

ORDER NO. 25-537  
ENTERED Dec 30 2025

**BEFORE THE PUBLIC UTILITY COMMISSION  
OF OREGON**

UM 2350(1)

In the Matter of

IDAHO POWER COMPANY,

Application for Reauthorization to Defer  
Direct Customer Costs and Benefits of the  
Bill Discount Program.

ORDER

**DISPOSITION: STAFF'S RECOMMENDATION ADOPTED**

At its public meeting on December 30, 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. CA13

**PUBLIC UTILITY COMMISSION OF OREGON  
STAFF REPORT  
PUBLIC MEETING DATE: December 30, 2025**

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

**DATE:** December 9, 2025

**TO:** Public Utility Commission

**FROM:** Kathy Zarate

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

**SUBJECT:** IDAHO POWER:

(Docket No. UM 2350(1))

Deferred Accounting of Direct Customer Costs and Benefits of the Company's Bill Discount Program.

**STAFF RECOMMENDATION:**

Staff recommends the Oregon Public Utility Commission (Commission) approve Idaho Power's application for deferred accounting of Direct Customer Costs and Benefits of the Company's (Idaho Power or Company) Bill Discount Program.

**DISCUSSION:**

Issue

Whether the Commission should amend Order No. 25-121 adjusting the deferral period start date to October 15, 2024.

Whether the Commission should approve Idaho Power's applications for deferred accounting of direct customer costs and benefits of the Company's Bill Discount Program, beginning October 15, 2025.

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. The Commission's final determination on the amount of deferrals allowable in the rates of the utility is subject to a finding by the Commission that the amount was prudently incurred by the utility.

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A deferral may be authorized under ORS 757.259(2) for a period not to exceed 12 months beginning on or after the date of application.

OAR 860-027-0300 is the Commission's rule governing the use of deferred accounting by energy and large telecommunications utilities and requires the utility to provide certain information in an application to defer, such as the reason for the deferral and the estimated amount of the deferral.

On September 25, 2021, OR HB 2475 (2021), was signed into law, effective January 1, 2022. HB 2475 amends ORS 757.230(1) to allow for the additional classification of service for *"differential energy burdens on low-income customers and other economic, social equity or environmental justice factors that affect affordability for certain classes of utility customers."*

ORS 757.230(1), implementing permits additional classifications of service. ORS 757.695 and allows the Commission to address the mitigation of energy burdens through bill reduction measures or programs.

Idaho Power's application seeks to defer Schedule 64 costs, which have been implemented as an automatic adjustment clause as provided for in ORS 757.210.

In Order No. 24-311 the Commission authorized Idaho Power to defer incremental direct customer costs and benefits associated with its Bill Discount Program for later ratemaking treatment.

### Analysis

#### *Background*

As a result of HB 2475, Idaho Power implemented a Bill Discount Program on October 15, 2024. In this application, Idaho Power requests that the Commission reauthorize deferral of the incremental direct customer costs and benefits associated with its Bill Discount Program. This deferral complements two other deferral mechanisms supporting the Company's bill discount program.<sup>1</sup>

Specifically, this deferral implements the balancing account requested in the Company's General Rate Case to support its proposed Schedule 64, which is the Company's mechanism to recover all direct customer assistance amounts provided under its Bill Discount Program.

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<sup>1</sup> Docket No. UM 2261, Idaho Power Deferral of HB 2475 Rate Mitigation Costs; Docket No. UM 2332, Idaho Power Deferral of HB 2475 Administrative Costs.

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In addition, in this application Company seeks to rectify a discrepancy that referenced June 5, 2024, as an effective date, rather than October 15, 2024. The Company believes this was a clerical error.<sup>2</sup>

Staff agrees that the inclusion of the June 5, 2024, deferral start date in its 2024 report was a clerical error. In addition, Staff notes that ORS 757.259(2) only permits deferrals beginning “on or after the application date.” Idaho Power submitted its application on October 15, 2024, meaning this is the earliest date deferral of costs is permitted. Since the effective date of Idaho Power’s Bill Discount Program was also October 15, 2024, a change in the deferral period would not impact or change amounts included in the deferral. Accordingly, Staff recommends amending Order 25-121 to adjust the effective date of the deferral, to begin October 15, 2024<sup>3</sup>.

*Description of Expenses*

The Company plans to separately track in this new deferral all direct customer assistance costs and revenues incurred in a transparent manner, consistent with its Demand-Side Management (DSM) Revenues and Expenses,<sup>4</sup> so that Schedule 64’s recovery amounts may be periodically increased or decreased, as necessary.

*Proposed Accounting*

The Company will record amounts that would be subject to the deferral order in accordance with the Code of Federal Regulations to Federal Energy Regulatory Commission (FERC) Account 182.3 – Other Regulatory Assets.

*Reasons for Deferral*

This application also seeks to minimize the frequency of rate changes and to appropriately match the costs borne and benefits received by customers.

*Estimate of Amounts*

The Company estimates an annual program funding requirement of approximately \$426,000 to support the provision of all direct customer benefits.

This estimated amount will be reconciled within this balancing account and as such, will periodically be trued up to appropriately match the program’s costs and benefits.

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<sup>2</sup> Docket No. UM 2350, *In re: Idaho Power Company Application for Deferral of Direct Customer Costs and Benefits of the Bill Discount Program*, Order No. 25-121 (March 27, 2025).

<sup>3</sup> See, Docket No. UM 2332.

<sup>4</sup> See, Docket No. UM 1974, Idaho Power Deferral of DSM Revenues and Expenditures.

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*Information Related to Future Amortization*

- Earnings Review – Staff proposes an earnings test is not applied when amortization is requested of any deferred amounts. This recommendation is based on the purpose of these funds.
- Prudence Review – Should be performed by the Commission Staff as part of their review of this deferral's annual reauthorization filing.
- Rate Spread/Rate Design – Revenues will be allocated to each cost-of-service schedule with the basis to be determined prior to amortization.
- Sharing – This deferral is not subject to a sharing mechanism.
- 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 (with exceptions) 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, nevertheless, this doesn't put the utility over 3 percent.

Conclusion

Due to the nature of this docket, Staff recommends approval of Idaho Power's application for deferred Accounting of Direct Customer Costs and Benefits of the Company's Bill Discount Program

The Company has reviewed this memo and has stated no objection.

**PROPOSED COMMISSION MOTION:**

Amend Order No. 25-121 to permit deferred accounting of direct customer costs and benefits of the Company's Bill Discount Program beginning on October 15, 2024.

Approve Idaho Power Company's request for deferred accounting of direct customer costs and benefits of the Company's Bill Discount Program, beginning October 15, 2025.