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March 2, 2018

VIA ELECTRONIC FILING

PUC Filing Center
Public Utility Commission of Oregon
PO Box 1088
Salem, OR 97308-1088

Re: Docket No. UM 1795 -- In the Matter of the Application of Idaho Power Company for an Order Approving the Deferral of Start-Up Expenses Associated with a Community Solar Program.

Attention Filing Center:

Attached for filing in the above-referenced docket is an electronic copy of Idaho Power Company's Application for an Order Extending the Deferral of Start-Up Expenses Associated with a Community Solar Program. A copy of this filing has been served on all parties to Idaho Power's most recent rate case, docket UE 248 as indicated on the attached Certificate of Service.

Sincerely,

Alisha Till
Legal Assistant

Enclosures

cc: UE 248 Service List

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1795

In the Matter of the Application of Idaho Power Company for an Order Approving the Deferral of Start-Up Expenses Associated with a Community Solar Program.

**IDAHO POWER COMPANY'S
APPLICATION FOR EXTENDED
DEFERRAL OF START-UP
EXPENSES ASSOCIATED WITH THE
COMMUNITY SOLAR PROGRAM**

1 Pursuant to ORS 757.259 and OAR 860-027-0300, Idaho Power Company ("Idaho
2 Power" or the "Company") hereby requests an order reauthorizing Idaho Power to defer for
3 later rate-making treatment start-up expenses associated with the development of its
4 Community Solar Program, implemented in compliance with Senate Bill ("SB") 1547,
5 including costs for modification of IT systems, legal and other professional fees, costs
6 related to regulatory compliance, and any other costs the Company may be required to
7 incur. Idaho Power may seek amortization of the deferred amount in a future Commission
8 proceeding. In support of this Application, Idaho Power states:

- 9 1. Idaho Power is a public utility in the state of Oregon and its rates, services and
10 accounting practices are subject to the regulation of the Public Utility Commission of
11 Oregon ("Commission").
- 12 2. This application is filed pursuant to ORS 757.259, which allows the Commission,
13 upon application, to authorize deferral of certain items for later incorporation in rates.
- 14 3. Idaho Power wishes to waive paper service in this docket. Communications to Idaho
15 Power concerning this proceeding should be addressed to:

Lisa Nordstrom
Idaho Power Company
PO Box 70
Boise, ID 83707
dockets@idahopower.com

Lisa Rackner
McDowell Rackner Gibson PC
419 SW 11th Avenue, Suite 400
Portland, OR 97205-2605
dockets@mrg-law.com

I. Statutory and Regulatory Framework

A. Community Solar Program.

1 The Commission adopted formal rules for Oregon’s Community Solar program on
2 Jun 29, 2017 through Order No. 17-232. That order adopted Division 88 of Chapter 860 of
3 the Administrative Rules which provide for a series of extensive implementation actions that
4 must be accomplished before the formal launch of a Community Solar program. Effective
5 January 31, 2018, UM 1930, was opened to house non-rulemaking matters related to the
6 implementation of the Community Solar program.

B. Recovery of Start-Up Costs for Community Solar Program.

7 In accordance with SB 1547 Section 22(7)(c), “[a]ll start-up costs prudently incurred
8 during the development or modification of the program established under this section are
9 recoverable in the rates of an electric company.”

II. Required Contents of Application

10 The following information is provided as required by OAR 860-027-0300(3).

A. Description of Utility Expense.

11 The Company requests authority to defer costs associated with its Community Solar
12 Program. Because the Company is presently incurring start-up costs and expenses
13 associated with the program, the Company is filing this deferral at this time. The costs to be
14 deferred would include costs for modification of IT systems, professional and consultant
15 fees, costs related to regulatory compliance, and any other costs the Company may incur to
16 develop a Community Solar program.

B. Reasons for Deferral.

1 Idaho Power seeks this deferral pursuant to ORS 757.259(2)(e). The authorization
2 for deferral of these expenses will minimize the frequency of rate changes and match
3 appropriately the costs borne by and benefits received by customers. This deferral is
4 necessary because SB 1547 requires the implementation of the community solar program,
5 and the start-up costs for the Company's Community Solar Program are not currently
6 included in the Company's rates.

