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February 23, 2018

VIA E-MAIL AND U.S. MAIL

PUC Filing Center Public Utility Commission of Oregon P.O. Box 1088 Salem, Oregon 97308-1088

Re: Docket UE ____ – Idaho Power Company's 2017 Annual Power Supply Expense True-Up

Attention Filing Center

Enclosed in the above-referenced docket are an original and five copies of Idaho Power Company's 2017 Annual Power Supply Expense True-Up and Direct Testimony and Exhibits of Courtney Waites.

A copy of this filing has been served on all parties to the 2016 Annual Power Supply Expense True-Úp, Docket UE 320, via electronic mail as indicated on the attached certificate of service.

Please contact me with any questions

Sincerely,

Alisha Till Legal Assistant

Attachments

1	BEFORE THE PUBLIC UT OF OREG	
2	UE	_
3		
4	In the Matter of the Application of IDAHO POWER COMPANY for Amortization in Rates	2017 ANNUAL POWER SUPPLY
5	of the Power Cost Adjustment Mechanism and Intervenor Funding Amounts.	EXPENSE TRUE-UP
6		

7 In compliance with Order No. 08-238, as amended by Order No. 09-373 (hereinafter 8 "Order No. 08-238"), Idaho Power Company ("Idaho Power" or "Company") hereby files its 2017 Annual Power Supply Expense True-Up ("True-Up"), which implements the power cost 9 adjustment mechanism ("PCAM") by calculating the deviation between actual net power 10 supply expenses ("NPSE") and those expenses recovered through rates. Accordingly, Idaho 11 Power requests that the Public Utility Commission of Oregon ("Commission") issue an order 12 confirming that the Company has correctly calculated the amount of the True-Up for later 13 inclusion in rates as \$0.00 and confirming that the Company will add \$103,215 in net 14 proceeds from the sale of Renewable Energy Credits ("RECs") as a credit to the Annual 15 Power Supply Expense True-Up Balancing Account ("True-Up Balancing Account") for 2017. 16 In addition, the Company requests authorization to amortize intervenor funding amounts 17 18 deferred since the Company's last request to amortize intervenor funding amounts commenced on June 1, 2017. This filing is based upon the following: 19

1. In Order No. 08-238, the Commission approved a PCAM for Idaho Power that requires the Company to file, in February of each year, a True-Up that will implement the PCAM by calculating the deviation between actual NPSE and those expenses recovered through rates. Order No. 08-238 further requires that eligible power supply expense deviations be added to the True-Up Balancing Account at the end of each 12-month period ending December, along with 50 percent of the annual interest calculated at the Company's

Page 1 - 2017 ANNUAL POWER SUPPLY EXPENSE TRUE-UP authorized cost of capital. The required calculations are detailed in the Stipulation attached
 as Exhibit A to Order No. 08-238.

3 2. As described in the Direct Testimony of Courtney Waites filed herewith, Idaho Power has calculated its True-Up in accordance with the methodology approved by the 4 Commission in Order No. 08-238, and has determined that the amount of \$0.00 should be 5 6 added to the True-Up Balancing Account because the Oregon Allocated Power Cost 7 Deviation is within the deadbands as calculated using the Company's 2016 Results of 8 Operations ("ROO") report. Consistent with Order No. 09-373, the Company will recalculate 9 the deadbands using the 2017 ROO and will make any appropriate supplemental filings. Idaho Power will apply the \$103,215 in net proceeds from the sale of RECs as a credit to the 10 True-Up Balancing Account in compliance with Order No. 11-086. In addition, Idaho Power 11 12 requests approval to amortize approximately \$61,000 in intervenor funding amounts effective 13 June 1, 2018.

14 3. Idaho Power wishes to waive paper service in this docket. Communications

15 regarding this Application should be addressed to:

16	Donovan E. Walker Lisa F. Rackner Idaho Power Company McDowell Rackner Gibson, PC	
17	1221 West Idaho Street (83702)419 SW 11th Avenue, Suite 400P.O. Box 70Portland, Oregon 97205	
18	Boise, Idaho 83707 <u>dockets@mrg-law.com</u> <u>dwalker@idahopower.com</u>	
19	Regulatory Dockets	
20	Idaho Power Company 1221 West Idaho Street (83702)	
21	P.O. Box 70 Boise, Idaho 83707	
22	dockets@idahopower.com	
23	For all of the above reasons, Idaho Power requests the Commission issue its order	r

24 confirming that the Company has correctly calculated the amount of the PCAM True-Up,

25 confirm that \$103,215 be applied as a credit to the True-Up Balancing Account, and authorize

26 the amortization in rates of deferred intervenor funding amounts.

Page 2 -	2017 ANNUAL POWER SUPPLY	McDowell Rackner Gibson PC
Ū	EXPENSE TRUE-UP	419 SW 11 th Avenue, Suite 400
		Portland, Oregon 97205

1	Respectfully submitted this 23 rd d	ay of February 2018.
2		McDowell Rackner Gibson PC
3		
4		/s/ Lisa F. Rackner
5		LISA F. RACKNER McDowell Rackner Gibson PC
6		419 SW 11 th Avenue, Suite 400 Portland, Oregon 97205
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Page 3	- 2017 ANNUAL POWER SUPPLY EXPENSE TRUE-UP	McDowell Rackner Gibson PC 419 SW 11 th Avenue, Suite 400 Portland, Oregon 97205

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE _____

IN THE MATTER OF THE APPLICATION OF IDAHO POWER COMPANY FOR AMORTIZATION IN RATES OF THE POWER COST ADJUSTMENT MECHANISM AND INTERVENOR FUNDING AMOUNTS.

