

LISA D. NORDSTROM Lead Counsel Inordstrom@idahopower.com

January 20, 2016

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

Re: Tariff Advice No. 16-01

Update to Charges and Credits under Rule H, New Service Attachments and

Distribution Line Installations or Alterations

#### Attention Filing Center:

Idaho Power Company ("Idaho Power" or "Company") hereby submits proposed cost updates to the charges and credits outlined in Rule H, New Service Attachments and Distribution Line Installations or Alterations. This advice filing is similar to the annual filing Idaho Power submitted January 8, 2015, and seeks to keep all charges and credits current with variations in actual costs.

The following tariff sheets identify the proposed cost updates and language modifications:

Seventh Revised Sheet No. H-5	Cancelling	Sixth Revised Sheet No. H-5
Seventh Revised Sheet No. H-7	Cancelling	Sixth Revised Sheet No. H-7
Seventh Revised Sheet No. H-8	Cancelling	Sixth Revised Sheet No. H-8
Seventh Revised Sheet No. H-9	Cancelling	Sixth Revised Sheet No. H-9

The cost estimation methodology used to update the charges and credits is the same methodology the Company utilized in the prior year's filing.

A 6.75 percent decrease in the general overhead rate used to calculate the charges and credits coupled with moderate decreases in material costs primarily resulted in changes to the charges varying from a 12 percent decrease to no change. However, the Base Charge for 2" riser experienced the only increase, 1 percent, which was driven by including a compatible unit that more accurately represents what occurs in the field when installing a riser. The compatible unit is the cost of connecting the terminal rods to the overhead transformer. The Engineering Charge did not change because the increase in the labor was offset by the decrease in the general overhead rate.

The proposed updates to Company-funded allowance amounts only changed slightly, with the allowance for a single-phase service decreasing by 5 percent and the allowance for the three-phase service decreasing by 3 percent. The cost of transformers decreased for both single-phase and three-phase services.

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All proposed cost updates are summarized in Attachment No. 1 of this advice filing. The charges are presented comparatively to the prior year's filing where the charges are broken out by materials, labor, and cost of Company vehicles/equipment.

The Company respectfully requests that the proposed updates are approved by February 24, 2016, and become effective March 15, 2016, in order to provide the Company an implementation period to update computer systems, prepare new communication materials, and train personnel.

If you have any questions regarding this tariff advice, please contact Regulatory Analyst Zach Harris at 208-388-2305 or zharris@idahopower.com.

