

Lisa Nordstrom
Lead Counsel
lnordstrom@idahopower.com

December 28, 2015

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 Requirement Obligations

Attention Filing Center:

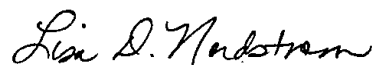
On October 7, 2004, the Public Utilities Commission of Oregon ("Commission") issued Order No. 04-585 approving Idaho Power Company's ("Company" or "Idaho Power") implementation of a new accounting methodology regarding the treatment of certain asset requirement obligations ("ARO's") under Statement of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

Idaho Power provided the ARO accounting entries annually for the years ending 2004, 2005, and 2006 but failed to provide the ARO entries annually beginning in 2007. Pursuant to Order No. 04-585, attached please find the ARO entries for the years ending 2007 through 2014. The Company is committed to filing the ARO entries timely in the future.

Please note that an alternate reporting arrangement exists relating to the Boardman power plant ("Boardman") as the result of authorization received in UE 239. On June 26, 2012, the Commission issued Order No. 12-235 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. Order No. 12-235 exempted Boardman-related ARO balances from the deferral treatment required under Order No. 04-585.

If you have any questions regarding this filing, please contact Courtney Waites, Senior Regulatory Analyst, at (208) 388-5612 or cwaites@idahopower.com.

Sincerely,



Lisa D. Nordstrom

LDN/CW/kkt
Enclosures

Idaho Power Company

FAS 143 Accounting

Year Ended December 31, 2007

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2006 balances</i>			
ARO Assets	101	4,169,321	
Accumulated depreciation - ARO assets	108		2,464,157
Accumulated depreciation - removal costs	108	156,162,048	
Regulatory assets	182.3	11,206,056	
ARO Liabilities	230		12,911,220
Regulatory liabilities	254		156,162,048
 <i>Calendar year 2007 Accretion, Depreciation and Removal Cost Entries</i>			
1	Regulatory asset (accretion expense)	182.3	691,526
	ARO liabilities	230	691,526
To record accretion expense on the asset retirement obligations			
2	Regulatory asset (depreciation expense)	182.3	156,913
	Accumulated depreciation - ARO assets	108	156,913
To record depreciation on the ARO assets			
3	Accumulated depreciation	108	848,443
	Regulatory liabilities	254	848,443
To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the FAS 143 accruals.			
 <i>Calendar year 2007 changes in estimates</i>			
4	Construction Work-in-Progress	101	797,731
	Accumulated depreciation - ARO assets	108	19,054
	Regulatory asset	182.3	141,267
	ARO Liabilities	230	919,944
To record revision of estimated ARO at Valmy, Bridger and IPC.			
 <i>Calendar year 2007 retirements</i>			
5	Construction Work-in-Progress	101	3,446
	Accumulated depreciation - ARO assets	108	3,446
	Regulatory asset	182.3	7,697
	ARO Liabilities	230	7,697
To record the retirement of PCB Bushings at IPC.			
 <i>December 31, 2007 balances</i>			
ARO Assets	101	4,963,606	
Accumulated depreciation - ARO assets	108		2,636,678
Accumulated depreciation - removal costs	108	155,313,605	
Regulatory assets	182.3	12,188,065	
ARO Liabilities	230		14,514,993
Regulatory liabilities	254		155,313,605

Idaho Power Company

FAS 143 Accounting

Year Ended December 31, 2008

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2007 balances</i>			
ARO Assets	101	4,963,606	
Accumulated depreciation - ARO assets	108		2,636,678
Accumulated depreciation - removal costs	108	155,313,605	
Regulatory assets	182.3	12,188,065	
ARO Liabilities	230		14,514,993
Regulatory liabilities	254		155,313,605
 <i>Calendar year 2008 Accretion, Depreciation and Removal Cost Entries</i>			
1	Regulatory asset (accretion expense)	182.3	700,849
	ARO liabilities	230	700,849
	To record accretion expense on the asset retirement obligations		
2	Regulatory asset (depreciation expense)	182.3	106,938
	Accumulated depreciation - ARO assets	108	106,938
	To record depreciation on the ARO assets		
3	Accumulated depreciation	108	1,523,872
	Regulatory liabilities	254	1,523,872
	To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the FAS 143 accruals.		
 <i>Calendar year 2008 changes in estimates</i>			
4	ARO Assets	101	359,155
	Accumulated depreciation - ARO assets	108	352,681
	Regulatory asset	182.3	1,907,719
	ARO Liabilities	230	2,619,555
	To record revision of estimated ARO at Valmy, Bridger and IPC.		
 <i>Calendar year 2008 retirements</i>			
5	ARO Assets	101	-
	Accumulated depreciation - ARO assets	108	-
	Regulatory asset	182.3	181,591
	ARO Liabilities	230	181,591
	To record the retirement of PCB Bushings at IPC.		
 <i>December 31, 2008 balances</i>			
ARO Assets	101	4,604,451	
Accumulated depreciation - ARO assets	108		3,096,296
Accumulated depreciation - removal costs	108	156,837,477	
Regulatory assets	182.3	10,906,542	
ARO Liabilities	230		12,414,696
Regulatory liabilities	254		156,837,477

