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December 29, 2017

VIA ELECTRONIC FILING

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

Re: Docket UM _____ - Idaho Power Company's Application for Deferred Accounting

Attention Filing Center:

Attached for filing is an electronic copy of Idaho Power Company's Application for Deferred Accounting.

A copy of this filing has been served on the parties to the UE 233 service list as indicated on the attached Certificate of Service.

Please contact this office if you have any questions.

Very truly yours,

Alisha Till
Administrative Assistant

Enclosures

cc: Service List

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM _____

In the Matter of Idaho Power Company's
Application for Deferred Accounting of
Earnings Related to the U.S. Tax Cuts and
Jobs Act

APPLICATION

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I. INTRODUCTION

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Pursuant to ORS 757.259 and OAR 860-027-0300, Idaho Power Company ("Idaho Power" or "Company") hereby requests an accounting order authorizing the Company to defer for later ratemaking treatment impacts associated with the income tax provisions of H.R.1, also known as the U.S. Tax Cuts and Jobs Act ("Tax Act"). The Tax Act, signed into law on December 22, 2017, provides for "reconciliation pursuant to titles II and V of the concurrent resolution on the budget for fiscal year 2018." Idaho Power seeks authorization for this deferral effective as of the date of this Application. In support of this Application, Idaho Power states:

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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").

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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.

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3. Communications regarding this Application should be addressed to:

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

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

1 **II. OAR 860-027-0300(3) REQUIREMENTS**

2 **A. Description**

3 The Tax Act contains provisions that will result in changes to Idaho Power's financial
4 statements. The Company's income tax expense included in the revenue requirement
5 computation approved in the last general rate case was calculated in accordance with the
6 Internal Revenue Code of 1986. The Tax Act amends sections of the 1986 code, most
7 notably the reduction in the federal corporate income tax rate from 35 percent to 21 percent.
8 Idaho Power is continuing to analyze the provisions of the Tax Act to determine all the
9 impacts to the Company's financial statements but has determined that, at a minimum, the
10 change in the corporate income tax rate will result in excess deferred income tax assets and
11 liabilities that must be reversed. With this deferral application, Idaho Power seeks
12 authorization from the Commission to accrue, for future amortization, the Oregon
13 jurisdictional earnings in excess of the currently authorized Oregon jurisdictional rate of return
14 on equity that may result from the Tax Act as measured from the Company's annual Oregon
15 Results of Operations¹.

16 **B. Reasons for Deferral**

17 As explained above, Idaho Power requests authorization to defer the Oregon
18 jurisdictional earnings in excess of the currently authorized Oregon jurisdictional rate of return
19 on equity that may result from the Tax Act as measured from the Company's annual Oregon
20 Results of Operations. This deferral is intended to capture the earnings that will be amortized
21 in rates, is filed pursuant to ORS 757.259(2)(e) and is intended to minimize the frequency of
22 rate changes or the fluctuation of rate levels and match appropriately the costs borne by and
23 benefits received by customers.

¹ As measured by the Type I Adjusted Return on Equity calculated pursuant to Commission Staff's letter dated March 2, 2011.

1 For the reasons stated above, Idaho Power requests permission to defer impacts
2 associated with the Tax Act beginning the date of this Application and pursuant to ORS
3 757.259(2)(e).

DATED: December 29, 2017.

McDOWELL RACKNER GIBSON PC



Lisa Rackner

IDAHO POWER COMPANY

Lisa Nordstrom
Idaho Power Company
P.O. Box 70
1221 W. Idaho Street
Boise, Idaho 83707-0070
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Attorneys for Idaho Power Company

Attachment A

BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON

UM _____

In the Matter of Idaho Power Company's
Application for Deferred Accounting of
Earnings Related to the U.S. Tax Cuts and
Jobs Act

**NOTICE OF APPLICATION FOR
DEFERRED ACCOUNTING OF
EARNINGS RELATED TO THE TAX ACT**

1 On December 29, 2017, Idaho Power Company ("Idaho Power") filed an application
2 with the Public Utility Commission of Oregon ("Commission") for an Order authorizing deferral
3 of the Oregon jurisdictional earnings in excess of the currently authorized Oregon
4 jurisdictional rate of return on equity that may result from the Tax Act.

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

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

10 Lisa Rackner
11 McDowell Rackner Gibson PC
12 419 SW 11th Ave, Suite 400
13 Portland, OR 97205
14 dockets@mrq-law.com
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- 1 Any person who wishes to submit written comments to the Commission on Idaho
- 2 Power's Application must do so by no later than January 29, 2018.

DATED: December 29, 2017.

McDOWELL RACKNER GIBSON PC



Lisa Rackner

IDAHO POWER COMPANY

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Idaho Power Company
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Attorneys for Idaho Power Company

CERTIFICATE OF SERVICE

I hereby certify that I served a true and correct copy of Idaho Power's Application to the Parties of record in Docket UE 233 on the following named person(s) on the date indicated below by email addressed to said person(s) at his or her last-known address(es) indicated below.

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DATED: December 29, 2017



Alisha Till
Administrative Assistant