IDAHO POWER COMPANY

DIRECT TESTIMONY

OF

COURTNEY WAITES

February 23, 2018

Q. Please state your name, business address, and present position with Idaho 1 Power Company ("Idaho Power" or "Company"). 2

3 Α. My name is Courtney Waites. I am employed by Idaho Power as a Senior Regulatory Analyst in the Regulatory Affairs Department. My business address is 4 5 1221 West Idaho Street, Boise, Idaho 83702.

6

Q. Please describe your educational background.

7 A. In December of 1998, I received a Bachelor of Arts degree in Accounting from the 8 University of Alaska in Anchorage, Alaska. In 2000, I earned a Master of Business 9 Administration degree from Alaska Pacific University. I have attended New Mexico 10 State University's Center for Public Utilities and the National Association of 11 Regulatory Utility Commissioners "Practical Skills for the Changing Electric Industry" conference, the Electric Utility Consultants, Inc.'s "Introduction to Rate Design and 12 13 Cost of Service Concepts and Techniques for Electric Utilities" conference, Edison 14 Electric Institute's "Introduction to Public Utility Accounting" course, Edison Electric Institute's "Electric Rates Advanced" course, SNL Knowledge Center's "Essentials of 15 Regulatory Finance" course, and the Financial Accounting Institute's "Utility Finance 16 17 and Accounting" seminar.

18 Q.

Please describe your work experience.

I began my employment with Idaho Power in December 2004 in the Accounts 19 Α. 20 Payable Department. In 2005, I accepted a Regulatory Accountant position in the 21 Finance Department where one of my tasks was to assist in responding to regulatory 22 data requests pertaining to financial issues. In 2006, I accepted my current position, 23 Regulatory Analyst, in the Regulatory Affairs Department. My duties as a Regulatory 24 Analyst include providing support for the Company's various regulatory activities, including tariff administration, regulatory ratemaking, and compliance filings, and the 25 26 development of various pricing strategies and policies.

1

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to describe the quantification of the Company's
Annual Power Supply Expense True-Up ("True-Up Rate"), consistent with the
methodology approved in Order Nos. 08-238 and 09-373. In order to determine the
True-Up Rate, I will first describe the quantification of the dollar balance in the
Annual Power Supply Expense True-Up Balancing Account ("True-Up Balancing
Account"), including the credit for the sale of Renewable Energy Credits ("REC" or
"RECs") made during the 2017 deferral year.

9

Q. What is the True-Up Balancing Account?

A. As described in Schedule 56, the True-Up Balancing Account is a Company account
where the power cost adjustment mechanism ("PCAM") is quantified at the end of
each 12-month period ending December, along with 50 percent of the annual interest
calculated at the Company's authorized cost of capital. Subject to an earnings test,
the PCAM is 90 percent of the amount that the Oregon Allocated Power Cost
Deviation is above or below the Power Supply Expense Deadband.

16 Q. How does Order No. 09-373 impact the Annual Power Supply Expense True-Up 17 Balancing Account?

18 Α. Order No. 09-373 approved an amendment to Order No. 08-238 clarifying which year's Results of Operations ("ROO") should be relied upon in calculating the 19 20 deferral deadbands and the earnings test components of the PCAM. Idaho Power, 21 the Oregon Citizens' Utility Board, and the Staff of the Public Utility Commission of 22 Oregon ("Commission") agreed that for the initial calculation of the Annual Power 23 Supply Expense True-Up filed in February each year, the Company will use the most 24 recent ROO report available, the ROO for the year preceding the deferral period. Once the ROO report for the year of the deferral period becomes available, the 25 26

1		Company will file an updated calculation of the Annual Power Supply Expense True-
2		Up. The updated calculation is expected to occur in April of each year.
3	Q.	Have you prepared an exhibit that quantifies the initial estimate of the amount
4		to be added to the True-Up Balancing Account for 2017?
5	Α.	Yes. Exhibit 101 is the Company's quantification of the net power supply expenses
6		to be reviewed for inclusion in the True-up Balancing Account for 2017.
7	Q.	Please describe Exhibit 101 and the Company's quantification of the estimated
8		amount to be included in the True-Up Balancing Account.
9	Α.	In Exhibit 101, the columns detail the monthly and year-to-date deviations between
10		actual net power supply expenses incurred and the power costs collected through
11		rates. The last column represents the annual amounts considered in determining the
12		amount to be included in the True-Up Balancing Account.
13	Q.	Please provide a general description of the calculations used to determine the
13 14	Q.	Please provide a general description of the calculations used to determine the amount to be included in the True-Up Balancing Account.
	Q. A.	
14		amount to be included in the True-Up Balancing Account.
14 15		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per
14 15 16		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by
14 15 16 17		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by total system actual energy sales to determine the power cost deviation on a total
14 15 16 17 18		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by total system actual energy sales to determine the power cost deviation on a total system basis. Next, the Oregon allocation factor is applied to the total system power
14 15 16 17 18 19		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by total system actual energy sales to determine the power cost deviation on a total system basis. Next, the Oregon allocation factor is applied to the total system power cost deviation to compute the Oregon Allocated Power Cost Deviation. Then, Power
14 15 16 17 18 19 20		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by total system actual energy sales to determine the power cost deviation on a total system basis. Next, the Oregon allocation factor is applied to the total system power cost deviation to compute the Oregon Allocated Power Cost Deviation. Then, Power Supply Expense Deadbands are applied and, if necessary, an earnings test is
14 15 16 17 18 19 20 21		amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by total system actual energy sales to determine the power cost deviation on a total system basis. Next, the Oregon allocation factor is applied to the total system power cost deviation to compute the Oregon Allocated Power Cost Deviation. Then, Power Supply Expense Deadbands are applied and, if necessary, an earnings test is performed. The resulting eligible deferral is the amount proposed to be added to the
14 15 16 17 18 19 20 21 22	Α.	amount to be included in the True-Up Balancing Account. First, the Actual Unit Cost is compared to the Combined Rate to determine the per unit power cost deviation. The per unit power cost deviation is then multiplied by total system actual energy sales to determine the power cost deviation on a total system basis. Next, the Oregon allocation factor is applied to the total system power cost deviation to compute the Oregon Allocated Power Cost Deviation. Then, Power Supply Expense Deadbands are applied and, if necessary, an earnings test is performed. The resulting eligible deferral is the amount proposed to be added to the True-Up Balancing Account.