Idaho Power Company

FAS 143 Accounting

Year Ended December 31, 2009

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2008 balances</i>			
ARO Assets	101	4,604,451	
Accumulated depreciation - ARO assets	108		3,096,296
Accumulated depreciation - removal costs	108	156,837,477	
Regulatory assets	182.3	10,906,542	
ARO Liabilities	230		12,414,696
Regulatory liabilities	254		156,837,477
 <i>Calendar year 2009 Accretion, Depreciation and Removal Cost Entries</i>			
1	Regulatory asset (accretion expense)	182.3	696,720
	ARO liabilities	230	696,720
	To record accretion expense on the asset retirement obligations		
2	Regulatory asset (depreciation expense)	182.3	67,251
	Accumulated depreciation - ARO assets	108	67,251
	To record depreciation on the ARO assets		
3	Accumulated depreciation	108	1,432,166
	Regulatory liabilities	254	1,432,166
	To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the FAS 143 accruals.		
 <i>Calendar year 2009 changes in estimates</i>			
4	ARO Assets	101	69,759
	Accumulated depreciation - ARO assets	108	
	Regulatory asset	182.3	3,753,663
	ARO Liabilities	230	3,683,904
	To record revision of estimated ARO Bridger.		
 <i>Calendar year 2009 additions</i>			
5	ARO Assets	101	128,561
	Accumulated depreciation - ARO assets	108	9,234
	Regulatory asset	182.3	20,046
	ARO Liabilities	230	139,373
	To record the addition of a pond at Valmy.		
 <i>Calendar year 2009 retirements</i>			
5	ARO Assets	101	835,296
	Accumulated depreciation - ARO assets	108	835,293
	Regulatory asset	182.3	695,098
	ARO Liabilities	230	695,098

Idaho Power Company

FAS 143 Accounting

Year Ended December 31, 2010

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2009 balances</i>			
ARO Assets	101	3,827,960	
Accumulated depreciation - ARO assets	108		2,337,488
Accumulated depreciation - removal costs	108	155,405,311	
Regulatory assets	182.3	14,749,123	
ARO Liabilities	230		16,239,594
Regulatory liabilities	254		155,405,311
<i>Calendar year 2010 Accretion, Depreciation and Removal Cost Entries</i>			
1	Regulatory asset (accretion expense)	182.3	818,525
	ARO liabilities	230	818,525
	To record accretion expense on the asset retirement obligations		
2	Regulatory asset (depreciation expense)	182.3	162,903
	Accumulated depreciation - ARO assets	108	162,903
	To record depreciation on the ARO assets		
3	Accumulated depreciation - removal costs	108	2,236,662
	Regulatory liabilities	254	2,236,662
	To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the FAS 143 accruals.		
<i>Calendar year 2010 changes in estimates</i>			
4	ARO Assets	101	358,246
	Accumulated depreciation - ARO assets	108	1,043
	Regulatory asset	182.3	572,237
	ARO Liabilities	230	929,441
	To record revision of estimated ARO at Valmy, Bridger and IPC.		
<i>Calendar year 2010 additions</i>			
5	ARO Assets	101	-
	Accumulated depreciation - ARO assets	108	-
	Regulatory asset	182.3	-
	ARO Liabilities	230	-
	To record the addition of a pond at Valmy.		
<i>Calendar year 2010 retirements</i>			
5	ARO Assets	101	136,678
	Accumulated depreciation - ARO assets	108	32,035
	Regulatory asset	182.3	931,003
	ARO Liabilities	230	1,035,646
	To record the retirement of a pond at Bridger.		
<i>December 31, 2010 balances</i>			
ARO Assets	101	4,049,528	
Accumulated depreciation - ARO assets	108		2,469,399
Accumulated depreciation - removal costs	108	157,641,973	
Regulatory assets	182.3	15,371,785	
ARO Liabilities	230		16,951,914
Regulatory liabilities	254		157,641,973