Sincerely,

Lisa D. Nordstrom

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Enclosures

## **Attachment No. 1**

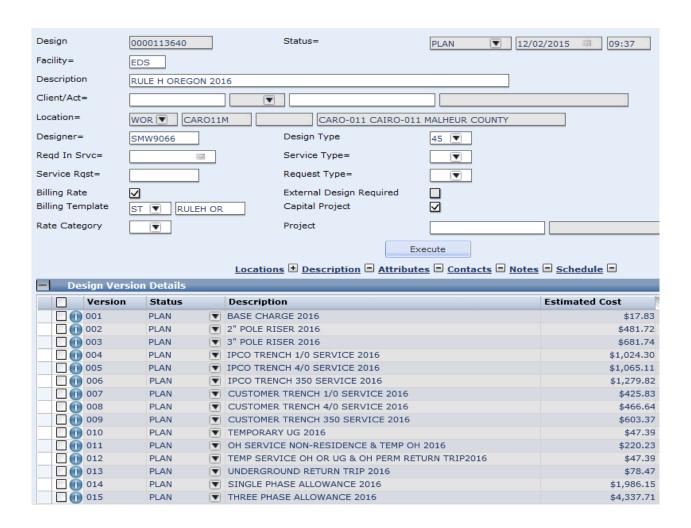
## **Oregon Summary of Changes**

Underground Consider Attachment Charges	E	Existing Proposed 2015 2016		Differen		ce 	
Underground Service Attachment Charges (Rule H Section 4.b.i)							
Base Charge							
Underground	\$	19.00	\$	18.00	\$	(1.00)	-5%
2" riser	\$	479.00	\$	482.00	\$	3.00	1%
3" riser	\$	690.00	\$	682.00	\$	(8.00)	-1%
Distance Charge (per foot)							
Company Installed							
1/0	\$	8.98	\$	8.35	\$	(0.63)	-7%
4/0	\$	9.50	\$	8.76	\$	(0.74)	-8%
350	\$	11.87	\$	10.91	\$	(0.96)	-8%
Customer Provided Trench & Conduit 1/0	Ф	2.63	Ф	2.37	Ф	(0.26)	-10%
4/0	\$ \$	2.63 3.15	\$ \$	2.37 2.77	\$ \$	(0.28)	-10%
350	\$	4.64	\$	4.14	\$	(0.50)	-11%
	Ψ	4.04	Ψ	7.17	Ψ	(0.00)	1170
Other Charges							
(Rule H Section 6)							
Engineering Charge	\$	67.00	\$	67.00	\$	-	0%
Overhead Service Attachment Charge for Non-Reside	\$	226.00	\$	220.00	\$	(6.00)	-3%
Temporary Service Attachment Charge	Ψ		Ψ		Ψ	(0.00)	0,0
Underground	\$	50.00	\$	47.00	\$	(3.00)	-6%
Overhead	\$	226.00	\$	220.00	\$	(6.00)	-3%
Temporary Service (Overhead or Underground)	Φ	F0 00	Φ	47.00	Φ	(0,00)	00/
and Overhead Permanent Return Trip Charge	\$	50.00	\$	47.00	\$	(3.00)	-6%
Underground Service Return Trip Charge	\$	83.00	\$	78.00	\$	(5.00)	-6%
Line Installation and Service Attachment Allowances							
(Rule H Section 7.a)							
Residential							
Schedule 1	\$ 2	2,080.00	\$ '	1,986.00	\$	(94.00)	-5%
Non-residential							
Schedules 7, 9, 24					_	<b></b>	
Single Phase		2,080.00	•	1,986.00		(94.00)	-5%
Three Phase	\$ <sup>4</sup>	4,491.00	\$ 4	4,338.00	\$	(153.00)	-3%
General Overheads		17.75%		11.00%			

## **Oregon**

# Rule H: New Service Attachments and Distribution Line Installations or Alterations 2016 Update to Charges and Credits

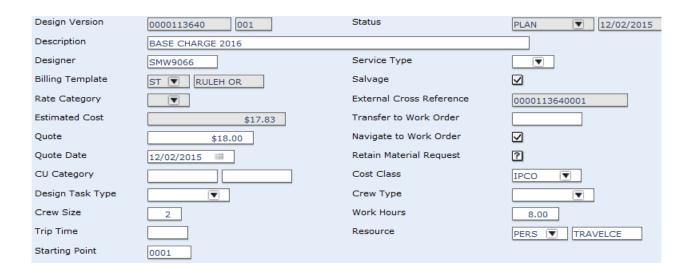
All costs were calculated using the Company's Asset Suite inventory and cost program. Design number **113640** was used to provide a single design number for consistency and accuracy. A summary of all costs is shown below.



# Rule H: Section 4.b.i. Service Attachment Charges

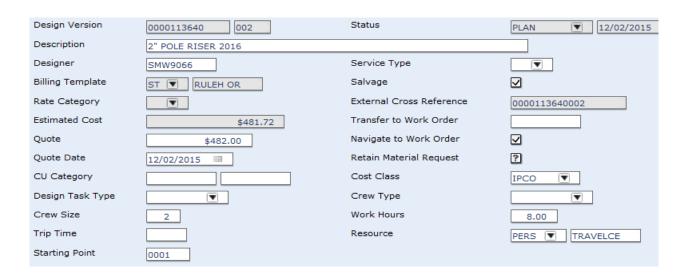
Underground Service Attachment Charge – Base Charge From Underground:

Company Vehicles - Labor Cost -	\$ 3.88 12.43
Material Cost - Cable tag & tie Total	\$ 1.52 17.83
Proposed Update -	\$ 18.00