A. The Actual Onit Cost for het power supply expenses incurred is the total Actual Net
 Power Supply Expense ("Actual NPSE") incurred divided by the Actual Sales. The
 Actual NPSE is determined on a system-wide basis and includes amounts booked to

Federal Energy Regulatory Commission Accounts 501 (Fuel-Coal), 547 (Fuel-Gas),
555 (Purchased Power), and 447 (Sales for Resale). In short, Actual NPSE is
calculated by adding fuel plus purchased power less off-system sales. The Actual
NPSE for 2017 was \$379,534,992.85. Actual Sales for 2017 were 14,570,953
megawatt-hours ("MWh"). Dividing Actual NPSE by Actual Sales results in the
Actual Unit Cost of \$26.05 per MWh (\$379,534,992.85 ÷ 14,570,953 MWh = \$26.05
per MWh).

8

Q. What is the next step in the true-up calculation?

9 Α. The next step in the true-up calculation is to compare the Actual Unit Cost to the 10 Combined Rate. The Combined Rate is comprised of two components: (1) The October Power Cost Update and (2) the March Power Cost Forecast. 11 The Combined Rate in effect from January through May 2017 was \$25.27/MWh and the 12 13 Combined Rate in effect from June through December 2017 was \$26.22/MWh. The 14 Combined Rate reflects the Commission-approved amounts reflected in rates during the months of the true-up period. The Annual Combined Rate, which is based on the 15 16 five months of \$25.27/MWh and the seven months of \$26.22/MWh, is \$25.47/MWh.

17 Q. What is the deviation between the Actual Unit Cost and the Combined Rate for 2017?

A. For 2017, the deviation between the Actual Unit Cost (\$26.05/MWh) and the
Combined Rate (\$25.47/MWh) is \$0.58 per MWh (\$26.05 - \$25.47 = \$0.58). This
amount is multiplied by the Actual Sales (14,570,953 MWh) to determine the
deviation from the forecast on a system-wide basis, or \$8,434,345.64.

Q. How is the Oregon jurisdictional portion of the deviation from the forecast on a system-wide basis calculated?

A. The Oregon Allocated Power Cost Deviation is calculated by multiplying the systemwide deviation from the forecast by the Oregon allocation factor. The Oregon

allocation factor is the energy allocator used in the ROO. Currently, using the 2016	
ROO, the Oregon allocation factor is 4.67 percent. This results in an Oregon	
Allocated Power Cost Deviation of \$393,883.94, meaning the amount of the Oregon	
allocated power supply costs recovered in rates was less than the actual Oregon	
allocated power supply costs ((\$8,434,345.64) X 4.67 percent = \$393,883.94).	
. You stated earlier that as a result of Order No. 09-373 you will use the previous	
year's ROO to calculate the Annual Power Supply Expense True-Up filed in	
February and once the ROO for the year of the deferral is available, you will	
update the calculation of the Annual Power Supply Expense True-Up. Will the	
Oregon Allocated Power Cost Deviation change?	
. If the Oregon allocation factor in the 2017 ROO is different than the Oregon	
allocation factor from the 2016 ROO, then the Oregon Allocated Power Cost	
Deviation will change.	
. Is the Oregon Allocated Power Cost Deviation of \$393,883.94 the amount of	
dollars to be added to the True-Up Balancing Account?	
. No. Once the Oregon Allocated Power Cost Deviation is calculated, a Power Supply	
Expense Deadband is applied.	
. Please explain how the Power Supply Expense Deadband is applied.	
. The Power Supply Expense Deadband is based on the Company's capital structure	
and rate base measured on an Oregon basis from the most recent Oregon ROO	
report. The Oregon Allocated Power Cost Deviation is compared to the positive	
and/or negative deadbands. A positive deviation (Actual NPSE greater than those	
recovered through the Combined Rate) constitutes an excess power supply	
expense. This expense is first reduced by a deadband that is the dollar equivalent of	
250 basis points of return on equity ("ROE") (Oregon basis). A negative deviation	
	 You stated earlier that as a result of Order No. 09-373 you will use the previous year's ROO to calculate the Annual Power Supply Expense True-Up filed in February and once the ROO for the year of the deferral is available, you will update the calculation of the Annual Power Supply Expense True-Up. Will the Oregon Allocated Power Cost Deviation change? If the Oregon allocation factor in the 2017 ROO is different than the Oregon allocation factor from the 2016 ROO, then the Oregon Allocated Power Cost Deviation will change. Is the Oregon Allocated Power Cost Deviation of \$393,883.94 the amount of dollars to be added to the True-Up Balancing Account? No. Once the Oregon Allocated Power Cost Deviation is calculated, a Power Supply Expense Deadband is applied. Please explain how the Power Supply Expense Deadband is applied. The Power Supply Expense Deadband is based on the Company's capital structure and rate base measured on an Oregon basis from the most recent Oregon ROO report. The Oregon Allocated Power Cost Deviation (Actual NPSE greater than those recovered through the Combined Rate) constitutes an excess power supply

