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Lead Counsel
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May 31, 2017

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

Re: Docket No. UM _____
In the Matter of Idaho Power Company's Deferred Accounting of Certain Costs
Associated with Boardman Operating Life Adjustment Variances
Idaho Power Company's Application

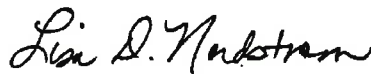
Attention Filing Center:

Attached for filing is an electronic copy of Idaho Power Company's Application for Deferred Accounting of Certain Costs Associated with Boardman Operating Life Adjustment Variances.

As required by OAR 860-027-0300, the Application has been served on the parties to the UE 233 service list, and the parties to the UE 239 service list, as indicated in the Certificate of Service.

Please contact me at (208) 388-5825 or Senior Regulatory Analyst Courtney Waites at (208) 388-5612 with any questions regarding this filing.

Very truly yours,



Lisa D. Nordstrom

LDN/kkt

Enclosures

cc: Adam Lowney

BEFORE THE PUBLIC UTILITY COMMISSION

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OF OREGON

UM _____

In the Matter of Idaho Power Company's
Application for Deferred Accounting of Certain
Costs Associated with Boardman Operating
Life Adjustment Variances

APPLICATION

I. INTRODUCTION

Pursuant to ORS 757.210, ORS 757.259, and OAR 860-027-0300, Idaho Power Company ("Idaho Power" or "Company") hereby requests an accounting order authorizing Idaho Power to defer decommissioning revenues collected and decommissioning costs incurred pursuant to Order No. 12-235 and Idaho Power Tariff Schedule 92. Schedule 92 is an "automatic adjustment clause" as defined in ORS 757.210. Idaho Power seeks authorization for this deferral effective as of June 1, 2017. In support of this Application, Idaho Power states:

1. Idaho Power is a public utility in the state of Oregon and its rates, services, and accounting practices are subject to the regulation of the Public Utility Commission of Oregon ("Commission").
2. This Application is filed pursuant to ORS 757.259, which allows the Commission, upon application, to authorize the deferral of certain items for later inclusion in rates.
3. Communications regarding this Application should be address to:

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

Courtney Waites
 Idaho Power Company
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 Boise, ID 83707
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II. OAD 860-027-0300(3) REQUIREMENTS

A. Description

With this deferral application, Idaho Power seeks authorization from the Commission to defer, for future true-up, decommissioning revenues collected and decommissioning costs incurred, pursuant to Tariff Schedule 92, in accordance with Order No. 12-235.

B. Reasons for Deferral

On September 26, 2011, Idaho Power filed an application with the Commission requesting approval of the establishment of Schedule 92, the balancing account whereby incremental costs and benefits associated with the early shutdown of the Boardman power plant ("Boardman") will be tracked and recovered from Oregon customers (Docket No. UE 239). In June 2012, the Commission issued Order No. 12-235, approving the Company's proposed balancing account and method for recovering costs associated with the shutdown of Boardman. The approved balancing account tracks costs associated with (1) a return on undepreciated existing Boardman capital investments, (2) the accelerated depreciation of existing Boardman investments and (3) decommissioning costs related to the Boardman shutdown through Schedule 92, smoothing revenue requirement impacts of the early Boardman retirement over the remaining years of the plant's life and allowing for full recovery of Boardman-related costs by Boardman life end.

On May 12, 2017, Idaho Power filed revisions to Schedule 92, adding language indicating the Boardman Operating Life Adjustment is an automatic adjustment clause ("AAC") to promote consistency among similar AACs. Likewise, the AAC requires Idaho Power file a deferral request. This deferral is intended to provide for the deferral and tracking of decommissioning revenues collected and decommissioning costs incurred until decommissioning activities are concluded, and is filed pursuant to Order No. 12-235 and ORS 757.259(2)(e). In addition, this deferral will match appropriately the costs borne by and benefits received by customers.

1 **C. Proposed Accounting**

2 Idaho Power records revenues and expenses that would be subject to the deferral
3 order in accordance with the Code of Federal Regulations to the Federal Energy
4 Regulatory Commission (“FERC”) Accounts 440-444 (Operating Revenues), FERC
5 Account 557 (Other Expenses), and FERC Accounts 500-598 (Operations and
6 Maintenance Accounts). Upon receiving approval of a deferral, Idaho Power proposes to
7 record the deferred amounts to FERC Account 254 (Regulatory Liabilities) until
8 decommissioning activities are concluded. After decommissioning activities are concluded,
9 amounts in the deferral account, either positive or negative, will be recovered or refunded in
10 customer rates through a surcharge or credit, as appropriate.

11 **D. Estimate of Amounts**

12 Order No. 12-235 approved an Oregon jurisdictional revenue requirement increase
13 of \$107,223 associated with the recovery of the annual incremental return on and
14 accelerated depreciation of existing Boardman investments, and decommissioning costs
15 related to the Boardman shutdown. On March 17, 2017, Idaho Power filed its annual
16 update of the incremental revenue requirement and review of the Boardman balancing
17 account for 2016, updating the decommissioning cost estimate based on a new
18 decommissioning estimate which decreased the annual incremental revenue requirement
19 to \$102,011. Idaho Power estimates the deferral account will contain the Oregon
20 jurisdictional share of decommissioning costs, approximately \$521,000, at December 31,
21 2020. Because deferred amounts associated with decommissioning costs are dependent
22 on factors that cannot be precisely forecasted, Idaho Power cannot provide a precise
23 estimate of the total deferred amount.

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Attachment A

BEFORE THE PUBLIC UTILITY COMMISSION

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OF OREGON

UM _____

In the Matter of Idaho Power Company's
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Life Adjustment Variances

**NOTICE OF APPLICATION FOR
DEFERRED ACCOUNTING OF
CERTAIN COSTS ASSOCIATED WITH
BOARDMAN OPERATING LIFE
ADJUSTMENT VARIANCES**

On May 31, 2017, Idaho Power Company ("Idaho Power") filed an application with the Public Utility Commission of Oregon ("Commission") for an order authorizing deferral of decommissioning revenues collected and decommissioning costs incurred pursuant to Order No. 12-235 and Idaho Power Tariff Schedule 92.

Approval of Idaho Power's Application will not authorize a change in Idaho Power's rates, but will permit the Commission to consider allowing such deferred amounts in rates in a subsequent proceeding.

Idaho Power's Application will be posted on the Commission website for persons who wish to obtain a copy or they may contact the following:

Lisa D. Nordstrom
Idaho Power Company
1221 West Idaho Street
P.O. Box 70
Boise, ID 83707
lnordstrom@idahopower.com

Any person who wishes to submit written comments to the Commission on Idaho Power's Application must do so by no later than June 26, 2017.

DATED: May 31, 2017.



Lisa D. Nordstrom
Attorney for Idaho Power Company

1 **CERTIFICATE OF SERVICE**

2 **UM _____**

3 I hereby certify that on May 31, 2017, I served a true and correct copy of Idaho
4 Power Company's Application for Deferred Accounting of Certain Costs Associated with
5 Boardman Operating Life Adjustment Variances on the parties in Docket Nos. UE 233 and
6 UE 239 by e-mail to said person(s) as indicated below.

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DATED: May 31, 2017

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Kimberly Towell, Executive Assistant