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July 26, 2018

VIA ELECTRONIC FILING

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

Re: Docket UM 1621(6)
In the Matter of Idaho Power Company's Request for Authorization for
Deferral of Costs Associated with Intervenor Funding Grants

Attention Filing Center:

Enclosed for filing in Docket No. UM 1621(6) is an electronic copy of Idaho Power Company's Application for Reauthorization of Deferred Accounting. The Notice of Application for Reauthorization of Deferred Costs Associated with Intervenor Funding Grants is attached to the Application as Attachment A. The Application and Notice have been served on the parties in Docket No. UM 1621 and Idaho Power Company's last general rate case.

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

Very truly yours,

A handwritten signature in black ink that reads "Lisa D. Nordstrom".

Lisa D. Nordstrom
OSB No. 97352

LDN/kkt

Enclosures

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 **UM 1621(6)**

4 In the Matter of

5 IDAHO POWER COMPANY

6 Request for Authorization for Deferral of
7 Costs Associated with Intervenor Funding
8 Grants.

**APPLICATION FOR
REAUTHORIZATION OF
DEFERRED ACCOUNTING**

8 **I. INTRODUCTION**

9 Pursuant to ORS 757.259, and OAR 860-027-0300, Idaho Power Company ("Idaho
10 Power" or "Company") applies to the Public Utility Commission of Oregon ("Commission")
11 for an order reauthorizing the Company to defer costs associated with intervenor funding
12 grants pursuant to ORS 757.072 and ORS 757.259(3). Idaho Power requests
13 reauthorization of the deferral of all costs incurred beginning August 1, 2018, and ending
14 July 31, 2019.

15 In support of this Application, Idaho Power states:

16 1. Idaho Power is a public utility in the state of Oregon and its rates, services,
17 and accounting practices are subject to the regulation of the Commission.

18 2. This Application is filed pursuant to ORS 757.259(3), which allows for deferral
19 of amounts provided as financial assistance under an agreement entered into under
20 ORS 757.072 upon request of the public utility.

21 3. Idaho Power wishes to waive paper service in this docket. Communications
22 regarding this Application should be addressed to:

23 Lisa D. Nordstrom
24 Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
25 Telephone: (208) 388-5825
Facsimile: (208) 388-6936
26 lnordstrom@idahopower.com

Regulatory Dockets
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
dockets@idahopower.com

1 **II. DEFERRAL HISTORY**

2 On February 5, 2016, the Commission issued Order No. 16-028 in UM 1757
3 approving the Intervenor Funding Agreement (“Agreement”) between Idaho Power and the
4 Citizens’ Utility Board of Oregon (“CUB”) dated January 1, 2016. Per the terms of the
5 Agreement, it is effective from January 26, 2016, until December 31, 2020. The Agreement
6 sets forth the amount of funding available to CUB, the procedures for budget submittals and
7 funding requests by CUB, Commission approval of budget submittals and funding requests,
8 and payment of the grants by Idaho Power. The Agreement provides that the Commission
9 shall allow Idaho Power to recover all amounts paid under the Agreement and provides for
10 amortization of amounts deferred under the Agreement.

11 Idaho Power filed an application with the Commission in Docket No. UM 1507 for
12 authorization to defer costs associated with intervenor funding grants for the 12-month
13 period beginning October 20, 2010. The Commission approved the request in Order No.
14 10-483. The table below summarizes Idaho Power’s deferred accounting requests
15 associated with intervenor funding grant costs since a funding agreement has been in place.

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Filing Date	Deferral Period	Order No.	Approval Date
09/28/10		10-396*	10/13/10
10/20/10	10/20/10 – 10/19/11	10-483	12/20/10
07/30/12	10/20/11 – 08/01/13	12-378	10/08/12
07/30/13	08/01/13 – 07/31/14	13-323	09/03/13
07/24/14	08/01/14 – 07/31/15	14-298	09/02/14
07/31/15	08/01/15 – 07/31/16	15-371	11/17/15
07/28/16	08/01/16 – 07/31/17	16-365	09/27/16
07/25/17	08/01/17 – 07/31/18	17-315	08/23/17

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22 *The first CUB Intervenor Funding Agreement was approved in UM 1504.