1		supply expense savings. This savings is reduced by a deadband that is the dollar
2		equivalent of 125 basis points of ROE (Oregon basis).
3	Q.	What are the deadbands used for the calendar year 2016?
4	Α.	Using the Company's Oregon rate base of \$137,638,623 and the percentage of
5		equity in the capital structure as of December 31, 2016, 53.382 percent, the Upper
6		Deadband of 250 Basis Points equals \$3,016,118 and the Lower Deadband of 125
7		Basis Points equals negative \$1,508,059. See Exhibit 102.
8	Q.	Will the deadbands change as a result of the 2017 ROO?
9	Α.	Yes, they will. A final determination of the deadbands will be made once the 2017
10		ROO is available.
11	Q.	The calculation of the deadbands includes the application of a net-to-gross
12		factor. Do the provisions of the U.S. Tax Cuts and Jobs Act ("Tax Act") impact
13		Idaho Power's net-to-gross factor?
14	Α.	Yes. However, the provision of the Tax Act that reduced the federal corporate
15		income tax rate from 35 percent to 21 percent, thus reducing Idaho Power's net-to-
16		gross factor, became effective January 1, 2018, and therefore will not be used until
17		2018 PCAM amounts are determined.
18	Q.	Based upon the initial estimate of deadbands, what is the amount of the net
19		power supply expense deviation to be added to the True-Up Balancing
20		Account for the calendar year 2017?
21	Α.	The amount of the Oregon Allocated Power Cost Deviation, \$393,883.94, is less
22		than the Upper Deadband of \$3,016,118. Therefore, the dollar amount to be
23		considered to be added to the True-Up Balancing Account is zero.
24	Q.	Once the deferral is calculated, an earnings test must be applied. Has the
25		Company performed the earnings test described above?
26	А.	No.

1

Q. Why was an earnings test not performed?

A. Order No. 08-238 states that before any amounts of a deferral are approved for
inclusion in the Annual Power Supply Expense True-Up Balancing Account for
subsequent recovery or refund, the Commission will apply an earnings test.
Because the Company is not proposing any deferral amounts be added to the
Annual Power Supply Expenses True-Up Balancing Account, the Company was not
required to perform an earnings test.

8 Q. In previous years the Company has proposed to offset its Oregon Allocated
 9 Power Cost Deviation by the sale of SO₂ Allowances made during the deferral
 10 year. Were any sales of SO₂ Allowances made during the calendar year 2017?
 11 A. No.

Q. Order No. 11-086 requires Idaho Power to apply the net proceeds from the sale
 of RECs as a credit to the True-Up Balancing Account. Were any sales of
 RECs made during the calendar year 2017?

A. Yes. The total Oregon jurisdictional customer benefit of REC sales made in 2017 is
\$103,215.11 (see Exhibit 103). Consistent with Order Nos. 11-086 and 17-185, the
customer benefit of \$103,215.11 from the sale of RECs will be applied as a credit to
the True-Up Balancing Account.

19 Q. Are there any other amounts the Company is proposing to add to the True-Up
 20 Balancing Account?

A. No. However, as part of this request, Idaho Power is also proposing to update the
level of amortization associated with the collection of intervenor funding deferrals
approved in Order No. 17-198.

24Q.Please describe the intervenor funding deferral amortization approved in Order25No. 17-198.

26

A. Order No. 17-198 issued in Docket No. UE 321 approved the amortization and collection through Schedule 56 of \$112,004 in deferred intervenor funding amounts for the period beginning June 1, 2017, through May 31, 2018. All intervenor funding amounts approved for amortization in Order No. 17-198 were associated with intervenor's acting on behalf of the residential customer class and are therefore collected only from residential customers.

Q. Please describe Idaho Power's proposal to update the level of amortization
 collection associated with intervenor funding amounts.

9 A. Full amortization of the \$112,004 in deferred intervenor funding amounts will occur
10 on May 31, 2017. Idaho Power is proposing to begin amortization and collection in
11 rates of \$61,183 in intervenor funding amounts accrued since the Company's last
12 request, beginning June 1, 2018.

Q. Please explain what makes up the balances of the \$61,183 in intervenor
funding deferrals.

A. Since the Company's last request to begin amortization of intervenor funding amounts, Idaho Power has recorded \$56,603 in deferrals associated with payments made to intervenors. In addition, Idaho Power has deferred \$4,580 in interest accrued on current deferrals. Exhibit 104 details the intervenor funding deferrals by docket and order number and interest amounts accrued.

Q. The deferred accounting statute (ORS 757.259) allows the Company to recover
 6 percent of Idaho Power's gross revenue in Oregon for the preceding
 calendar year. Has Idaho Power calculated the amount the Company is eligible
 to recover annually?

A. Yes. As detailed in Exhibit 105, for the 12-months ended December 31, 2017, the
 Company received \$54.0 million in gross revenues from its Oregon customers and is
 therefore eligible to recover up to \$3,239,168 per year. Because the deferred

1 amounts are well below the amount the Company is eligible to collect per year, Idaho 2 Power is proposing to collect the entire amount of the intervenor funding deferrals 3 over the June 1, 2018, to May 31, 2019, time period.

ORS 757.259(5) requires an earnings review prior to amortization of a deferral.

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Q.

Has Idaho Power performed an earnings test?

6 Α. No. Pursuant to the 2016-2020 Intervenor Funding Agreement between Idaho 7 Power and the Oregon Citizens' Utility Board approved by the Commission in Order No. 16-028, deferred amounts associated with intervenor funding are exempt from 8 9 earnings reviews.

