

LISA D. NORDSTROM Lead Counsel Inordstrom@idahopower.com

March 24, 2020

## VIA ELECTRONIC FILING

Public Utility Commission of Oregon Filing Center 201 High Street SE, Suite 100 Salem, Oregon 97301

> Re: Docket No. UM \_\_\_\_\_ In the Matter of Idaho Power Company's Application for an Order Approving Deferred Accounting of Costs Associated with Response to COVID-19 Public Health Emergency

Attention Filing Center:

Enclosed for filing is an electronic copy of Idaho Power Company's Application for an Order Approving Deferred Accounting of Costs Associated with Response to COVID-19 Public Health Emergency.

The Notice of Application for Authorization of Deferred Accounting is attached to the Application as Attachment A. The Application and Notice have been served on the parties in Docket No. UE 233, Idaho Power Company's last general rate case.

If you have any questions, please do not hesitate to contact me or Senior Regulatory Analyst Courtney Waites at (208) 388-5612.

Very truly yours,

Lin D. Madotrom

Lisa D. Nordstrom OSB No. 97352

LDN/kkt

Enclosures

1	BEFORE THE PUBLIC UTILITY COMMISSION		
2	OF OREGON		
2	UM		
4			
	In the Matter of Idaho Power Company's Application for an Order Approving Deferred APPLICATION		
5	Accounting of Costs Associated with Response to COVID-19 Public Health		
6	Emergency.		
7			
8	I. INTRODUCTION		
9	Under ORS 757.259 and OAR 860-027-0300, Idaho Power Company ("Idaho Power"		
10	or "Company") requests an order authorizing it to defer for later ratemaking treatment costs		
11	from the COVID-19 public health emergency. Idaho Power seeks authorization to defer the		
12	costs incurred from the date of this application. Idaho Power will seek amortization of the		
13	deferred costs in a future Commission proceeding.		
14	In support of this Application, Idaho Power states:		
15	1. Idaho Power is a public utility in the state of Oregon and its rates, services, and		
16	accounting practices are subject to the regulation of the Public Utility Commission of Oregon		
17	("Commission").		
18	2. This Application is filed pursuant to ORS 757.259, which allows the		
19	Commission, upon application, to authorize the deferral of certain items for later inclusion in		
20	rates.		
21	3. Communications regarding this Application should be addressed to:		
22	Lisa Nordstrom Regulatory Dockets		
23	Idaho Power CompanyIdaho Power CompanyP.O. Box 70P.O. Box 70		
24	Boise, ID83707Boise, ID83707Inordstrom@idahopower.comdockets@idahopower.com		
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Informal questions may be directed to Courtney Waites, Senior Regulatory Analyst, at
 (208) 388-5612.

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#### II. OAR 860-027-0300(3) REQUIREMENTS

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## A. <u>Description</u>

5 Idaho Power seeks authorization from the Public Utility Commission of Oregon 6 ("Commission") to defer, for future amortization, costs incurred to respond to the 2019 novel 7 coronavirus disease outbreak designated by the World Health Organization as COVID-19 8 ('CO' stands for 'corona,' 'VI' for 'virus,' and 'D' for disease). On March 8, 2020, Oregon 9 Governor Kate Brown declared a state of emergency over the COVID-19 outbreak. Idaho 10 Power expects that it will incur significant costs in its response to the public health 11 emergency, including bad debt expense resulting from higher than average levels of write-12 offs of uncollectible accounts associated with the suspension of disconnects and late 13 payment fees to assist customers facing unprecedented economic pressures. Idaho Power 14 also expects to incur additional costs that cannot currently be predicted given the 15 unprecedented nature of this public health emergency. Accordingly, Idaho Power requests 16 authorization to establish a new deferral account to record the costs associated with its 17 COVID-19 response.

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#### B. <u>Reasons for Deferral</u>

19 Idaho Power requests this deferral under ORS 757.259(2)(e). This deferral will match 20 appropriately the costs borne by and benefits received by customers. Idaho Power is also 21 seeking authorization for the deferral because of the potential magnitude and 22 unprecedented nature of the COVID-19 public health emergency. The associated risks of 23 the COVID-19 public health emergency are well outside reasonable business risk for the 24 Company.

This deferral will minimize the frequency of rate changes or the fluctuation of rate levels
or match appropriately the costs borne by and benefits received by customers.

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### 1 C. <u>Proposed Accounting</u>

Idaho Power proposes to record amounts that would be subject to the deferral in
accordance with the Code of Federal Regulations to the Federal Energy Regulatory
Commission ("FERC") Account 182.3 (Other Regulatory Assets), and credit the appropriate
FERC account associated with the expense or waived fee, such as FERC Account 904
(Uncollectible Accounts) and FERC Account 450 (Forfeited Discounts). In the absence of a
deferred accounting order, the costs would be debited to the appropriate expense account.