23 Pursuant to the Commission Orders listed above, Idaho Power respectfully requests
24 an order reauthorizing the deferral for later ratemaking treatment of all payments made by
25 Idaho Power to CUB between August 1, 2018, and July 31, 2019.

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1 **III. OREGON ADMINISTRATIVE RULE 860-027-0300 REQUIREMENTS**

2 The following information is provided pursuant to OAR 860-027-0300(3):

3 **A. Description of Utility Expense or Revenue**

4 For the 12-month period of August 1, 2018, through July 31, 2019, Idaho Power
5 seeks reauthorization from the Commission to continue accruing, for future amortization as
6 set forth in the Agreement between Idaho Power and CUB, costs associated with providing
7 intervenor funding pursuant to ORS 757.072 and Order No. 16-028 to the CUB Fund and
8 the Issue Fund.

9 **B. Reasons for Deferral**

10 **1. Statutory Authority**

11 ORS 757.072 authorizes the Commission to approve an agreement for intervenor
12 funding between an energy utility and a customer organization that represents broad
13 customer interests. ORS 757.259(3) provides that:

14 Upon request of the public utility, the commission by order
15 shall allow deferral of amounts provided as financial
16 assistance under an agreement entered into under ORS
 757.072 for later incorporation in rates.

17 Amounts deferred under this provision are not subject to the amortization caps or earnings
18 review set forth in Subsections 5, 6, 7, 8, and 10 of ORS 757.259.

19 **2. Commission Approval of the Intervenor Funding Agreement**

20 Idaho Power will continue to incur intervenor funding expenses until December 31,
21 2020, pursuant to the Agreement approved by Commission Order No. 16-028. Idaho Power
22 wishes to continue to use the deferral mechanism as approved. Idaho Power requests that
23 the deferral continue and that the additional amounts the Company is required to pay to
24 CUB during the period of August 1, 2018, through July 31, 2019, be treated similarly.

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1 **C. Proposed Accounting**

2 Idaho Power proposes to record payment of intervenor funding grants in Federal
3 Energy Regulatory Commission (“FERC”) Account 182.3, Other Regulatory Assets. In the
4 absence of a deferred accounting order from the Commission, Idaho Power would continue
5 to record costs associated with the intervenor funding expenses to FERC Account 928.3,
6 Regulatory Commission Expenses.

7 **D. Estimate of Amounts Subject to Deferral**

8 The Company anticipates the maximum amount deferred during each calendar year
9 will be \$63,000—consisting of \$31,500 for the CUB Fund and \$31,500 for the Issue Fund
10 pursuant to Section 4.2 of the Agreement, plus any rollover amounts permitted by Section
11 4.3 of the Agreement. Deferred amounts will accrue interest at Idaho Power’s authorized
12 rate of return. Based on this estimate for the August 1, 2018, through July 31, 2019, time
13 period and those expenses deferred since amortization of prior deferred intervenor funding
14 amounts began on June 1, 2018, Idaho Power estimates the total of the account balances
15 associated with intervenor funding paid to CUB will be approximately \$76,390.

16 The Agreement permits CUB to request grants from the funds at any time during the
17 calendar year, though the deferral period runs August 1 to July 31. Amounts will be debited
18 to the deferral account as the funds are actually disbursed. Balances in the CUB Fund and
19 the Issue Fund may rollover into the following year if CUB does not use the entire amount
20 available, and the CUB Fund permits CUB to request advances from future-year funds.
21 Pursuant to the terms of the Agreement, the CUB Fund Grants will be charged to and paid
22 for by the residential customer class.