Q. What is the impact on rates based on the credit in the True-Up Balancing 10 Account and the updated level of amortization collection associated with 11 intervenor funding amounts? 12

Α. The Company is currently providing 2016 REC sales proceeds to all customers and 13 collecting amortization associated with intervenor funding deferrals from residential 14 15 customers through Schedule 56. Using the forecasted June 1, 2018, to May 31, 16 2019, normalized Oregon jurisdictional sales of 701,192,978 for all customer classes, 17 the resulting rate associated with the credit in the True-Up Balancing Account is 18 (0.0001) cents per kilowatt-hour ("kWh"). The same test period includes a total of 19 192,406,240 in Oregon residential jurisdictional sales, resulting in a rate associated 20 with the intervenor funding deferrals of 0.0003 cents per kWh. The detailed 21 calculations of the rate impact can be found in Exhibit 105. Table 1 summarizes the 22 impact on the rates associated with Idaho Power's proposal.

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24	Customer Class	<u>Current (cents per kWh)</u>	Proposed (cents per kWh)
25	Residential service	0.0567	0.0002
26	All other	(0.0017)	(0.0001)

Table 1

1	Q.	Has Idaho Power updated Schedule 56 with the proposed rates?
2	Α.	No. Because the Oregon allocation factor in the 2017 ROO may be different than
3		the Oregon allocation factor from the 2016 ROO, the total Oregon jurisdictional
4		customer benefit of REC sales made in 2017 may change. Idaho Power will file an
5		update to Schedule 56 when it files its 2017 ROO in April 2018.
6	Q.	Does this conclude your testimony?
7	Α.	Yes, it does.
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Idaho Power/101 Witness: Courtney Waites

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE _____

IDAHO POWER COMPANY

Exhibit 101 2017 PCAM

2017 PCAM Twelve Months Ended December 31, 2017

OREGON PCAM (Schedule 56)		January	January YTD	February	February YTD	March	March YTD	April	April YTD	May	May YTD	June	June YTD
ACTUAL POWER COSTS													
Actual NPSE Costs													
Actual Sales - Includes Unbilled	MWh	1,349,781	1,349,781	1,048,787	2,398,568	1,009,387	3,407,955	924,860	4,332,815	1,140,933	5,473,748	1,397,830	6,871,578
Fuel	\$	17,090,975.58	17,090,975.58	11,721,996.11	28,812,971.69	7,439,097.25	36,252,068.94	5,927,373.33	42,179,442.27	6,349,416.23	48,528,858.50	8,139,296.25	56,668,154.75
Purchased Power	\$	7,214,181.14	7,214,181.14	5,238,406.76	12,452,587.90	4,941,024.77	17,393,612.67	4,962,519.42	22,356,132.09	3,700,846.68	26,056,978.77	4,968,791.54	31,025,770.31
Oregon Solar Pilot		523.03	523.03	470.57	993.60	686.71	1,680.31	408.86	2,089.17	626.70	2,715.87	1,659.85	4,375.72
Surplus Sales	s	(669,275.09)	(669,275.09)	(4,270,571.00)	(4,939,846.09)	(5,658,378.26)	(10,598,224.35)	(4,370,592.38)	(14,968,816.73)	(1,667,567.57)	(16,636,384.30)	(1,249,427.00)	(17,885,811.30)
Total Non-QF	s	23.636.404.66	23.636.404.66	12.690.302.44	36.326.707.10	6,722,430.47	43.049.137.57	6.519.709.23	49.568.846.80	8.383.322.04	57.952.168.84	11.860.320.64	69.812.489.48