Idaho Power Company

Accounting Standards Codification 410 (previously FAS 143) Accounting

Year Ended December 31, 2011

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2009 balances</i>			
ARO Assets	101	4,049,528	
Accumulated depreciation - ARO assets	108		2,469,399
Accumulated depreciation - removal costs	108	157,641,973	
Regulatory assets	182.3	15,371,785	
ARO Liabilities	230		16,951,914
Regulatory liabilities	254		157,641,973
 <i>Calendar year 2011 Accretion, Depreciation and Removal Cost Entries</i>			
1	Regulatory asset (accretion expense)	182.3	936,265
	ARO liabilities	230	936,265
	To record accretion expense on the asset retirement obligations		
2	Regulatory asset (depreciation expense)	182.3	427,381
	Accumulated depreciation - ARO assets	108	427,381
	To record depreciation on the ARO assets		
3	Accumulated depreciation - removal costs	108	5,530,840
	Regulatory liabilities	254	5,530,840
	To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the ASC 410 accruals.		
 <i>Calendar year 2011 changes in estimates</i>			
4	ARO Assets	101	4,666,521
	Accumulated depreciation - ARO assets	108	5,306
	Regulatory asset	182.3	731,802
	ARO Liabilities	230	3,929,413
	To record revision of estimated ARO at Valmy, Bridger, Boardman, and IPC.		
 <i>Calendar year 2011 retirements</i>			
5	ARO Assets	101	67,185
	Accumulated depreciation - ARO assets	108	62,566
	Regulatory asset	182.3	446,207
	ARO Liabilities	230	450,825
	To record the retirement of a pond at Bridger.		
 <i>December 31, 2011 balances</i>			
ARO Assets	101	8,648,864	
Accumulated depreciation - ARO assets	108		2,839,519
Accumulated depreciation - removal costs	108	163,172,813	
Regulatory assets	182.3	15,557,422	
ARO Liabilities	230		21,366,767
Regulatory liabilities	254		163,172,813

Idaho Power Company

Accounting Standards Codification 410 (previously FAS 143) Accounting

Year Ended December 31, 2012

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2011 balances</i>			
ARO Assets	101	8,648,864	
Accumulated depreciation - ARO assets	108		2,839,519
Accumulated depreciation - removal costs	108	163,172,813	
Regulatory assets	182.3	15,557,422	
ARO Liabilities	230		21,366,767
Regulatory liabilities	254		163,172,813
Accretion expense (Boardman only), cumulative	411		
Depreciation expense (Boardman only), cumulative	403		

Calendar year 2012 Accretion, Depreciation, Regulatory Asset Amortization, and Removal Cost Entries

1	Regulatory asset (accretion expense)	182.3	859,868	
	Accretion expense (Boardman only)	411	130,133	
	ARO liabilities	230		990,000
	<i>To record accretion expense on the asset retirement obligations</i>			
2	Regulatory asset (depreciation expense)	182.3	359,763	
	Depreciation expense (Boardman only)	403	265,891	
	Accumulated depreciation - ARO assets	108		625,654
	<i>To record depreciation on the ARO assets</i>			
3	Accretion expense (Boardman only)	411	53,011	
	Depreciation expense (Boardman only)	403	51,184	
	Regulatory asset (Boardman amortization)	182.3		104,195
	<i>To record amortization of the Boardman regulatory asset</i>			
4	Accumulated depreciation - removal costs	108	5,478,446	
	Regulatory liabilities	254		5,478,446
	<i>To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the ASC 410 accruals.</i>			

Calendar year 2012 changes in estimates

5	ARO Assets	101	2,208,288	
	Accumulated depreciation - ARO assets	108	65,191	
	Regulatory asset	182.3		863,501
	ARO Liabilities	230		1,409,978
	<i>To record revision of estimated AROs at Valmy, Bridger, Boardman, and IPC.</i>			

Calendar year 2012 retirements

6	Regulatory asset	182.3		784,695
	ARO Liabilities	230	784,695	
	<i>To record the retirement of a pond at Bridger.</i>			

December 31, 2012 balances

ARO Assets	101	10,857,152	-
Accumulated depreciation - ARO assets	108	-	3,399,983
Accumulated depreciation - removal costs	108	168,651,260	-
Regulatory assets	182.3	15,024,662	-
ARO Liabilities	230	-	22,982,049
Regulatory liabilities	254	-	168,651,260

Idaho Power Company

Accounting Standards Codification 410 (previously FAS 143) Accounting

Year Ended December 31, 2013

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2012 balances</i>			
ARO Assets	101	10,857,152	-
Accumulated depreciation - ARO assets	108	-	3,399,983
Accumulated depreciation - removal costs	108	168,651,260	-
Regulatory assets	182.3	15,024,662	-
ARO Liabilities	230	-	22,982,049
Regulatory liabilities	254	-	168,651,260
Accretion expense (Boardman only), cumulative	411	183,144	-
Depreciation expense (Boardman only), cumulative	403	317,075	-