23 **E. Notice**

24 A copy of the Notice of Application for Reauthorization of Deferred Costs Associated
25 with Intervenor Funding Grants is attached to this Application pursuant to OAR 860-027-

26

1 0300 as Attachment A. The Application and Notice will be served on the parties in Docket
2 No. UM 1621 and Idaho Power's last general rate case.

3 **IV. OREGON ADMINISTRATIVE RULE 860-027-0300(4) REQUIREMENTS**

4 **A. Entries in the Deferred Account as of June 30, 2018**

5 Effective June 1, 2018 with Order No. 18-173, the Commission approved amortization
6 of \$61,183 in CUB intervenor funding amounts, leaving a balance of \$13,391.54 in the
7 deferral account. Attached to this Application as Attachment B is a description and
8 explanation of the entries in this deferred account as of June 30, 2018.

9 **B. Reason for Continuation of Deferred Accounting**

10 Idaho Power is seeking approval to continue the intervenor funding deferral pursuant
11 to Commission Order No. 16-028 as described in Section II above.

12 **V. SUMMARY OF FILING CONDITIONS**

13 The following is information related to future amortization:

14 **A. Earnings Review**

15 None required. Amounts deferred under ORS 757.259 are not subject to the
16 amortization caps or earnings review set forth in Subsections 5, 6, 7, 8, and 10 of ORS
17 757.259.

18 **B. Prudence**

19 A prudence review will be performed prior to amortization.

20 **C. Sharing (Percents)**

21 None applicable.

22 **D. Rate Spread/Rate Design**

23 Please see Section III.D above.

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VI. CONCLUSION

Idaho Power respectfully requests that, consistent with ORS 757.259(3) and Order No. 16-028, the Commission authorize the Company to record and defer additional intervenor funding grants incurred by the Company pursuant to the Agreement beginning August 1, 2018, and ending July 31, 2019.

DATED: July 26, 2018.


LISA D. NORDSTROM
Attorney for Idaho Power Company

Attachment A

**Notice of Application for Reauthorization
of Deferred Costs Associated with
Intervenor Funding Grants**

1 **BEFORE THE PUBLIC UTILITY COMMISSION**
2 **OF OREGON**

3 **UM 1621(6)**

4 In the Matter of

5 IDAHO POWER COMPANY

6 Request for Authorization for Deferral of Costs
7 Associated with Intervenor Funding Grants.

**NOTICE OF APPLICATION FOR
REAUTHORIZATION OF DEFERRED
COSTS ASSOCIATED WITH
INTERVENOR FUNDING GRANTS**

8 On July 26, 2018, Idaho Power Company ("Idaho Power") filed an application with
9 the Public Utility Commission of Oregon ("Commission") for an order authorizing deferral of
10 intervenor funding grants pursuant to ORS 757.259(3), ORS 757.072, and Order No. 16-028.

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
15 who wish to obtain a copy or they may contact the following:

16 Lisa D. Nordstrom
17 Idaho Power Company
18 1221 West Idaho Street (83702)
19 P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5825
Facsimile: (208) 388-6936
lnordstrom@idahopower.com

20 Any person who wishes to submit written comments to the Commission on Idaho
21 Power's Application must do so no later than August 25, 2018.

22 DATED: July 26, 2018.

23 
24 LISA D. NORDSTROM
25 Attorney for Idaho Power Company
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Attachment B