QF - Includes Net Metering and Liquidated Damages	ŝ	10.219.839.42	10.219.839.42	11.987.820.21	22.207.659.63	11.314.503.25	33.522.162.88	16,607,358.27	50,129,521,15	18.593.223.07	68,722,744,22	21,845,696.87	90.568.441.09
Total Actual Power Costs Incurred	ŝ	33,856,244.08	33,856,244.08	24,678,122.65	58,534,366.73	18,036,933.72	76,571,300.45	23,127,067.50	99,698,367.95	26,976,545.11	126,674,913.06	33,706,017.51	160,380,930.57
Actual Power Cost per Unit	\$/MWh	\$25.08	\$25.08	\$23.53	\$24.40	\$17.87	\$22.47	\$25.01	\$23.01	\$23.64	\$23.14	\$24.11	\$23.34
	<i>•</i> /	\$20.00	420.00	\$20.00	•24.40	•	VII	420.01	020.01	\$20.04	020114	*****	020.04
POWER COSTS COLLECTED IN RATES													
Actual Sales	MWh	1,349,781	1,349,781	1,048,787	2,398,568	1,009,387	3,407,955	924,860	4,332,815	1,140,933	5,473,748	1,397,830	6,871,578
Combined Rate (Recoverd in Rates)	\$/MWh		\$24.86	\$ 24.95	\$24.90	\$ 24.81	\$24.87	\$ 24.33	\$24.76	\$ 24.66	\$24.74	\$ 25.69	\$24.93
Total Power Costs Collected in Rates	\$	33,555,555.66	33,555,555.66	26,167,235.65	59,722,791.31	25,042,891.47	84,765,682.78	22,501,843.80	107,267,526.58	28,135,407.78	135,402,934.36	35,910,252.70	171,313,187.06
CHANGE FROM FORECAST													
Actual Power Cost per Unit	\$/MWh	\$25.08	\$25.08	\$23.53	\$24.40	\$17.87	\$22.47	\$25.01	\$23.01	\$23.64	\$23.14	\$24.11	\$23.34
Combined Rate (Recoverd in Rates)	\$/MWh		\$24.86	\$24.95	\$24.90	\$24.81	\$24.87	\$24.33	\$24.76	\$24.66	\$24.74	\$25.69	\$24.93
Actual Increase (Decrease) Over Forecast Rate	\$/MWh		\$0.22	(\$1.42)	(\$0.50)	(\$6.94)	(\$2.40)	\$0.68	(\$1.75)	(\$1.02)	(\$1.59)	(\$1.58)	(\$1.59)
Deviation from Forecast	\$/WIVVII S	300.688.42	300.688.42	(1.489.113.00)	(1.188.424.58)	(7.005.957.75)	(8.194.382.33)	625.223.70	(7.569.158.63)	(1.158.862.67)	(8.728.021.30)	(2.204.235.19)	(10.932.256.49)
Deviation from Porecast	3	300,000.42	300,000.42	(1,409,113.00)	(1,100,424.30)	(7,000,907.70)	(0,194,302.33)	023,223.70	(7,309,136.03)	(1,150,002.07)	(0,720,021.30)	(2,204,233.19)	(10,932,230.49)
Oregon Allocation	%		4.67%		4.67%		4.67%		4.67%		4.67%		4.67%
Oregon Allocated Power Cost Deviation (before DB)	\$		14,042.15		(55,499.43)		(382,677.65)		(353,479.71)		(407,598.59)		(510,536.38)
Deadhand - Over 250 Basis Points	s		3.016.117.95		3.016.117.95		3.016.117.95		3.016.117.95		3.016.117.95		3.016.117.95
Deadband - Under 125 Basis Points	ŝ		(1.508.058.98)		(1.508.058.98)		(1.508.058.98)		(1.508.058.98)		(1.508.058.98)		(1.508.058.98)
	Ŷ		(1,000,000,00)		(1,000,000.00)		(1,000,000.00)		(1,000,000,000)		(1,000,000,000)		(1,000,000,000)
True-Up (+)	s		0.00		0.00		0.00		0.00		0.00		0.00
True-Up (-)	ŝ		0.00		0.00		0.00		0.00		0.00		0.00
OREGON DEFERRAL before sharing			0.00		0.00		0.00		0.00		0.00		0.00
	\$										0.00		0.00
Portion of True-up Change Allowed	%		90%		90%		90%		90%		90%		90%
OREGON DEFERRAL w/ SHARING (90/10)	\$		0.00		0.00		0.00		0.00		0.00		0.00
Interest Rate	%		7.757%		7.757%		7.757%		7.757%		7.757%		7.757%
Interest Accrued to date	ŝ		0.00		0.00		0.00		0.00		0.00		0.00
Total Deferred Balance	s		0.00		0.00		0.00		0.00		0.00		0.00
Total Deferred Balance	ş		0.00		0.00		0.00		0.00		0.00		0.00