# Underground Service Attachment Charge – Base Charge From Overhead 2" Riser:

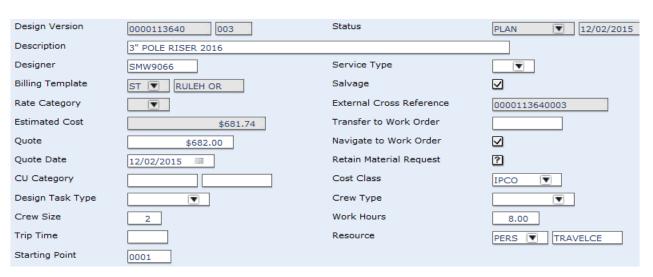
Company Vehicles - Labor Cost -		\$ 52.46 163.48
	2" PVC conduit, 2" metal conduit 35 feet of 1/0 triplex cable for service	103110
	nuts, bolts, brackets and washers	265.78
Total		\$ 481.72
Proposed Upd	ate -	\$ 482.00



# Underground Service Attachment Charge – Base Charge From Overhead 3" Riser

Company Vehicles - Labor Cost -		\$ 62.38 195.18
Material Cost -	3" PVC conduit, 3" metal conduit 35 feet of 4/0 triplex cable for service	
	nuts, bolts, brackets and washers	424.18
Total		\$ 681.74

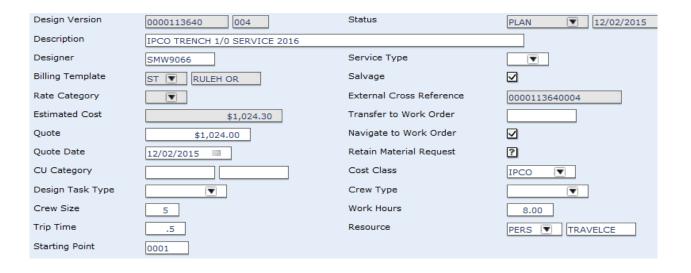
# Proposed Update - \$ 682.00



# Underground Service Attachment Charge – Distance Charge Company Installed, 100 feet of 1/0 underground cable:

(5 Man crew & 0.5 hours of travel time)

Company Vehic	cles -	\$ 254.00 596.74
	Service trench & backfill 30" depth (100 feet) Service cable 1/0 (100 feet) 2" conduit (100 feet) 2" conduit 90 degree bend	330.74
Sub Total	2" conduit bell end	\$ 173.56 1,024.30
Minus the cost	of a 100 foot #2 triplex overhead service	\$ (189.15)
Total		\$ 835.15
Proposed Upd	late -	\$ 8.35 /ft

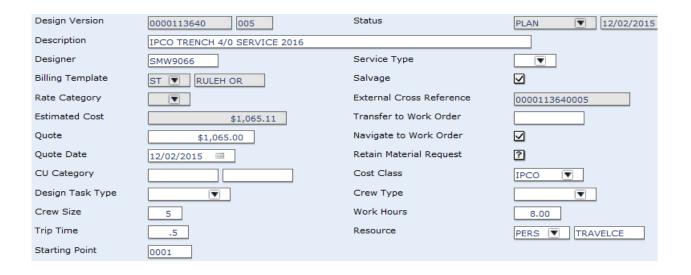


Overhead service credit used in all underground service attachment charges 100 Feet Of #2 Triplex	
Company Vehicles - Labor Cost - Minus Travel	\$ 19.42 93.24 (31.08)
Material Cost -	107.57
Total	\$ 189.15

# Underground Service Attachment Charge – Distance Charge Company Installed, 100 feet of 4/0 underground cable:

(5 Man crew & 0.5 hours of travel time)

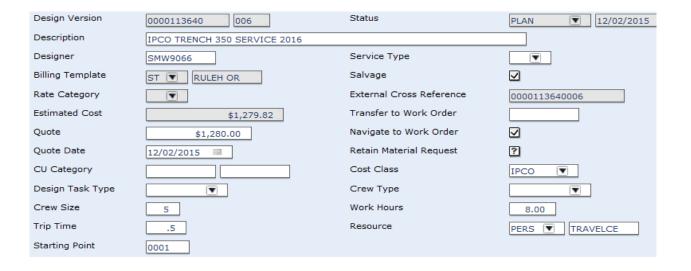
Company Vehic Labor Cost - Material Cost -	Service trench & backfill 30" depth (100 feet) Service cable 4/0 (100 feet) 2" conduit (100 feet) 2" conduit 90 degree bend	\$ 254.00 596.74
Sub Total	2" conduit bell end	\$ 214.37 1,065.11
Minus the cost	of a 100 foot #2 triplex overhead service	\$ (189.15)
Total		\$ 875.96
Proposed Upd	ate -	\$ 8.76 /ft



