

ORDER NO. 23-051

ENTERED Feb 23 2023

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1621(10)

In the Matter of

IDAHO POWER COMPANY,

Application for Reauthorization for Deferral  
of Costs Associated with Intervenor Funding  
Grants.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on February 21, 2023, the Public Utility Commission of Oregon adopted Staff's recommendation in this matter. The Staff Report with the recommendation is attached as Appendix A.

BY THE COMMISSION:



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**Nolan Moser**  
Chief Administrative Law Judge



A party may request rehearing or reconsideration of this order under ORS 756.561. A request for rehearing or reconsideration must be filed with the Commission within 60 days of the date of service of this order. The request must comply with the requirements in OAR 860-001-0720. A copy of the request must also be served on each party to the proceedings as provided in OAR 860-001-0180(2). A party may appeal this order by filing a petition for review with the Circuit Court for Marion County in compliance with ORS 183.484.

ITEM NO. CA7

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: February 21, 2023**

REGULAR  CONSENT  EFFECTIVE DATE \_\_\_\_\_ N/A \_\_\_\_\_

**DATE:** February 7, 2023

**TO:** Public Utility Commission

**FROM:** Kathy Zarate

**THROUGH:** Bryan Conway, Marc Hellman, and Matt Muldoon **SIGNED**

**SUBJECT:** IDAHO POWER:  
(Docket No. UM 1621(10))  
Request for Authorization for Deferral of Costs Associated with Intervenor  
Funding Grants.

**STAFF RECOMMENDATION:**

I recommend the Commission approve Idaho Power Company's (Idaho Power, IPC, or Company) application for deferred accounting of costs associated with Intervenor Funding Grants for the 12-month period beginning August 1, 2022.

**DISCUSSION:**

Issue

Whether the Commission should approve Idaho Power's request for reauthorization to record and defer cost related to intervenor funding grants for 12-month period beginning August 1, 2022, and ending July 31, 2023.

Applicable Law

ORS 757.259(3) and OAR 860-027-0300 allow the deferral of expenses provided as financial assistance under an agreement entered into under ORS 757.072 for later incorporation in rates.

ORS 757.072 is the statute that authorizes a utility to enter funding agreements with organizations that represent broad customer interests in Commission proceedings. Once a funding agreement is approved by the Commission, organizations eligible to

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receive grants under the funding agreement are identified pursuant to OAR 860-001-0120.

When a public utility provides financial assistance under a funding agreement, ORS 757.072(4) states that the Commission must allow a public utility to defer inclusion of the funding provided in rates as provided in ORS 757.259.

### Analysis

#### *Background*

On December 29, 2020, the Commission issued Order No. 20-493 in UM 2126 approving the Intervenor Funding Agreement (“Agreement”) between Idaho Power and the Citizens’ Utility Board of Oregon (“CUB”) dated January 1, 2021.

Per the terms of the Agreement, it is effective from January 1, 2021, until December 31, 2025. The Agreement sets forth the amount of funding available to CUB, the procedures for budget submittals and funding requests by CUB, Commission approval of budget submittals and funding requests, and payment of the grants by Idaho Power.

The Agreement provides that the Commission shall allow Idaho Power to recover all amounts paid under the Agreement and provides for amortization of amounts deferred under the Agreement. Idaho Power filed an application with the Commission in Docket No. UM 1507 for authorization to defer costs associated with intervenor funding grants for the 12-month period beginning October 20, 2010.

#### *Reason for Deferral*

ORS 757.072 authorizes the Commission to approve an agreement for intervenor funding between an energy utility and a customer organization that represents broad customer interests.

#### *Proposed Accounting*

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

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*Current Deferral Activity*

Effective June 1, 2022, with Order No. 22-192, the Commission approved amortization of \$49,846 in CUB intervenor funding amounts, resulting in a balance of \$35,592 in the deferral account.

*Estimated Deferral in Authorization Period*

Idaho Power anticipates the maximum amount deferred during each calendar year will be \$64,500—consisting of \$33,000 for the CUB Fund and \$31,500 for the Issue Fund pursuant to Section 4.2 of the Agreement, plus any rollover amounts permitted by Section 4.3 of the Agreement.

Based on this estimate for the August 1, 2022, through July 31, 2023, time period and those expenses deferred since amortization of prior deferred intervenor funding amounts began on June 1, 2022, Idaho Power estimates the total of the account balances associated with intervenor funding paid to CUB will be approximately \$64,500.

*Information Related to Future Amortization*

- Earnings Review – None recommended to be applied
- Prudence Review – A prudence review will be performed prior to amortization
- Sharing – Non-Applicable
- Three Percent Test (ORS 757.259(6)) – The three percent test does not apply to amortization of this deferral.

Conclusion

The Company's application meets the requirements of ORS 757.259 and OAR 860-027-0300 for deferred accounting, and the reason for the deferral—costs related to intervenor funding grants—is still valid. Therefore, Staff recommends the Commission approve Idaho Power's application.

**PROPOSED COMMISSION MOTION:**

Approve Idaho Power's Application to defer the costs associated with Intervenor Funding Grants for the 12-month period beginning August 1, 2022, ending July 31, 2023.

IPC UM 1621 (10) Intervenor Funding Deferral