2017 PCAM

Twelve Months Ended December 31,	2017
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OREGON PCAM (Schedule 56)		July	July YTD	August	August YTD	September	September YTD	October	October YTD	November	November YTD	December	December YTD	Annual
ACTUAL POWER COSTS														
ctual NPSE Costs														
Actual Sales - Includes Unbilled	MWh	1,725,944	8,597,522	1,551,576	10,149,098	1,160,202	11,309,300	1,008,878	12,318,178	1,020,634	13,338,812	1,232,141	14,570,953	14,570,9
Fuel	s	18,466,024.40	75,134,179.15	21,558,559.11	96,692,738.26	14,504,699.16	111,197,437.42	9,725,779.35	120,923,216.77	12,339,504.43	133,262,721.20	12,566,106.98	145,828,828.18	145,828,828.1
Purchased Power	\$	6,877,460.25	37,903,230.56	6,140,751.72	44,043,982.28	3,562,090.51	47,606,072.79	7,719,104.48	55,325,177.27	6,667,681.78	61,992,859.05	5,811,097.68	67,803,956.73	67,803,956.7
Oregon Solar Pilot		2,557.72	6,933.44	2,608.16	9,541.60	1,888.84	11,430.44	2,366.37	13,796.81	1,347.40	15,144.21	785.40	15,929.61	15,929.6
Surplus Sales	\$	(607,777.93)	(18,493,589.23)	(2,074,773.27)	(20,568,362.50)	(3,426,550.45)	(23,994,912.95)	(2,696,279.14)	(26,691,192.09)	(1,385,309.96)	(28,076,502.05)	(3,395,007.03)	(31,471,509.08)	(31,471,509.0
Total Non-QF	\$	24,738,264.44	94,550,753.92	25,627,145.72	120,177,899.64	14,642,128.06	134,820,027.70	14,750,971.06	149,570,998.76	17,623,223.65	167,194,222.41	14,982,983.03	182,177,205.44	182,177,205.4
QF - Includes Net Metering and Liquidated Damages	\$	22,493,206.73	113,061,647.82	22,416,129.97	135,477,777.79	16,158,511.77	151,636,289.56	16,996,556.88	168,632,846.44	16,361,948.28	184,994,794.72	12,362,992.69	197,357,787.41	197,357,787.4
Total Actual Power Costs Incurred	\$	47,231,471.17	207,612,401.74	48,043,275.69	255,655,677.43	30,800,639.83	286,456,317.26	31,747,527.94	318,203,845.20	33,985,171.93	352,189,017.13	27,345,975.72	379,534,992.85	379,534,992.8
ctual Power Cost per Unit	\$/MWh	\$27.37	\$24.15	\$30.96	\$25.19	\$26.55	\$25.33	\$31.47	\$25.83	\$33.30	\$26.40	\$22.19	\$26.05	\$26.0
POWER COSTS COLLECTED IN RATES														
Actual Sales	MWh	1,725,944	8,597,522	1,551,576	10,149,098	1,160,202	11,309,300	1,008,878	12,318,178	1,020,634	13,338,812	1,232,141	14,570,953	14,570,9
Combined Rate (Recoverd in Rates)	\$/MWh		\$25.11	\$ 26.00	\$25.25	\$ 25.68	\$25.29	\$ 25.58	\$25.32	\$ 25.99	\$25.37	\$ 26.57	\$25.47	\$25.4
Total Power Costs Collected in Rates	\$	44,581,133.52	215,894,320.58	40,340,976.00	256,235,296.58	29,793,987.36	286,029,283.94	25,807,099.24	311,836,383.18	26,526,277.66	338,362,660.84	32,737,986.37	371,100,647.21	371,100,647
CHANGE FROM FORECAST														
Actual Power Cost per Unit	\$/MWh	\$27.37	\$24.15	\$30.96	\$25.19	\$26.55	\$25.33	\$31.47	\$25.83	\$33.30	\$26.40	\$22.19	\$26.05	\$26.
Combined Rate (Recoverd in Rates)	\$/MWh	\$25.83	\$25.11	\$26.00	\$25.25	\$25.68	\$25.29	\$25.58	\$25.32	\$25.99	\$25.37	\$26.57	\$25.47	\$25.4
ctual Increase (Decrease) Over Forecast Rate	\$/MWh	\$1.54	(\$0.96)	\$4.96	(\$0.06)	\$0.87	\$0.04	\$5.89	\$0.52	\$7.31	\$1.04	(\$4.38)	\$0.58	\$0.5
eviation from Forecast	s	2,650,337.65	(8,281,918.84)	7,702,299.69	(579,619.15)	1,006,652.47	427,033.32	5,940,428.70	6,367,462.02	7,458,894.27	13,826,356.29	(5,392,010.65)	8,434,345.64	8,434,345.6
Dregon Allocation	%		4.67%		4.67%		4.67%		4.67%		4.67%		4.67%	4.6
Dregon Allocated Power Cost Deviation (before DB)	\$		(386,765.61)		(27,068.21)		19,942.46		297,360.48		645,690.84		393,883.94	393,883.9
Deadband - Over 250 Basis Points	s		3.016.117.95		3.016.117.95		3.016.117.95		3.016.117.95		3.016.117.95		3.016.117.95	3.016.117.9
leadband - Under 125 Basis Points	ŝ		(1,508,058.98)		(1,508,058.98)		(1,508,058.98)		(1,508,058.98)		(1,508,058.98)		(1,508,058.98)	(1,508,058.9
rue-Up (+)	s		0.00		0.00		0.00		0.00		0.00		0.00	0.0
rue-Up (-)	\$		0.00		0.00		0.00		0.00		0.00		0.00	0.0
REGON DEFERRAL before sharing	s		0.00		0.00		0.00		0.00		0.00		0.00	0.0
Portion of True-up Change Allowed	%		90%		90%		90%		90%		90%		90%	9
OREGON DEFERRAL w/ SHARING (90/10)	\$		0.00		0.00		0.00		0.00		0.00		0.00	0.0
nterest Rate	%		7.757%		7.757%		7.757%		7.757%		7.757%		7.757%	7.75
iterest Accrued to date	\$		0.00		0.00		0.00		0.00		0.00		0.00	0.
otal Deferred Balance	s		0.00		0.00		0.00		0.00		0.00		0.00	0.0

Idaho Power/102 Witness: Courtney Waites

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE _____

IDAHO POWER COMPANY

Exhibit 102 PCAM Deadband Calculation

Determination of Oregon PCAM Deadbands Based on Idaho Power 2016 Results of Operations

(A)

(B)

(4)	Data Dasa	Total System	Oregon
(1)	Rate Base	\$3,163,968,898	\$137,638,623
(2)	% Equity in cap structure	53.382%	53.382%
(3)	Equity in rate base	\$1,688,989,877	\$73,474,250
(4)	100 basis points	1.000%	1.000%
(5)	Resulting return (NOI Effect)	\$16,889,899	\$734,742
(6)	Net-to Gross Factor	1.64200	1.64200
(7)	Revenue requirement	\$27,733,214 \$	1,206,447

(8)	Upper Band of Basis Points	250	\$3,016,117.95
(9)	Lower Band of Basis Points	125	(\$1,508,058.98)