# Underground Service Attachment Charge – Distance Charge Company Installed, 100 feet of 350 underground cable:

(5 Man crew & 0.5 hours of travel time)

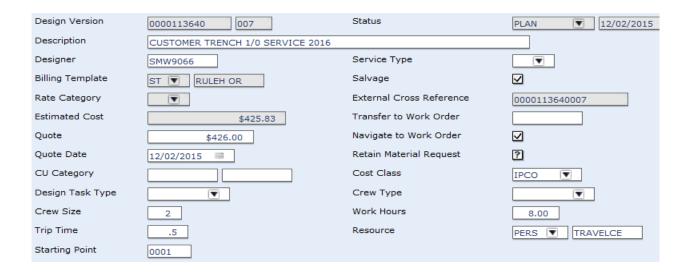
Company Vehic Labor Cost -	cles - Service trench & backfill 30" depth (100 feet)	\$ 263.72 627.82
Material Cost -	Service cable 350 (100 feet)	
	3" conduit (100 feet) 3" conduit 90 degree bend	
	3" conduit bell end	 388.28
Sub Total		\$ 1,279.82
Minus the cost	of a 100 foot #2 triplex overhead service	\$ (189.15)
Total		\$ 1,090.67
Proposed Upd	ate -	\$ 10.91 /ft



# Underground Service Attachment Charge – Distance Charge Customer provided trench & conduit, 100 feet of 1/0 underground cable:

(2 persons & 0.5 hours of travel time)

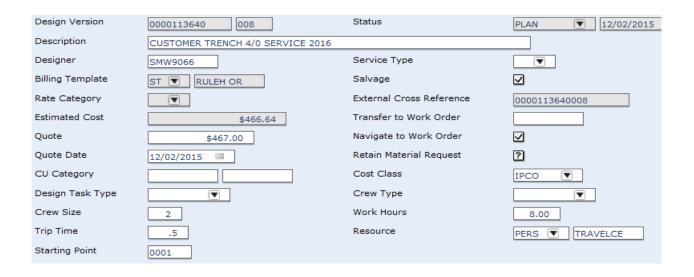
Proposed Update -	\$ 2.37 /ft
Total	\$ 236.68
Minus the cost of a 100 foot #2 triplex overhead service	\$ (189.15)
Material Cost - Service cable 1/0 (100 feet) Sub Total	\$ 93.67 425.83
Company Vehicles - Labor Cost -	\$ 67.98 264.18



# Underground Service Attachment Charge – Distance Charge Customer provided trench & conduit, 100 feet of 4/0 underground cable:

(2 persons & 0.5 hours of travel time)

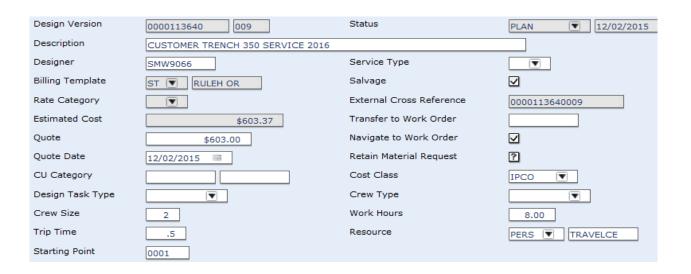
Proposed Update -	\$ 2.77 /ft
Total	\$ 277.49
Minus the cost of a 100 foot #2 triplex overhead service	\$ (189.15)
Sub Total	\$ 466.64
Labor Cost - Material Cost - Service cable 4/0 (100 feet)	264.18 134.48
Company Vehicles -	\$ 67.98



# Underground Service Attachment Charge – Distance Charge Customer provided trench & conduit, 100 feet of 350 underground cable:

(2 persons & 0.5 hours of travel time)

Proposed Update -	\$	4.14 /ft
Total	\$	414.22
Minus the cost of a 100 foot #2 triplex overhead service	\$	(189.15)
Material Cost - Service cable 350 (100 feet) Sub Total		230.41 603.37
Company Vehicles - Labor Cost -	\$	77.70 295.26



