

MATT LARKIN
Revenue Requirement Senior Manager
mlarkin@idahopower.com

May 24, 2022

ELECTRONICALLY FILED

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

RE: UM 1167 – In the Matter of Idaho Power Company’s Application for an
Accounting Order Regarding the Treatment of Certain Asset Retirement Obligations

Attention Filing Center:

On October 7, 2004, the Public Utility Commission of Oregon (“Commission”) issued Order No. 04-585 approving Idaho Power Company’s (“Company” or “Idaho Power”) implementation of a new accounting methodology regarding the treatment of certain asset retirement obligations (“ARO’s”) under Statement of Financial Accounting Standards 143 (now codified as Accounting Standards Codification (“ASC”) 410). In addition, the Commission ordered the Company to provide Staff with all journal entries made under the requirements of ASC 410 and any journal entries that true-up the ASC adjustments to historical regulatory accounting in order to remove rate impacts of the accounting treatment. The Commission ordered the entries filed at any time Idaho Power files a rate change, including general rate filings and Power Cost Adjustment filings.

On September 26, 2011, Idaho Power filed an application requesting authorization to increase its rates for the early closure of the Boardman power plant. On June 26, 2012, Order No. 12-235 was issued authorizing the Company to begin recovery of incremental costs related to the early closure of Boardman and established the Boardman balancing account which tracks the difference between costs and revenues, including Boardman-related ARO balances. In addition, Order No. 12-235 exempted Boardman-related ARO balances from the deferral treatment required under Order No. 04-585.

Pursuant to Order No. 04-585, attached please find all journal entries made under the requirements of ASC 410. If you have any questions regarding this filing, please contact Regulatory Consultant Courtney Waites at (208) 388-5612 or cwaites@idahopower.com.

Very truly yours,



Matt Larkin

MTL/sg
Enclosure

Idaho Power Company
Accounting Standards Codification 410 (previously FAS 143) Accounting
Year Ended December 31, 2021

| Recorded journal entries | | | |
|--|--|-------------|-------------|
| | FERC Account | Dr. | Cr. |
| <i>December 31, 2020 balances</i> | | | |
| ARO Assets | 101/107 | 15,446,594 | - |
| Accumulated depreciation - ARO assets | 108 | - | 11,721,575 |
| Accumulated depreciation - removal costs | 108 | 182,334,009 | - |
| Cash | 131 | - | 649,974 |
| Regulatory assets | 182.3 | 19,034,854 | - |
| ARO Liabilities | 230 | - | 28,184,915 |
| Regulatory liabilities | 254 | - | 182,334,009 |
| Accretion expense (Boardman only), cumulative | 411 | 2,138,492 | - |
| Depreciation expense (Boardman only), cumulative | 403 | 3,936,524 | - |
| <i>Calendar year 2021 Accretion, Depreciation, Regulatory Asset Amortization, and Removal Cost Entries</i> | | | |
| 1 | Regulatory asset (accretion expense) | 182.3 | 964,208 |
| | Accretion expense (Boardman only) | 411 | 56,783 |
| | ARO liabilities | 230 | 1,020,991 |
| | <i>To record accretion expense on the asset retirement obligations</i> | | |
| 2 | Regulatory asset (depreciation expense) | 182.3 | 3,400,408 |
| | Accumulated depreciation - ARO assets | 108 | 3,400,408 |
| | <i>To record depreciation on the ARO assets</i> | | |
| 3 | Accumulated depreciation - removal costs | 108 | 2,336,247 |
| | Regulatory liabilities | 254 | 2,336,247 |
| | <i>To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the ASC 410 accruals</i> | | |
| <i>Calendar year 2021 changes in estimates</i> | | | |
| 4 | ARO Assets | 107 | 11,093,610 |
| | Regulatory asset | 182.3/182.4 | 1,679,018 |
| | ARO Liabilities | 230 | 9,414,592 |
| | <i>To record revision of estimated AROs at Valmy, Bridger, and Boardman.</i> | | |
| <i>Calendar year 2021 retirements</i> | | | |
| 5 | Regulatory asset | 182.3 | 649,767 |
| | Cash | 131 | 1,250,744 |
| | ARO Liabilities | 230 | 1,900,511 |
| | <i>To primarily record retirements at Bridger and retirement spend at Boardman.</i> | | |
| <i>December 31, 2021 balances</i> | | | |
| ARO Assets | 101/107 | 26,540,204 | - |
| Accumulated depreciation - ARO assets | 108 | - | 15,121,983 |
| Accumulated depreciation - removal costs | 108 | 184,670,256 | - |
| Cash | 131 | - | 1,900,718 |
| Regulatory assets | 182.3/182.4 | 21,070,685 | - |
| ARO Liabilities | 230 | - | 36,719,987 |
| Regulatory liabilities | 254 | - | 184,670,256 |
| Accretion expense (Boardman only), cumulative | 411 | 2,195,275 | - |
| Depreciation expense (Boardman only), cumulative | 403 | 3,936,524 | - |