Idaho Power/103 Witness: Courtney Waites

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE _____

IDAHO POWER COMPANY

Exhibit 103 2017 REC Sales

Idaho Power/103 Waites/1

	А	В	С	D	E	F	G	н	1	J	К	L	м	Ν	0
1			-	_	-		-			-		_			-
2	Oregon Renewable Energy Credit Sales														
	January 2017 thru December 2017				1			20	17						
4			Januarv	February	March	April	Mav	June	Julv	August	September	October	November	December	Totals
5	Prior Month Sale(s)	\$	852,442.50	-	36,222.24	941,634.38	-	40,500.00	257,540.25	2,902.50	-	73,529.00	94,480.00	50,000.00	2,349,250.87
6	Annual Certification		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(3,000.00)	(3,000.00)
7	Brokerage Fee's Paid in Prior Month	\$	0.00	0.00	(482.37)	(2,999.98)	0.00	0.00	0.00	0.00	0.00	(1,169.80)	0.00	0.00	(4,652.15)
	Washington REC Registration Fees		0.00	0.00	0.00	0.00	0.00	0.00	0.00	(2,500.00)	0.00	0.00	0.00	0.00	(2,500.00)
9	Western Electric Coordinating Council Fees		(171.63)	0.00	(1,609.68)	(364.86)	0.00	(1,673.04)	(270.51)	(484.97)	(193.53)	(186.88)		(349.11)	(5,813.81)
10	Net Proceeds	\$	852,270.87	-	34,130.19	938,269.54	-	38,826.96	257,269.74	(82.47)	(193.53)	72,172.32	93,970.40	46,650.89	2,333,284.91
11															
	Oregon Allocation		4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	4.67%	
13	Sharing Percentage		90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	90.0%	
14															
15	Total Customer Benefit	\$	35,820.94	-	1,434.49	39,435.47	-	1,631.90	10,813.05	(3.47)	(8.13)	3,033.40	3,949.58	1,960.74	98,067.97
16															
17															
18															
	Principle														
20	Beginning Balance	\$	-	35,820.94	35,820.94	37,255.43	76,690.90	76,690.90	78,322.80	89,135.85	89,132.38	89,124.25	92,157.65	96,107.23	-
21	Amount Deferred		05 000 04		4 404 40	00 405 47		1 001 00	10.010.05	(3.47)	(0.40)	3.033.40	0.040.50	4 000 74	00 007 07
22	Amount Deferred		35,820.94	-	1,434.49	39,435.47	-	1,631.90	10,813.05	(3.47)	(8.13)	3,033.40	3,949.58	1,960.74	98,067.97
23	Ending Balance	¢	35.820.94	35.820.94	37.255.43	76.690.90	76.690.90	78.322.80	89.135.85	89,132,38	89.124.25	92.157.65	96.107.23	98.067.97	98.067.97
24	Ending balance	φ	35,620.94	35,620.94	37,200.43	70,090.90	70,090.90	10,322.00	09,133.03	09,132.30	09,124.23	92,157.05	90,107.23	90,007.97	90,007.97
26															
	Interest														
	Beginning Balance	\$	-	-	231.55	463.10	703.93	1.199.67	1.695.41	2.201.70	2.777.89	3.354.06	3.930.17	4.525.89	-
29		Ť						.,	.,	_,	_,	0,000.000	0,000	.,	
30	Annual Interest Rate		7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%	7.757%
31															
32	Monthly Interest	\$	-	231.55	231.55	240.83	495.74	495.74	506.29	576.19	576.17	576.11	595.72	621.25	5,147.14
33															
34	Interest Accrued to Date	\$	-	231.55	463.10	703.93	1,199.67	1,695.41	2,201.70	2,777.89	3,354.06	3,930.17	4,525.89	5,147.14	5,147.14
35															
36	Deferral Balance Including Interest	\$	35,820.94	36,052.49	37,718.53	77,394.83	77,890.57	80,018.21	91,337.55	91,910.27	92,478.31	96,087.82	100,633.12	103,215.11	103,215.11
37															
38															
39	Total Customer Benefit														103,215.11

Idaho Power/104 Witness: Courtney Waites

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE _____

IDAHO POWER COMPANY

Exhibit 104 Intervenor Funding Deferrals

IDAHO POWER COMPANY										
Docket/Order No.	Order Date	Recorded Date	Fund Type		Amount					
AR 603/17-278	7/20/2017	8/7/2017	Issue Fund	\$	4,000.00					
UE 314/17-294	8/4/2017	8/22/2017	Issue Fund		4,440.00					
UE 316/17-353	9/14/2017	9/20/2017	Issue Fund		4,003.00					
UM 1815/17-425	10/20/2017	10/31/2017	Issue Fund		591.00					
UM 1716/17-430	10/24/2017	10/31/2017	Issue Fund		2,774.58					
LC68/17-468	11/15/2017	11/21/2017	Issue Fund		9,295.00					
UM 1757(3)/18-011	1/17/2018	1/26/2018	CUB Fund		31,500.00					
CARRYING CHARGES					4,579.60					
BALANCE				\$	61,183.18					

Idaho Power/105 Witness: Courtney Waites

BEFORE THE PUBLIC UTILITY COMMISSION OF OREGON

UE _____

IDAHO POWER COMPANY

Exhibit 105 Schedule 56 Rates

Oregon				
	12 MOS	MOS ENDED DEC 2017		
Total Revenues	\$	53,986,138		
		6%		
Deferral Revenues Allowed	\$	3,239,168		
True-Up Balancing Account				
Oregon kWh Forecast ¹		701,192,978		
Rate (cents per kWh)		(0.0001)		
Estimated Collection (Refund)	\$	(103,215)		
Intervenor Funding deferrals				
Oregon Residential kWh Forecast ¹		192,406,240		
Rate (cents per kWh)		0.0003		
Estimated Collection (Refund)	\$	61,183		
	Ŷ	01,100		
Total Rate - Residential Service (cents per kWh)		0.0002		
Total Rate - All Other (cents per kWh)		(0.0001)		

1. June 1, 2018 - May, 31, 2019 test year.

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document in UE

_____ on the following named person(s) on the date indicated below by email addressed to

said person(s) at his or her last-known address(es) indicated below.

Oregon Citizens' Utility Board dockets@oregoncub.org

Elizabeth Jones Citizens' Utility Board of Oregon liz@oregoncub.org

Rose Anderson Public Utility Commission rose.anderson@state.or.us

Lisa Nordstrom Idaho Power Company Inordstrom@idahopower.com Robert Jenks Citizens' Utility Board of Oregon bob@oregoncub.org

Adam Lowney McDowell Rackner Gibson PC dockets@mrg-law.com adam@mrg-law.com

Michael T. Weirich Department of Justice Michael.weirich@state.or.us

Idaho Power Company dockets@idahopower.com

DATED: February 23, 2018

<u>/s/ Alisha Till</u> Alisha Till Legal Assistant

2017 ANNUAL POWER SUPPLY EXPENSE TRUE-UP