# Rule H: Section 6 Other Charges

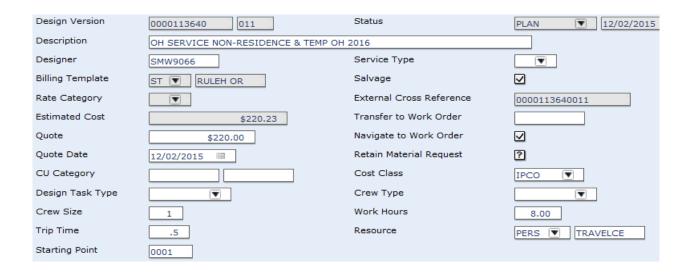
## b. Engineering Charges

	Senior Distribution Designer (2015 wage schedule)		\$ 43.08 /hour
	Benefits (2015 actual)	44.81%	19.30 /hour
	General Overhead (effective Nov. 2015)	11.00%	4.74 /hour
Total			\$ 67.12 /hour
Proposed Update -			\$ 67.00 /hour

## d. Overhead Service Attachment Charge for Non-Residence

	Company Vehicles -		\$ 19.42
	Labor Cost -		93.24
	Material Cost -		
	100 ft #2 triplex, wedge clamps, nuts, bolts		107.57
Total		•	\$ 220.23

### Proposed Update - \$ 220.00

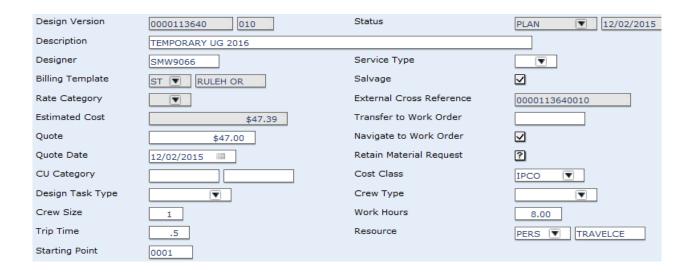


## g. Temporary Service Attachment Charge

### i. Underground

	Company Vehicles -	\$ 3.88
	Labor Cost -	43.51
	Material Cost -	-
Total		\$ 47.39

### Proposed Update - \$ 47.00

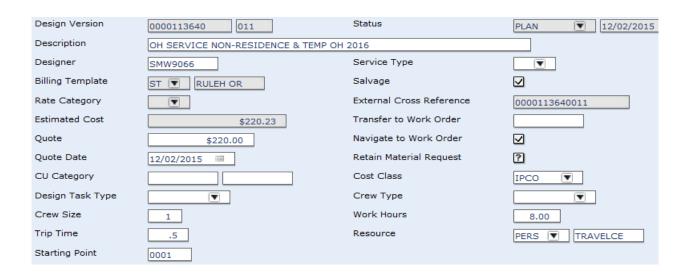


## g. Temporary Service Attachment Charge

#### ii. Overhead

Comp	pany Vehicles -	\$ 19.42
Labo	r Cost -	93.24
Mate	rial Cost -	
100 f	t #2 triplex, wedge clamps, nuts, bolts	107.57
Total		\$ 220.23

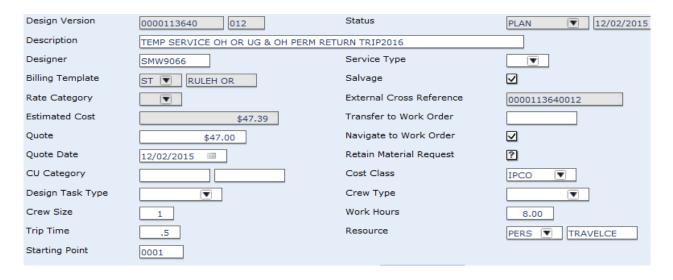
### Proposed Update - \$ 220.00



## h. <u>Temporary Service (Overhead or Underground) and Overhead Permanent</u> Return Trip Charge

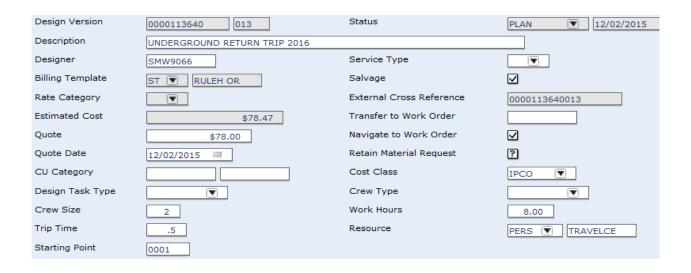
	Company Vehicles -	\$ 3.88
	Labor Cost -	 43.51
Total		\$ 47.39
_		

