

ORDER NO. 25-026

ENTERED Feb 05 2025

**BEFORE THE PUBLIC UTILITY COMMISSION
OF OREGON**

UM 1621(12)

In the Matter of

IDAHO POWER COMPANY,

Application for Reauthorization to Defer
Costs Associated with Intervenor Funding
Grants.

ORDER

DISPOSITION: STAFF'S RECOMMENDATION ADOPTED

At its public meeting on February 4, 2025, 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:



Katharine Mapes on behalf of
Alison Lackey
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. CA5

**PUBLIC UTILITY COMMISSION OF OREGON
STAFF REPORT
PUBLIC MEETING DATE: February 4, 2025**

REGULAR CONSENT EFFECTIVE DATE _____ N/A _____

DATE: January 25, 2025

TO: Public Utility Commission

FROM: Kathy Zarate

THROUGH: Caroline Moore, Scott Gibbens, and Michelle Scala **SIGNED**

SUBJECT: IDAHO POWER:
(Docket No. UM 1621(12))
Request Reauthorization of Deferred Accounting of Costs Related to
Intervenor Funding.

STAFF RECOMMENDATION:

Staff recommends the Commission approve Idaho Power Company's (Idaho Power, IPC, or Company) request for reauthorization to defer costs associated with Intervenor Funding for the 12-month period beginning August 1, 2024.

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, 2024, and ending July 31, 2025.

Applicable Law

ORS 757.072 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 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.

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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 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. The Commission approved the request in Order No. 10-483.

The most recent prior reauthorization request acted on by the Commission was UM 1621(11), for which an order approving the Company’s request was issued on March 8, 2024, Order No. 24-063.

Pursuant to the Commission Orders listed above, Idaho Power respectfully requests an order reauthorizing the deferral for later ratemaking treatment of all payments made by Idaho Power to CUB between August 1, 2024, and July 31, 2025.

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.

ORS 757.259(3) provides that: Upon request of the public utility, the commission by order shall allow deferral of amounts provided as financial assistance under an agreement entered into under ORS 757.072 for later incorporation in rates.

Proposed Accounting

Idaho Power proposes to record payment of CUB intervenor funding grants in Federal Energy Regulatory Commission (“FERC”) Account 182.3, Other Regulatory Assets.

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Description of Expense

For the 12-month period of August 1, 2024, through July 31, 2025, Idaho Power seeks reauthorization from the Commission to continue accruing, for future amortization as set forth in the Agreement between Idaho Power and CUB, costs associated with providing intervenor funding pursuant to ORS 757.072 and Order No. 20-493 to the CUB Fund and the Issue Fund.

Estimate Deferral in Authorization Period

Effective June 1, 2024, with Order No. 24-153, the Commission approved amortization of \$60,463 in CUB intervenor funding amounts, resulting in a balance of \$35,816 in the deferral account.¹

Estimate of Amounts

The Company 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.

Deferred amounts will accrue interest at Idaho Power's authorized rate of return. Based on this estimate for the August 1, 2024, through July 31, 2025, time period and those expenses deferred since amortization of prior deferred CUB intervenor funding amounts began on June 1, 2024, 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 – No earnings test is recommended to be applied.
- Prudence Review – A prudence review is not required for deferrals under ORS 757.259(3).
- Sharing – Non-applicable.
- Three Percent Test (ORS 757.259(6)) – The three percent test does not apply to amortization of this deferral

¹ See, attached to this Application as Attachment B is a description and explanation of the entries in this deferred account as of June 30, 2024.

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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.

The Company has reviewed a draft of this memo and voiced no concerns.

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, 2024.

UM 1621(12) Intervenor Funding Deferral