

McDowell Rackner & Gibson PC



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July 9, 2013

VIA ELECTRONIC AND U.S. MAIL

PUC Filing Center
Public Utility Commission of Oregon
PO Box 2148
Salem, OR 97308-2148

Re: UE 233 – Idaho Power Company's Application for Authority to Increase its Rates and Charges for Electric Service to its Customers in the State of Oregon

Attention Filing Center:

Enclosed for filing in Docket UE 233 is an original five copies of Idaho Power Company's Stipulated Facts.

A copy of this filing has been served on all parties to this proceeding as indicated on the attached Certificate of Service.

Please contact me with any questions.

Very truly yours,

A handwritten signature in blue ink that reads "Wendy McIndoo". The signature is written in a cursive style.

Wendy McIndoo
Office Manager

Enclosures
cc: Service List

1 1. Column B of Attachment 1 provides Idaho Power's authorized return on
2 equity ("ROE") for the years 1987 to 2009. Based on the Company's filed Oregon Results
3 of Operations ("ROO"), Column C, labeled "Actual ROE (Without Type 1 Adjustments),"
4 reflects the Company's actual ROE without a Type-1 adjustment. The Company's ROO
5 for the years 1987 through 1990 did not include a calculated ROE. The Company was
6 able to calculate the ROE for 1989 and 1990 and those values are included in Columns C.
7 However, the data necessary to calculate the ROE for 1987 and 1988 is unavailable and
8 therefore the Company could not determine the actual ROE for those years (both with and
9 without Type 1 adjustments).

10 2. The Company's *actual* ROE after all Type 1 adjustments were made are
11 shown in Column D in each of the years for which data is available.

12 3. Columns E and F of Attachment 1 provide the estimated net tax benefit for
13 each year related to the income tax accounting method concerning the capitalization of
14 overhead costs to utility property ("UNICAP") and the income tax accounting method
15 concerning the deduction of repair costs that have been capitalized to utility assets
16 ("Repairs"). Column G, labeled "System Net Tax Benefit," is the summation of the
17 estimated tax benefit from the UNICAP and Repairs method changes.

18 4. Column H, labeled "P101P Plant Allocator," presents the factor used to
19 allocate the total system net tax benefits to Oregon. Column I, labeled "Oregon Allocated
20 Net Tax Benefit," was calculated by multiplying the P101P Plant Allocator by the System
21 Net Tax Benefit.

22 5. Column J, labeled "Type 1 ROE After Tax Benefit Under Idaho Power's
23 Theory of the Case," reflects what the Company's Type 1-adjusted ROE would have been
24 had the Company received the tax benefits in each of the individual tax years from 1987 to
25 2009, for which data is available.

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1 6. Column K reflects what the Company's Type 1-adjusted ROE would have
2 been would have been if the tax benefits recorded in 2010 and 2011 were not treated as
3 out-of-period adjustments, but rather recognized for Type 1 ROE computational purposes
4 in the years that the tax benefits were actually recorded by the Company.

5 7. Column L, labeled "Type 1 ROE After Tax Benefit Under OICIP's and CUB's
6 Theory of the Case," reflects what the Company's Type 1-adjusted ROE would have been
7 if the tax benefits recorded in 2010 and 2011 were recognized for Type 1 ROE
8 computational purposes exclusively in 2011.

9 8. In response to the questions raised by ALJ Power's Ruling, the parties agree
10 that the on-going benefits associated with both the UNICAP and the Repairs method
11 change will be included in the Company's forecast tax expenses in all future rates cases.
12 In this way, on a forward-looking basis, these tax method changes will be treated the
13 same as all other tax related expenses. With respect to the Repairs method change, the
14 full value of the ongoing benefit associated with the Repairs deduction was included in the
15 UE 233 rate filing as a decrease to income tax expense, and the ongoing benefits will be
16 included in future filings as well. The Repairs method change will provide greater on-
17 going income tax benefits for Idaho Power's customers and shareholders. On a system
18 basis, in UE 233, the benefit lowered the requested amount by approximately \$8 million
19 more than the prior Repairs methodology would have.

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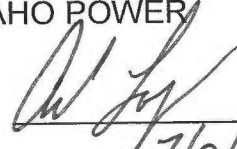
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STAFF

By: _____
Date: _____

IDAHO POWER

By:  _____
Date: 7/9/13 _____

CITIZENS' UTILITY BOARD OF OREGON

By: _____
Date: _____

OREGON INDUSTRIAL CUSTOMERS OF IDAHO POWER

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CITIZENS' UTILITY BOARD OF OREGON

OREGON INDUSTRIAL CUSTOMERS OF IDAHO POWER

By: Summer Jensen

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Date: 7/8/13

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STAFF

By: [Signature]

