

December 21, 2005

VIA ELECTRONIC MAIL AND US MAIL

Filing Center Oregon Public Utility Commission 550 Capitol Street NE #215 PO Box 2148 Salem, OR 97308-2148

Re: UM 1205 – Idaho Power's Initial Report of Proceeds from Sulfur Dioxide Allowance Sales

Dear Sir or Madam:

Enclosed for filing in the above-named docket is Idaho Power's Initial Report of Proceeds from Sulfur Dioxide Allowance Sales. Please contact this office with any questions.

Very truly yours,

Jessica A. Gorham

Enclosures

cc: UM 1205 Service List

CERTIFICATE OF SERVICE UM 1205

I hereby certify that a true and correct copy of **IDAHO POWER'S INITIAL REPORT OF PROCEEDS FROM SULFUR DIOXIDE ALLOWANCE SALES** was served via U.S. Mail on the following parties on December 21, 2005:

Joanne Butler Idaho Power Company PO Box 70 Boise ID 83707 Ric Gale Idaho Power Company PO Box 70 Boise ID 83707

Bart Kline Idaho Power Company PO Box 70 Boise ID 83707

ATER WYNNE, LLP

Jessida A. Gorham

PAGE 1 - CERTIFICATE OF SERVICE

1	BEFORE THE PUBLIC	UTILITY COMMISSION
2	OF OREGON	
3	UM 1205	
4	In the Matter of	
5	IDAHO POWER COMPANY	INITIAL REPORT OF PROCEEDS FROM
6 7	Requests Blanket Authority to Sell Surplus Sulfur Dioxide Emission Allowances	SULFUR DIOXIDE ALLOWANCE SALES
8	As provided in Order No. 05-983 issued in Docket UM 1205, Idaho Power	
9	Company ("Idaho Power" or "Company") hereby files its initial report of the receipt of proceeds	
10	from the sale of SO_2 emission allowances.	
11	I. PROCEEDS	
12	The Company has received the proceeds from the sale of $60,000$ SO ₂ emission	
13	allowances. The total net proceeds were \$57,055,000. Net proceeds are total amounts received	
14	for the emission allowances less broker's fees of \$20,000.	
15	II. ACCOUNTING	
16	The accounting entries the Company used to record the initial sales, as approved in Order	
17	No. 05-983, are as follows:	
18	1) Emission Allowances and Reserve	
19	To record the sale of emission allowances and establishing a reserve for the Idaho	
20	(94.1%) and Oregon (4.8%) portion in A/C 254 with the FERC portion (1.1%) recognized	
21	immediately in A/C 411.8.	
22 23	143 Other Accounts Receivable 699 X00001 999 143900	\$XXX.XX
23 24	254 Other Regulatory Liabilities 699 X00001 999 254409	\$XXX.XX
25 26	411.8 Gains for Disposition of Allowance 699 X00001 999 411.804	es \$XXX.XX

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1	2) Receipt of Cash	
2	To record the receipt of cash from the sale of emission allowances.	
3	131 Cash \$XXX.XX 699X0001 999 131000	
4		
5	143 Other Accounts Receivable\$XXX.XX699 X00001 999 143900\$XXX.XX	
6	3) Payment of Associated Fees	
7	To record the payment of associated fees to sell emission allowances. The fees will be	
8	allocated with the same percentages as the sale of emission allowances (Idaho (94.1%) and	
9	Oregon (4.8%) portion in A/C 254 with the FERC portion (1.1% in A/C 411.8).	
10	254 Other Regulatory Liabilities \$XXX.XX	
11	699 X00001 999 254409	
12	411.8 Gains for Disposition of Allowances\$XXX.XX699 X00001 999 411.804\$XXX.XX	
13	131 Cash \$XXX.XX	
14	699X0001 999 131000	
15	Upon receipt of the net proceeds, current taxes will be accrued in account 236 Taxes	
16	Accrued. The accrued taxes will be remitted to federal and state authorities in the next	
17	appropriate tax payment period following the sale transactions(s). Because recognition of the	
18	sales is being deferred to a reserve account (account 254) for financial accounting purposes,	
19	appropriate deferred taxes (account 190 Accumulated Deferred Income Taxes) will be accrued	
20	for these amounts placed in the reserve account. The amount available (after payment of	
21	associated fees) for final disposition will not exceed 100 percent of the after-tax proceeds (this	
22	excludes the amounts accrued in separate accounts for the carrying/interest charge). The	

deferred taxes will reverse as the 254-account balance is recognized.
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1	As ordered by the Commission in Order No. 05-983, the Commission will determine the	
2	ratemaking treatment of the sale proceeds in a ratemaking proceeding.	
3	DATED this 21 st day of December, 2005.	
4	ATER WYNNE, LLP	
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6		
7	/s/ Lisa F. Rackner Lisa F. Rackner	
	Amie Jamieson	
8	Ater Wynne, LLP	
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13	IDAHO POWER COMPANY	
14	Barton L. Kline – Attorney	
	Idaho Power Company	
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