

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 1974(7)

In the Matter of

IDAHO POWER COMPANY,

Application for Reauthorization to Defer  
Demand-Side Management Revenues and  
Expenditures.

ORDER

**DISPOSITION: STAFF'S RECOMMENDATION ADOPTED**

At its public meeting on December 23, 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:



**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. CA11

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 23, 2025**

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

**DATE:** December 4, 2025

**TO:** Public Utility Commission

**FROM:** Kathy Zarate

**THROUGH:** Scott Gibbens and Michelle Scala **SIGNED**

**SUBJECT:** IDAHO POWER:  
(Docket No. UM 1974(7))  
Requests Reauthorization of Deferred Accounting of Demand-Side  
Management Revenues and Expenditures.

**STAFF RECOMMENDATION:**

Staff recommends the Commission approve Idaho Power Company's (Idaho Power, IPC, or Company) request to continue to defer demand-side management revenues and expenses for the 12-month period beginning October 1, 2025.

**DISCUSSION**

Issue

Whether the Commission should approve Idaho Power's Application for reauthorization of Deferred Accounting of Demand-Side Management Revenues and Expenditures, to support Idaho Power's rates collected pursuant to its Tariff Schedule 91 - Energy Efficiency (EE) Rider (EE Rider), which collects revenues and expenditures associated with the analysis and implementation of energy conservation and demand response programs.

Applicable Law

In accordance with ORS 757.259, utilities may seek approval to defer amounts for later inclusion in rates to minimize the frequency of rate changes or to appropriately match customer benefits and costs. OAR 860-027-0300(4) requires the utility to provide certain

Docket No. UM 1974(7)  
December 4, 2025  
Page 2

information in an application to defer, such as reason for the deferral, estimated amount of the deferral, and other informational matters.

### Analysis

#### *Background*

*Idaho Power seeks reauthorization to defer revenues collected through the Company's Tariff Schedule 91 - Energy Efficiency Rider ("EE Rider") and expenditures associated with the analysis and implementation of energy conservation and demand response programs.*

The EE Rider dates back to 2005 and is a balancing account mechanism that charges customers a percentage of the sum of the monthly charges for the base rate components of their electric bill. Base rate components include the service charge, energy charges, demand charges, and the basic charge. Revenues received from the EE Rider fund the Company's Demand Side Management (DSM) activities and are recorded in a regulatory liability account. As funds are used for DSM activities, the balancing account is debited for the amount of the expenditure disbursement. The intent of the balancing account mechanism is to keep the balance in the account as close to zero as possible.

Annually, the Company prepares a document summarizing the efforts, energy financial savings, and DSM costs for the prior year, filing it with the Commission in Docket No. RE 202.

In addition, pursuant to Order No. 94-590 issued in Docket No. UM 551, Idaho Power notifies the Commission of any DSM program measures that are not cost-effective and requests a cost-effectiveness exception whilst relevant. Continued Commission approval of the EE Rider balancing account, and deferral authorization, is essential to Idaho Power's pursuit of cost-effective energy efficiency.

#### *Reason for Deferral*

Energy efficiency and demand response provide economic and operational benefits to the Company and its customers and support the wise use of energy by Idaho Power customers.

#### *Description of Expenses*

Idaho Power seeks reauthorization from the Commission to defer, for future true-up, EE Rider revenues, and DSM activity expenditures.

Docket No. UM 1974(7)  
December 4, 2025  
Page 3

*Proposed Accounting*

The Company proposes to keep recording the revenues and expenses that would be subject to the deferral order as a regulatory liability in FERC Account 254 (Regulatory Liability).

*Estimate of Amounts*

As of August 31, 2025, the Oregon jurisdictional EE Rider balance was approximately positive \$3.02 million, meaning the Company has an additional \$3.02 million of customer funds to spend on the pursuit of cost-effective energy efficiency.<sup>1</sup>

Thus, the Company estimates net amounts deferred beginning the date of this Application to be approximately negative \$2.15 million, for a total balance of approximately positive \$0.87 million.

*Information Related to Future Amortization*

- Earnings Review – Staff does not recommend the Commission apply an earnings test given the use of a balancing account and the nature of what the funds are being used for.
- Prudence Review - A prudence review will be conducted prior to amortization and should include a verification of the accounting methodology used to determine the final amortization balance.
- Sharing - There is no sharing mechanism under Schedule 91.
- Rate Spread/Design - The deferred amortization amount will be spread on an equal cents percentage of customer base rate components, as specified in Schedule 91.
- Three Percent Test (ORS 757.259(6))- The three percent test measures the annual overall average effect on customer rates resulting from deferral amortizations. The three percent test limits (exceptions at ORS 757.259(7) and (8)) the aggregated deferral amortizations during a 12-month period to no more than three percent of the utility's gross revenues for the preceding year. Because Idaho Power is an electric utility, ORS 757.259(8) allows the Commission to consider up to a six percent limit.

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<sup>1</sup> Included with this Application as CONFIDENTIAL Attachment B is a description and explanation of the entries in this deferred account from September 2024 through August 2025.

Docket No. UM 1974(7)  
December 4, 2025  
Page 4

Conclusion

Staff reviewed the Company's application and accompanying confidential work papers. The application meets the requirements of ORS 757.259 and OAR 860-027- 0300 and is an appropriate use of the deferral statute.

Staff encourages the Company work with Staff and stakeholders to identify additional, more productive ways to identify cost effective EE projects and to evaluate the appropriate rate of collection to avoid further increases in the balancing account.

The Company has reviewed this memo and agrees with its contents.

**PROPOSED COMMISSION MOTION:**

Approve Idaho Power Company's request to defer demand-side management revenues and expenses for the 12-month period beginning October 1, 2025.

CA11 - UM 1974(7) DSM Deferral