## Proposed Update - \$ 47.00



## j. Underground Service Return Trip Charge

Proposed Update -	\$ 78.00
Total	\$ 78.47
Labor Cost -	 74.59
Company Vehicles -	\$ 3.88

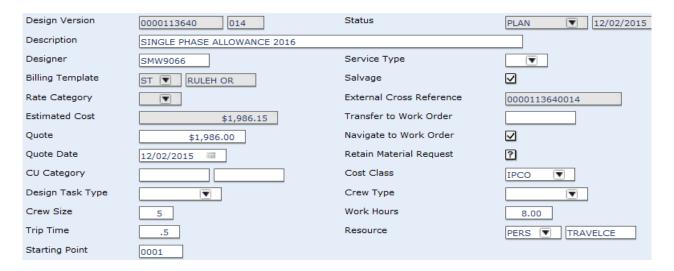


# Rule H: Section 7 Line Installation and Service Attachment Allowances

Allowances are based on the cost of providing and installing Standard Terminal Facilities for single phase and three phase services.

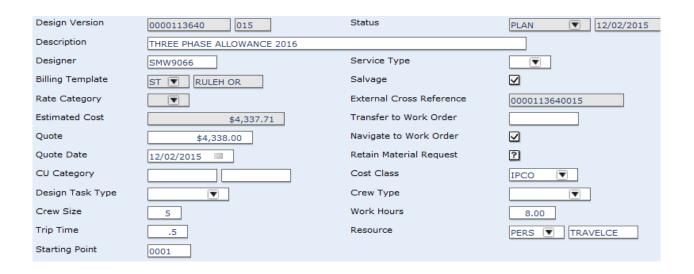
## Single Phase Allowance:

Company Vehic Labor Cost -	xles -		\$	114.58 517.91
Material Cost -	Wedge stirrup hot tap	30.00		
	Switch arm	45.17		
	Switch	128.36		
	25 kVA transformer	967.46		
	Transformer bussing	28.28		
	Service wire - 125 feet	123.91		
	Ground rod	25.63		
	Neutral wedge connector	4.85	_	
		1,353.66	•'	
Total Materials			\$	1,353.66
Total			\$	1,986.15
Proposed Update -		\$	1,986.00	



## Three Phase Allowance:

Company Vehic Labor Cost -	cles -		\$ 317.68 1,323.23
Material Cost -	Wedge stirrup hot tap (3)	90.00	
	Switch arm	147.05	
	Switch (3)	336.54	
	Transformer mount	271.44	
	15 kVA transformer (3)	1,614.09	
	Transformer bussing	47.89	
	Service wire - 125 feet	159.31	
	Ground rod	25.63	
	Neutral wedge connector	4.85	_
		2,696.80	
Total Materials			\$ 2,696.80
Total			\$ 4,337.71
Proposed Update -			\$ 4,338.00



#### SEVENTH REVISED SHEET NO. H-5 CANCELS SIXTH REVISED SHEET NO. H-5

P.U.C. ORE. NO. E-27

# RULE H NEW SERVICE ATTACHMENTS AND DISTRIBUTION LINE INSTALLATIONS OR ALTERATIONS (Continued)

### 2. <u>General Provisions</u> (Continued)

I. <u>Customer Provided Trench Digging and Backfill</u>. The Company will at its discretion allow an Applicant, Additional Applicant or subdivider to provide trench digging and backfill. The Customer will sign a Memorandum of Agreement, detailing the work to be performed by the Customer and the specifications that must be met prior to the start of construction. The Applicant shall be responsible for the current and reasonable future costs associated with the Line Installation's conduit system, which may include, but is not limited to, the costs of trenching, boring, excavating, backfilling, ducts, raceways, road crossings, paving, vaults, transformer pads, and any required permits. The Company shall own and maintain the conduit system once Company conductors have been installed. In a joint trench, backfill must be provided by the Company. Costs of customer provided trench and backfill will be removed from or not included in the Cost Quote and will not be subject to refund.