Funding Grants Monthly Entries

INTERVENOR FUNDING DEFERRED ACCOUNT MONTHLY ENTRIES

Account	DB2DATE	DISTDESC	Descr	TOTAMT
182385	12/31/2015	BALANCE OF INT FUNDING TO NEW	INT FUNDING TO NEW ACCT	5,472.81
182385	2/29/2016	CUB FUNDING INTEREST	CARRYING CHARGES	35.38
182385	2/29/2016	CUB FUND GRANT	CUB FUND GRANT	31,500.00
182385	3/31/2016	CUB FUNDING INTEREST	CARRYING CHARGES	137.30
182385	4/30/2016	CUB FUNDING INTEREST	CARRYING CHARGES	239.67
182385	5/31/2016	CUB FUNDING INTEREST	CARRYING CHARGES	240.89
182385	6/30/2016	CUB FUNDING INTEREST	CARRYING CHARGES	242.44
182385	7/31/2016	CUB FUNDING INTEREST	CARRYING CHARGES	244.00
182385	8/31/2016	CUB FUNDING INTEREST	CARRYING CHARGES	245.58
182385	8/31/2016	CUB ISSUE FUND 16-281	CARRYING CHARGES	1,944.00
182385	8/31/2016	CUB ISSUE FUND 16-284	CARRYING CHARGES	30,000.00
182385	8/31/2016	CUB ISSUE FUND 16-285	CARRYING CHARGES	7,784.00
182385	9/30/2016	CUB FUNDING INTEREST	CARRYING CHARGES	375.56
182385	10/31/2016	CUB FUNDING INTEREST	CARRYING CHARGES	505.98
182385	11/30/2016	CUB FUNDING INTEREST	CARRYING CHARGES	508.82
182385	12/31/2016	CUB FUNDING INTEREST	CARRYING CHARGES	512.10
182385	1/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	515.40
182385	1/31/2017	CUB FUND GRANT 17-006	CUB FUND GRANT	31,500.00
182385	2/28/2017	CUB FUNDING INTEREST	CARRYING CHARGES	620.54
182385	3/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	726.02
182385	4/30/2017	CUB FUNDING INTEREST	CARRYING CHARGES	730.37
182385	5/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	735.08
182385	6/30/2017	CUB FUNDING INTEREST	CARRYING CHARGES	739.81
182385	6/30/2017	CUB FUND FOR AMORTIZATION	Rate Related Amortization	(112,003.93)
182385	7/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	382.57
182385	7/31/2017	CUB ISSUE FUND 17-278	Carrying Charges	4,000.00
182385	8/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	37.12
182385	8/31/2017	CUB ISSUE FUND 17-294	CARRYING CHARGES	4,400.00
182385	9/30/2017	CUB ISSUE FUND 17-294	CARRYING CHARGES	40.00
182385	9/30/2017	CUB FUNDING INTEREST	CARRYING CHARGES	65.63
182385	9/30/2017	CUB FUND GRANT 17-353	Carrying Charges	4,003.00
182385	10/31/2017	CUB FUND 17-425	Carrying Charges	591.00
182385	10/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	93.25
182385	11/30/2017	CUB FUNDING INTEREST	CARRYING CHARGES	108.74
182385	11/30/2017	CUB INT FND 17-430	CARRYING CHARGES	2,774.58
182385	11/30/2017	CUB INT FND 17-468	CARRYING CHARGES	9,295.00
182385	12/31/2017	CUB FUNDING INTEREST	CARRYING CHARGES	150.31
182385	1/31/2018	CUB FUNDING INTEREST	CARRYING CHARGES	190.16
182385	1/31/2018	CUB FUND 18-011	CARRYING CHARGES	31,500.00
182385	2/28/2018	CUB FUNDING INTEREST	CARRYING CHARGES	293.07
182385	2/28/2018	CUB FUND 18-048	CARRYING CHARGES	3,000.00
182385	3/31/2018	CUB FUNDING INTEREST	CARRYING CHARGES	406.14
182385	4/30/2018	CUB FUNDING INTEREST	CARRYING CHARGES	418.10
182385	5/31/2018	CUB FUNDING INTEREST	CARRYING CHARGES	420.76
182385	6/30/2018	CUB FUNDING INTEREST	CARRYING CHARGES	423.47
182385	6/30/2018	CUB FUND 18-218	CARRYING CHARGES	3,920.00
182385	6/30/2018	CUB FUND 18-211	CARRYING CHARGES	4,510.00
182385	6/30/2018	CUB FUND FOR AMORTIZATION	Rate Related Amortizations	(61,183.18)
				<u>13,391.54</u>