at 2:00 p.m. for the purpose of reviewing the 2018 and 2019 IdaHydro assessments and will reconvene at 3:30 p.m. today.

The Board reconvened 3:30 p.m. and Chairman Katsilometes opened the meeting for deliberation of the non-utility generator valuations. Chairman Katsilometes asked what the recommendations of the Board were for the Non-Utility Generator valuations. Commissioner Moyle, Commissioner Werk, and Commissioner Harris gave their opinions and discussion followed. The Board gave direction to staff to prepare a draft decision upholding the 2018 decision to be considered when the State Board of Equalization reconvenes on Monday, August 26, 2019 at 9:00 a.m.

Mr. George Brown, Property Tax Division Administrator, reported that the county abstracts are in, including Bannock County. Mr. Brown said the remaining information is expected to be available before the end of the day. Mr. Skinner reminded the Board that in accordance with the Open Meeting Law, the Board may not discuss the contents of the report until Monday, August 26, 2019, when the Board reconvenes. Mr. Skinner noted that should they have questions, it is recommended they consult him prior to any discussion with anyone further.

There being no further business, Commissioner Katsilometes recessed the Board until 9:00 a.m. on Monday August 26, 2019.

Maria Young
Secretary

Tom Katsilometes
Chairman of the Idaho State Board of Equalization