

LISA D. NORDSTROM
Lead Counsel
lnordstrom@idahopower.com

November 20, 2015

Public Utility Commission of Oregon
Filing Center
201 High Street SE, Suite 100
P.O. Box 1088
Salem, Oregon 97301

Re: Tariff Advice No. 15-12
Revisions to Schedule 56, Power Cost Adjustment Mechanism

Attention Filing Center:

On July 31, 2015, Idaho Power Company (“Idaho Power” or “Company”) filed an Application for Reauthorization of Deferred Accounting and a Notice of Application for Reauthorization of Deferred Costs Associated with Intervenor Funding Grants in Docket No. UM 1621(3). As part of their review of the filing, Public Utility Commission of Oregon (“Commission”) Staff noticed that the intervenor funding deferred account balance had become unusually large relative to the number of Oregon customers and discussed with Idaho Power the commencement of amortization of balances January 1, 2016.

The intervenor funding amounts are a result of an Intervenor Funding Agreement (“Agreement”) between Idaho Power and the Citizens’ Utility Board of Oregon (“CUB”) that was approved by the Commission in Order No. 10-396. The Agreement sets forth the amount of funding available to CUB, the procedures for budget submittals and funding requests by CUB, Commission approval of budget submittals and funding requests, and payment of the grants by Idaho Power. The Agreement provides that the Commission shall allow Idaho Power to recover all amounts paid under the Agreement, provides for annual amortization of amounts deferred under the Agreement, and provides that intervenor funding amounts be included in rates concurrently with the Company’s annual power cost adjustment, which occurs June 1 of each year.

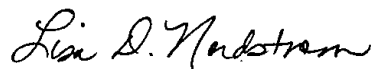
During discussions with Commission Staff regarding deferred intervenor funding amounts in Docket No. UM 1621(3), the Company agreed that the 17-month period January 1, 2016, through May 31, 2017, is a reasonable amortization period as it will allow for future rate changes associated with the collection of intervenor funding amounts to align with the Company’s power cost adjustment rate changes. On November 17, 2015, the Commission issued Order No. 15-371 adopting Staff’s recommendation that the Company begin amortization of intervenor funding amounts January 1, 2016.

Idaho Power herewith transmits for filing Tariff Advice No. 15-12 containing proposed revisions to the Company's Schedule 56. Because future collection of intervenor funding amounts will align with the Company's power cost adjustment rate filings, Idaho Power proposes to collect these costs through Scheduled 56, the Power Cost Adjustment Mechanism ("PCAM"). Therefore, the purpose of this filing is to change the True-Up Rate of the PCAM to begin collection of intervenor funding amounts, increasing the rate for Residential Service customers only from 0.3507 cents per kilowatt-hour ("kWh") to 0.4519 cents per kWh, for the period January 1, 2016, through May 31, 2017. Idaho Power has included Schedule 56 containing the proposed revisions and respectfully requests the Commission approve this advice with an effective date of January 1, 2016.

Pursuant to Order No. 15-371, Idaho Power has computed the annual collection associated with the recovery of \$272,716 in intervenor funding amounts over a 17-month period, or \$192,505 per year, and proposes to amortize the amounts on a straight-line basis. Using the Company's most recent energy forecast for residential service customers, the collection of intervenor funding amounts will require an increase of 0.1012 cents per kWh, increasing the True-Up Rate of the PCAM from 0.3507 to 0.4519 cents per kWh, resulting in a revenue increase of approximately 1.01 percent.

Idaho Power respectfully requests that the Commission approve the revised Schedule 56 effective January 1, 2016, adjusting the PCAM rate for Oregon residential customers. If you have any questions regarding this filing, please contact Courtney Waites, Senior Regulatory Analyst, at (208) 388-5612.

Sincerely,



Lisa D. Nordstrom

LDN:kkt

Enclosure

cc w/ encl: Lisa Rackner

SCHEDULE 56
POWER COST ADJUSTMENT MECHANISM
 (Continued)

TRUE-UP RATES

The True-Up Rates (Annual Power Supply Expense True-Up) will be determined on an equal cents per kWh basis. The True-Up Rates are:

<u>Schedule</u>	<u>Description</u>	<u>¢ per kWh</u>
1	Residential Service	0.4519
7	Small General Service	0.3507
9	Large Power Service	0.3507
15	Dusk to Dawn Lighting	0.3507
19	Large Power Service	0.3507
24	Irrigation Service	0.3507
40	Unmetered General Service	0.3507
41	Municipal Street Lighting	0.3507
42	Traffic control Lighting	0.3507

(1)