C. Proposed Accounting.

7 Idaho Power proposes to record the deferred amount as a regulatory asset in FERC
8 account 182.3, Other Regulatory Assets. The Company will record amortization of the
9 deferred amount to FERC Account 407.3, Regulatory Debits. In the absence of a deferred
10 accounting order from the Commission, Idaho Power would record start-up costs associated
11 with the community solar program to various FERC accounts.

D. Estimate of Amounts.

12 The Commission is just initiating implementation of the community solar programs,
13 and the extent of start-up costs are not yet known. For this reason, the Company cannot
14 provide an estimate of the costs it will incur to develop its Community Solar Program.
15 However, the Company can project that development of its program will require
16 modifications to its billing systems, legal and professional advice and possibly the
17 assistance of other professional consultants. The Company therefore estimates that it may
18 defer approximately \$100,000 in start-up costs during the initial 12-month deferral period.

E. Notice.

19 A copy of the notice of application for deferred accounting treatment and a list of
20 persons served with the notice are attached to the Application as Attachment A.

III. Conclusion

1 Deferral of the costs described in this Application is necessary to allow recovery of
2 prudently incurred start-up costs associated with compliance with SB 1547's mandate to
3 implement a community solar program. Therefore, Idaho Power respectfully requests that,
4 in accordance with ORS 757.259 and SB 1547, Section 22(7)(c), the Commission
5 reauthorize the Company to defer start-up expenses associated with its Community Solar
6 Program.

DATED: March 2, 2018

McDOWELL RACKNER GIBSON PC



Lisa F. Rackner

Attorneys for Idaho Power Company

IDAHO POWER COMPANY

Lisa D. Nordstrom
Lead Counsel
PO Box 70
Boise, ID 83707

Of Attorneys for Idaho Power Company

Attachment A
Notice of Application for
Deferred Accounting Order

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM 1795

In the Matter of the Application of Idaho Power Company for an Order Approving the Deferral of Start-Up Expenses Associated with a Community Solar Program.

NOTICE OF APPLICATION

1 On March 2, 2018, Idaho Power Company (“Idaho Power” or the “Company”) applied
2 to the Public Utility Commission of Oregon (“Commission”) for an order reauthorizing the
3 Company to use deferral accounting for startup expenses associated with a Community Solar
4 program required by Senate Bill (“SB”) 1547.

5 Idaho Power proposes to defer from the date of the application forward the costs and
6 startup expenses associated with the development of its Community Solar Program. Though
7 difficult to estimate at this time, Idaho Power has estimated that the annual deferral amounts
8 could be \$100,000 during the start-up period. Idaho Power requests that the deferral
9 continue no longer than twelve months from the date of this filing.

10 The granting of the Application will not authorize a change in rates, but will permit the
11 Commission to consider allowing such deferred amounts in rates in a subsequent
12 proceeding.

13 Interested persons may obtain a copy of the Application by contacting:

Lisa Rackner
McDowell Rackner Gibson PC
419 SW 11th Avenue, Suite 400
Portland, OR 97205-2605
Phone: 503-595-3922
Facsimile: 503-595-3928
dockets@mrq-law.com

1 Any person may submit to the Commission written comment regarding the Application,
2 in accordance with the procedures prescribed by the Commission. The deadline for
3 comments on the application is due March 30, 2018.

DATED: March 2, 2018.

McDOWELL RACKNER GIBSON PC

A handwritten signature in black ink, appearing to read "Lisa F. Rackner", written over a horizontal line.

Lisa F. Rackner

IDAHO POWER COMPANY

Lisa D. Nordstrom
Lead Counsel
PO Box 70
Boise, ID 83707

Of Attorneys for Idaho Power Company

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of the foregoing document on all parties in Docket No. UE 248 and UM 1795 by email addressed to said person(s) at his or her last-known address(es) indicated below.

OPUC dockets
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dockets@oregoncub.org

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DATED: March 2, 2018



Alisha Till
Legal Assistant