Date: July 8, 2013

CITIZENS' UTILITY BOARD OF OREGON

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Date: _____

IDAHO POWER

By: _____

Date: _____

OREGON INDUSTRIAL CUSTOMERS OF IDAHO POWER

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STAFF

IDAHO POWER

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By: _____

Date: _____

Date: _____

CITIZENS' UTILITY BOARD OF
OREGON

OREGON INDUSTRIAL CUSTOMERS
OF IDAHO POWER

By: _____

By: *[Signature]*

Date: _____

Date: 7-3-13

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UE 233

Attachment 1 to Stipulated Facts

July 9, 2013

ATTACHMENT 1

Line No.	(A) OREGON RESULTS OF OPERATIONS			(B) ESTIMATED NET TAX		(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
	Authorized ROE	Actual ROE (without Type 1 Adjustments)	Actual ROE (After Type 1 Adjustments)	Repairs	UNICAP										
1	12.75%	No ROE calculated in 1987 report	No ROE calculated in 1987 report	\$0	\$0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
2	12.75%	No ROE calculated in 1988 report	No ROE calculated in 1988 report	\$0	\$0	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
3	12.75%	11.611%	11.833%	\$0	\$61,517	\$61,517	4.76%	\$2,928	11.84%	\$2,928	4.76%	\$2,928	11.84%	n/a	n/a
4	12.75%	8.736%	10.895%	\$0	\$173,482	\$173,482	4.77%	\$8,275	10.92%	\$8,275	4.77%	\$8,275	10.92%	n/a	n/a
5	12.75%	7.026%	9.957%	\$0	\$417,809	\$417,809	4.82%	\$20,138	10.029%	\$20,138	4.82%	\$20,138	10.029%	n/a	n/a
6	12.75%	4.195%	11.944%	\$0	\$279,917	\$279,917	4.92%	\$13,772	11.991%	\$13,772	4.92%	\$13,772	11.991%	n/a	n/a
7	12.75%	7.714%	9.033%	\$0	\$1,024,190	\$1,024,190	4.56%	\$46,703	9.195%	\$46,703	4.56%	\$46,703	9.195%	n/a	n/a
8	12.75%	6.184%	9.781%	\$0	\$920,629	\$920,629	4.28%	\$39,403	9.919%	\$39,403	4.28%	\$39,403	9.919%	n/a	n/a
9	10.50%	7.395%	10.373%	\$0	\$852,987	\$852,987	4.59%	\$39,152	10.496%	\$39,152	4.59%	\$39,152	10.496%	n/a	n/a
10	10.50%	9.453%	8.060%	\$0	\$1,017,817	\$1,017,817	4.77%	\$48,550	8.207%	\$48,550	4.77%	\$48,550	8.207%	n/a	n/a
11	10.50%	10.542%	6.863%	\$0	\$1,334,749	\$1,334,749	4.88%	\$65,136	7.051%	\$65,136	4.88%	\$65,136	7.051%	n/a	n/a
12	10.50%	7.779%	7.043%	\$0	\$2,183,313	\$2,183,313	5.09%	\$111,131	7.357%	\$111,131	5.09%	\$111,131	7.357%	n/a	n/a
13	10.50%	6.420%	6.355%	\$3,946,579	\$3,137,391	\$7,083,970	5.16%	\$365,533	7.369%	\$365,533	5.16%	\$365,533	7.369%	n/a	n/a
14	10.50%	4.393%	10.436%	\$1,548,932	\$3,332,395	\$4,881,327	5.02%	\$245,043	11.126%	\$245,043	5.02%	\$245,043	11.126%	n/a	n/a
15	10.50%	-5.827%	6.268%	\$2,738,439	\$2,735,996	\$5,474,435	5.01%	\$274,269	7.039%	\$274,269	5.01%	\$274,269	7.039%	n/a	n/a
16	10.50%	-22.974%	5.713%	\$2,554,616	\$1,432,557	\$3,987,174	4.98%	\$198,561	6.269%	\$198,561	4.98%	\$198,561	6.269%	n/a	n/a
17	10.50%	-3.976%	5.547%	\$1,244,385	\$2,560,032	\$3,804,417	4.94%	\$187,938	6.054%	\$187,938	4.94%	\$187,938	6.054%	n/a	n/a
18	10.50%	-1.576%	4.544%	\$1,097,735	\$4,552,197	\$5,649,932	5.05%	\$285,322	5.239%	\$285,322	5.05%	\$285,322	5.239%	n/a	n/a
19	10.25%	4.312%	4.296%	\$1,772,518	\$6,887,805	\$8,660,323	5.11%	\$442,543	5.286%	\$442,543	5.11%	\$442,543	5.286%	n/a	n/a
20	10.25%	6.587%	2.331%	\$1,088,278	\$10,572,083	\$11,660,362	4.95%	\$581,852	3.530%	\$581,852	4.95%	\$581,852	3.530%	n/a	n/a
21	10.25%	3.453%	0.555%	\$2,319,203	\$4,654,602	\$6,973,805	4.91%	\$342,414	1.256%	\$342,414	4.91%	\$342,414	1.256%	n/a	n/a
22	10.25%	1.163%	-3.582%	\$3,229,002	\$10,586,189	\$13,815,191	4.85%	\$670,037	-2.600%	\$670,037	4.85%	\$670,037	-2.600%	n/a	n/a
23	10.25%	11.353%	-2.881%	\$11,627,711	\$6,615,023	\$18,242,734	4.78%	\$872,003	-1.270%	\$872,003	4.78%	\$872,003	-1.270%	n/a	n/a
24	10.175%	9.988%	6.316%											9.418%	n/a
25	10.175%	17.833%	11.157%											16.157%	18.957%
26	9.90%	10.228%	8.355%											n/a	n/a

Not Applicable.

1 **CERTIFICATE OF SERVICE**

2 I hereby certify that I served a true and correct copy of the foregoing document in
3 UE 233 on the following named person(s) on the date indicated below by email addressed
4 to said person(s) at his or her last-known address(es) indicated below.

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DATED: July 9, 2013



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