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#### D. <u>Estimate of Amounts</u>

Given the unprecedented nature of this public health emergency, Idaho Power cannot
estimate the costs associated with its COVID-19 response, or the length of time in which
the costs will be incurred. In accordance with Order No. 05-1070, Idaho Power will accrue
interest on the unamortized balance at a rate equal to its authorized weighted average cost
of capital most recently approved by the Commission.

#### 14 E. <u>Notice</u>

15 A copy of the Notice of Application for an Order Approving Deferred Accounting of 16 Costs Associated with Response to COVID-19 Public Health Emergency and a list of 17 persons served with the Notice are included with this filing as Attachment A.

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#### III. CONCLUSION

For the reasons stated above, Idaho Power requests authorization to defer costs
associated with the COVID-19 public health emergency for the 12-month period beginning
March 24, 2020.

DATED: March 24, 2020

**IDAHO POWER COMPANY** 

Lin D. Madstrom

Lisa D. Nordstrom Attorney for Idaho Power Company

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# **Attachment A**

# BEFORE THE PUBLIC UTILITY COMMISSION

1	OF OREGON		
2	UM		
3			
4	In the Matter of Idaho Power Company's Application for an Order Approving Deferred	NOTICE OF APPLICATION FOR	
5	Accounting of Costs Associated with Response to COVID-19 Public Health	AUTHORIZATION OF DEFERRED ACCOUNTING	
6	Emergency.		
7	On March 24, 2020, Idaho Power Company ("Idaho Power") filed an Application with		
8	the Public Utility Commission of Oregon ("Commission") for an order authorizing deferral of		
9	the costs associated with its response to the COVID-19 public health emergency incurred		
10	from the date of this Application.		
11	Approval of Idaho Power's Application will not authorize a change in Idaho Power's		
12	rates, but will permit the Commission to consider allowing such deferred amounts in rates in		
13	a subsequent proceeding.		
14	Idaho Power's Application will be posted on the Commission website for persons who		
15	wish to obtain a copy or they may contact the following:		
16	Lisa D. Nordstrom Idaho Power Company		
17	P.O. Box 70 Boise, Idaho 83707		
18	Inordstrom@idahopower.com		
19	Any person may submit written comments to the Commission regarding Idaho Power's		
20	Application within 25 days of the date of this filing		
21	DATED: March 24, 2020.		
22		Lin D. Mondotrom	
23	Lis	sa D. Nordstrom	
24	At	torney for Idaho Power Company	
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Page 1	- NOTICE OF APPLICATION		

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2	UM			
3	I hereby certify that on March 24, 2020, I served a true and correct copy of Idaho			
4	Power Company's Application for Deferred Accounting of Costs Associated with			
5	Response to COVID-19 Public Health Emergency on the parties in Docket No. UE 233,			
6	Idaho Power Company's last general rate case, by e-mail to said person(s) as indicated			
7	below.			
8 9	OPUC Dockets Citizens' Utility Board of Oregon dockets@oregoncub.org	Robert Jenks Citizens' Utility Board of Oregon bob@oregoncub.org		
10 11	Lisa F. Rackner McDowell Rackner & Gibson PC <u>dockets@mrg-law.com</u>	Stephanie S. Andrus Department of Justice Business Activities Section stephanie.andrus@state.or.us		
12 13	Mitch Moore Public Utility Commission of Oregon mitch.moore@state.or.us	Somer Moser Department of Justice somer.moser@doj.state.or.us		
14 15	Erik Colville Public Utility Commission of Oregon erik.colville@state.or.us	Gregory M. Adams Richardson Adams, PLLC greg@richardsonadams.com		
16 17	Peter J. Richardson Richardson Adams, PLLC peter@richardsonadams.com	Joshua D. Johnson Attorney at Law jdj@racinelaw.net		
18 19	Dr. Don Reading dreading@mindspring.com	Anthony J. Yankel Utility Net, Inc.		
20	Dan du Dablance	tony@yankel.net		
21	Randy Dahlgren Portland General Electric Company	Douglas C. Tingey Portland General Electric Company		
22	pge.opuc.filings@pgn.com	doug.tingey@pgn.com		
23	Irion A. Sanger Davison Van Cleve, PC irion@sanger-law.com	Wendy Gerlitz NW Energy Coalition wendy@nwenergy.org		
24	Etta Lockey	Sarah Link		
25 26	Pacific Power etta.lockey@pacificorp.com	Pacific Power sarah.link@pacificorp.com		

Page 1 - CERTIFICATE OF SERVICE

Idaho Power Company 1221 West Idaho Street Boise, ID 83702

1	Oregon Dockets PacifiCorp, d/b/a Pacific Power	Donald W. Schoenbeck Regulatory & Cogeneration Services, Inc.	
2	oregondockets@pacificorp.com	dws@r-c-s-inc.com	
3	John W. Stephens Esler Stephens & Buckley stephens@eslerstephens.com ortez@eslerstephens.com	Renewable Northwest Project dockets@renewablenw.org	
4			
5	DATED: March 24, 2020		
6		N. TT.DO	
7		Kimberly Towell, Executive Assistant	
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