Calendar year 2013 Accretion, Depreciation, Regulatory Asset Amortization, and Removal Cost Entries

1	Regulatory asset (accretion expense)	182.3	823,486	
	Accretion expense (Boardman only)	411	230,641	
	ARO liabilities	230		1,054,127
	<i>To record accretion expense on the asset retirement obligations</i>			
2	Regulatory asset (depreciation expense)	182.3	410,918	
	Depreciation expense (Boardman only)	403	498,466	
	Accumulated depreciation - ARO assets	108		909,384
	<i>To record depreciation on the ARO assets</i>			
3	Accretion expense (Boardman only)	411	91,707	
	Depreciation expense (Boardman only)	403	88,547	
	Regulatory asset (Boardman amortization)	182.3		180,254
	<i>To record amortization of the Boardman regulatory asset</i>			
4	Accumulated depreciation - removal costs	108	5,322,607	
	Regulatory liabilities	254		5,322,607
	<i>To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the ASC 410 accruals.</i>			

Calendar year 2013 changes in estimates

5	ARO Assets	101		277,635
	Accumulated depreciation - ARO assets	108	59,283	
	Regulatory asset	182.3	2,927,737	
	ARO Liabilities	230		2,709,386
	<i>To record revision of estimated AROs at Valmy, Bridger, Boardman, and IPC.</i>			

Calendar year 2013 retirements

6	Regulatory asset	182.3		980,199
	ARO Liabilities	230	980,199	
	<i>To record the retirement of a pond at Bridger.</i>			

December 31, 2013 balances

ARO Assets	101	10,579,518	-
Accumulated depreciation - ARO assets	108	-	4,250,084
Accumulated depreciation - removal costs	108	173,973,867	-
Regulatory assets	182.3	18,026,351	-
ARO Liabilities	230	-	25,765,364
Regulatory liabilities	254	-	173,973,867

Idaho Power Company

Accounting Standards Codification 410 (previously FAS 143) Accounting

Year Ended December 31, 2014

Recorded journal entries

	FERC Account	Dr.	Cr.
<i>December 31, 2013 balances</i>			
ARO Assets	101	10,579,518	-
Accumulated depreciation - ARO assets	108	-	4,250,084
Accumulated depreciation - removal costs	108	173,973,867	-
Regulatory assets	182.3	18,026,351	-
ARO Liabilities	230	-	25,765,364
Regulatory liabilities	254	-	173,973,867
Accretion expense (Boardman only), cumulative	411	505,492	-
Depreciation expense (Boardman only), cumulative	403	904,087	-

Calendar year 2014 Accretion, Depreciation, Regulatory Asset Amortization, and Removal Cost Entries

1	Regulatory asset (accretion expense)	182.3	842,406	
	Accretion expense (Boardman only)	411	218,099	
	ARO liabilities	230		1,060,505
	<i>To record accretion expense on the asset retirement obligations</i>			
2	Regulatory asset (depreciation expense)	182.3	181,265	
	Depreciation expense (Boardman only)	403	406,569	
	Accumulated depreciation - ARO assets	108		587,834
	<i>To record depreciation on the ARO assets</i>			
3	Accretion expense (Boardman only)	411	91,617	
	Depreciation expense (Boardman only)	403	88,460	
	Regulatory asset (Boardman amortization)	182.3		180,077
	<i>To record amortization of the Boardman regulatory asset</i>			
4	Accumulated depreciation - removal costs	108	6,088,832	
	Regulatory liabilities	254		6,088,832
	<i>To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the ASC 410 accruals.</i>			

Calendar year 2014 changes in estimates

5	ARO Assets	101		3,673,688
	Accumulated depreciation - ARO assets	108	338,965	
	Regulatory asset	182.3		805,245
	ARO Liabilities	230	4,139,969	
	<i>To record revision of estimated AROs at Valmy, Bridger, Boardman, and IPC.</i>			

Calendar year 2014 retirements

6	Regulatory asset	182.3		755,851
	ARO Liabilities	230	755,851	
	<i>To primarily record retirements related to a FGD pond at Bridger.</i>			

December 31, 2014 balances

ARO Assets	101	6,905,830	-
Accumulated depreciation - ARO assets	108	-	4,498,953
Accumulated depreciation - removal costs	108	180,062,699	-
Regulatory assets	182.3	17,308,849	-
ARO Liabilities	230	-	21,930,049
Regulatory liabilities	254	-	180,062,699