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**BEFORE THE PUBLIC UTILITY COMMISSION**

**OF OREGON**

UM 595

In the Matter of the Reauthorization of Deferred	)	
Accounting for Costs Associated with Idaho	)	ORDER
Power Company's Conservation Programs.	)	
	)	

**DISPOSITION: REAUTHORIZATION APPROVED**

At its public meeting on June 26, 2001, the Commission adopted Staff's recommendation to approve reauthorization of deferred accounting for costs associated with Idaho Power Company's conservation programs. Staff's recommendation is attached as Appendix A and is incorporated by reference.

**ORDER**

IT IS ORDERED THAT reauthorization of deferred accounting for amounts related to Idaho Power Company's system-wide conservation program costs for a 12-month period beginning July 1, 2001, as described in Appendix A, is granted.

Made, entered and effective \_\_\_\_\_.

BY THE COMMISSION:

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**Vikie Bailey-Goggins**  
Commission Secretary

A party may request rehearing or reconsideration of this order pursuant to ORS 756.561. A party may appeal this order to a court pursuant to ORS 756.580.

**ITEM NO. CA 5**

**PUBLIC UTILITY COMMISSION OF OREGON**

**STAFF REPORT**

**PUBLIC MEETING DATE: June 26, 2001**

**REGULAR AGENDA \_\_\_\_\_ CONSENT AGENDA  X  EFFECTIVE DATE  July 1, 2001**

**DATE:** May 31, 2001

**TO:** Phil Nyegaard through Lee Sparling and Ed Busch

**FROM:** Ed Krantz

**SUBJECT:** UM 595 - Deferred Accounting for Idaho Power Company's Conservation Program Costs

**SUMMARY RECOMMENDATION:**

Approve reauthorization for a 12-month period beginning July 1, 2001.

**DISCUSSION:**

Idaho Power initially requested deferred accounting treatment for cost recovery mechanisms used in connection with certain system-wide conservation programs in June 1993. The Commission approved the company's deferred accounting request and issued Order No. 93-1198 authorizing the deferral for the 12 months ending June 30, 1994. Subsequently, deferrals have been reauthorized each year for the 12 months ending June 30 periods. Current Commission reauthorization extends through June 30, 2001.

The account is subject to ORS 757.259 and OAR 860-27-0300, and the Commission may authorize deferred accounts for periods of 12 months or less. As a result, the deferrals will cease on June 30, 2001, unless the Commission reauthorizes the process. Staff recommends the Commission allow Idaho Power to continue the deferred accounting for its conservation program expenditures as previously authorized.

The information required in an application for deferred accounting by the Commission's rules is provided in the attachment to this memorandum.

**STAFF RECOMMENDATION:**

I recommend the Commission allow Idaho Power to continue deferred accounting for its system-wide conservation program costs, for a 12-month period beginning July 1, 2001.

Attachment

ATTACHMENT

SYSTEM-WIDE CONSERVATION PROGRAMS  
Idaho Power Company

Description

All Idaho Power Company system-wide conservation programs approved by the Oregon Commission include incentive payments, brochures and advertising expenses describing the system-wide programs, time and expenses of Idaho Power employees, and program development, evaluation, and general administrative costs. All conservation costs to be deferred, except the funding for the NEEA, will consist of incentive payments only.

Reasons for Deferral

Adoption of this deferred account is authorized by ORS 757.259(2)(e) and OAR 860-27-0300 in order to minimize the frequency of rate changes or the fluctuation of rate levels.

Proposed Accounting

The proposed account for recording the system-wide conservation cost deferrals is FERC Account 182.3, Other Regulatory Assets.

Estimated New Deferrals in Next Authorization Period

The Oregon allocation, based on the energy allocator of 4.41 percent, is about \$57,374.

Reasons to Continue Deferred Accounting

Continued deferral will allow the Company to comply with Order 89-1700, which authorized Idaho Power to follow standards adopted by the Idaho Public Utilities Commission. The Idaho Commission allows Idaho Power to defer its conservation program direct incentive costs, including amortization and carrying costs, until they are included in rates.