#### 3. <u>Line Installation Charges</u>

If a Line Installation is required, the Applicant or Additional Applicant will pay a partially refundable Line Installation Charge equal to the Work Order Cost less applicable Line Installation Allowances identified in Section 7.

#### Service Attachment Charges.

- a. <u>Overhead Service Attachment Charge</u>. If an overhead Service Attachment is required, the Applicant or Additional Applicant will pay a non-refundable Service Attachment Charge equal to the Work Order Cost less applicable Service Attachment allowances identified in Section 7.
- b. <u>Underground Service Attachment Charge</u>. Each Applicant or Additional Applicant will pay a non-refundable Underground Service Attachment Charge for attaching new Terminal Facilities to the Company's distribution system. The Company will determine the location and maximum length of service cable.
  - i. <u>Single Phase 400 Amps or Less and Single Phase Self-Contained Multiple Meter Bases</u> 500 Amps or Less

Underground Service Cable (Base charge plus Distance charge)

,	`	0 1	
Base charge from	m·		
Dasc charge no			

underground	\$ 18.00	(R)
overhead including 2" riser	\$482.00	(1)
overhead including 3" riser	\$682.00	(R)

#### Distance charge (per foot)

Company Installed Facilities with:

arry motaned r demittee with:		
1/0 underground cable	\$ 8.35	(R)
4/0 underground cable	\$ 8.76	(R)
350 underground cable	\$ 10.91	(R)

#### Customer Provided Trench & Conduit with:

1/0 underground cable	\$ 2.37	(R)
4/0 underground cable	\$ 2.77	(R)
	<b>A</b> 4.44	(D)

350 underground cable \$ 4.14

Issued by IDAHO POWER COMPANY By Gregory W. Said, Vice President, Regulatory Affairs 1221 West Idaho Street, Boise, Idaho

Advice No. 16-01

OREGON Issued: January 20, 2016 Effective with Service Rendered on and after: March 15, 2016

# RULE H NEW SERVICE ATTACHMENTS AND DISTRIBUTION LINE INSTALLATIONS OR ALTERATIONS (Continued)

- 6. Other Charges (Continued)
  - c. <u>Joint Trench Charge</u>. Applicants, Additional Applicants, and subdividers will pay the Company for trench and backfill costs included in the Cost Quote. In the event the Company is able to defray any of the trench and backfill costs by sharing a trench with other utilities, the cost reduction will be included in the Cost Quote.
  - d. Overhead Service Attachment Charge for Non-Residence. Applicants or Additional Applicants requesting service to a residential property (Schedule 1) for purposes other than serving a Residence will pay a service connection charge of \$220.00. This charge only applies to non-residences (shop, garage, etc) where there is an existing overhead transformer within 100' of the non-residence structure.
  - e. <u>Rights-of-Way and Easement Charge</u>. Applicants or Additional Applicants will be responsible for any costs associated with the acquisition of rights-of-way or easements.
  - f. <u>Temporary Line Installation Charge</u>. Applicants or Additional Applicants will pay the installation and removal costs of providing Temporary Line Installations.
  - g. <u>Temporary Service Attachment Charge</u>. Applicants or Additional Applicants will pay for Temporary Service Attachments as follows:
    - i. Underground \$47.00

(R)

The Customer-provided pole must be set within two linear feet of the Company's existing transformer or junction box.

ii. Overhead - \$220.00

(R)

The Customer-provided pole shall be set in a location that does not require more than 100 feet of #2 aluminum service conductor that can be readily attached to the permanent location by merely relocating it.

The electrical facilities provided by the Customer on the pole shall be properly grounded, electrically safe, meet all clearance requirements, and be ready for connection to Company facilities.

The Customer shall obtain all permits required by the applicable state, county, or municipal governments and will provide copies or verification to the Company as required. The above conditions must be satisfied before the service will be attached.

h. Temporary Service (Overhead or Underground) and Overhead Permanent Return Trip Charge. A
Return Trip Charge of \$47.00 will be assessed each time Company personnel are dispatched to
the job site at the customer's request, but are unable to connect the service due to action or
inaction on the Customer's part. The charge will be billed after the conditions have been satisfied
and the connection has been made.

# RULE H NEW SERVICE ATTACHMENTS AND DISTRIBUTION LINE INSTALLATIONS OR ALTERATIONS (Continued)

#### 6. Other Charges (Continued)

i. <u>Unusual Conditions Charge</u>. Applicants, Additional Applicants, and subdividers will pay the Company the additional costs associated with any Unusual Conditions included in the Cost Quote. This payment, or portion thereof, will be refunded to the extent that the Unusual Conditions are not encountered.

In the event that the estimate of the Unusual Conditions included in the Cost Quote is equal to or greater than \$10,000, the Applicant, Additional Applicant or subdivider may either pay for the Unusual Conditions or may furnish an Irrevocable Letter of Credit drawn on a local bank or local branch office issued in the name of Idaho Power Company for the amount of the Unusual Conditions. Upon completion of that portion of the project which included an Unusual Conditions estimate, Idaho Power Company will bill the Applicant, Additional Applicant or subdivider for the amount of Unusual Conditions encountered up to the amount established in the Irrevocable Letter of Credit. The Applicant, Additional Applicant or subdivider will have 15 days from the issuance of the Unusual Conditions billing to make payment. If the Applicant, Additional Applicant or subdivider fails to pay the Unusual Conditions bill within 15 days, Idaho Power will request payment from the bank.

j. <u>Underground Service Return Trip Charge</u>. When a residential Customer agrees to supply the trench, backfill, conduit, and compaction for an underground service, a Return Trip Charge of \$78.00 will be assessed each time the Company's installation crew is dispatched to the job site at the Customer's request, but is unable to complete the cable installation and energize the service due to action or inaction on the Customer's part.

#### 7. Line Installation and Service Attachment Allowances

Class of Service

Residential:

The Company will contribute an allowance toward the cost of the Terminal Facilities necessary for Line Installations and/or Service Attachments. Allowances are based on the cost of providing and installing Standard Terminal Facilities for single phase and three phase services.

a. Allowances for Overhead and Underground Line Installations and Overhead Service Attachments

\$1,986.00 Cost of new meter only	(R)
	+ /

Single Phase \$1,986.00 (R)
Three Phase \$4,338.00 (R)

Maximum Allowance per Service

Advice No. 16-01

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# RULE H NEW SERVICE ATTACHMENTS AND DISTRIBUTION LINE INSTALLATIONS OR ALTERATIONS (Continued)

- 7. Line Installations and Service Attachment Allowances (Continued)
  - b. <u>Allowances for Subdivisions and Multiple Occupancy Projects</u>. Developers of Subdivisions and Multiple Occupancy Projects will receive a \$1,986.00 allowance for each single phase transformer installed within a development and a \$4,338.00 allowance for each three phase transformer installed within a development. Subdividers will be eligible to receive allowances for Line Installations inside residential and non-residential subdivisions.

#### 8. Refunds

a. <u>Vested Interest Refunds</u>. Vested Interest Refunds will be paid by the Company and funded by the Additional Applicant's Vested Interest Charge as calculated in accordance with Section 5. The initial Applicant will be eligible to receive refunds up to 80 percent of their original construction cost. Additional Applicants that become Vested Interest Holders will be eligible to receive refunds up to their total contribution less 20 percent of the original construction cost.

A Vested Interest Holder and the Company may agree to waive the Vested Interest payment requirements of Additional Applicants with loads less than an agreed upon level. Waived Additional Applicants will not be considered Additional Applicants for purposes of Section 8.a.i.a) below.

- i. Vested Interest Refund Limitations
  - a) Vested Interest Refunds will be funded by no more than 4 Additional Applicants during the 5-year period following the completion date of the Line Installation for the initial Applicant.
  - b) In no circumstance will refunds exceed 100 percent of the refundable portion of any party's cash payment to the Company.

#### b. Subdivision Refunds

- i. Applicants will be eligible for Vested Interest Refunds for facilities installed inside Subdivisions if the construction was NOT part of the initial Line Installation. Customers requesting additional Line Installations within a Subdivision will be considered new Applicants and become eligible for Vested Interest Refunds.
- ii. A subdivider will be eligible for Vested Interest Refunds for payments for Line Installations outside the subdivision.

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