

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION) CASE NO. PAC-E-18-01
OF ROCKY MOUNTAIN POWER)
REQUESTING APPROVAL OF \$7.8) NOTICE OF APPLICATION
MILLION NET POWER COST DEFERRAL)
WITH NO CHANGE TO RATES) NOTICE OF
) MODIFIED PROCEDURE
)
) ORDER NO. 34038
)

On March 30, 2018, Rocky Mountain Power applied for approval of \$7.8 million in deferred costs, plus interest, from the deferral period beginning January 1, 2017 through December 31, 2017. The Application is made pursuant to the Company’s approved energy cost adjustment mechanism (ECAM). The Company is not seeking a change in rates at this time. The Commission now issues this Notice of Application and Notice of Modified Procedure setting comment and reply deadlines in this matter.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the ECAM allows the Company to collect or credit the difference between the actual net power costs (NPC) “incurred to serve customers in Idaho and the NPC collected from Idaho customers through rates set in general rate cases.” Application at 2. On a monthly basis, the Company compares the actual system NPC to the NPC embedded in base rates and “defers the difference into the ECAM balancing account.” *Id.* at 2-3. The ECAM also includes Load Change Adjustment Revenues (LCAR), which account for over- or under-collection of the Company’s energy-related production revenue requirement (excluding NPC) due to variations in Idaho load. *Id.* at 3, 5. In addition, it includes an adjustment related to the accounting treatment of coal-stripping costs. *Id.* at 3. Pursuant to the ECAM’s sharing band, 90% of the above costs are allocated to customers and 10% are allocated to the Company. *Id.* The ECAM also includes Deer Creek Mine amortization expense; a resource adder for Lake Side 2; a true-up between actual Production Tax Credits (PTC) and Renewable Energy Credits (REC) and the PTCs and RECs included in base rates; and interest. *Id.* at 3-4, 6.

YOU ARE FURTHER NOTIFIED that the Company explains that its requested deferral amount includes the following:

- approximately \$2.1 million for the difference between actual NPC and that included in base rates, 90% of which is allocated to customers and 10% to the Company;
- a credit of approximately \$1.5 million for LCAR, 90% of which is allocated to customers and 10% to the Company;
- a credit of \$93,048 related to the accounting treatment of coal-stripping costs, 90% of which is allocated to customers and 10% to the Company;
- approximately \$1.3 million for the Deer Creek Mine amortization;
- approximately \$4.1 million for the Lake Side 2 resource adder;
- approximately \$1.8 million for the PTC true-up; and
- approximately \$0.72 million for the REC true-up.

Id. at 5-6.

YOU ARE FURTHER NOTIFIED that, in sum, the Company requests approval of a deferral balance of \$7.8 million for the period January 1, 2017 through December 31, 2017. This would be added to the existing approved deferral balance of \$2.3 million, for a total of \$10.1 million. *Id.* at 6. The Company requests no changes in rates. *Id.*

YOU ARE FURTHER NOTIFIED that the Application and supporting documentation have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. These documents are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, then select "Electric Cases" and click on the case number as shown on the front of this document.

YOU ARE FURTHER NOTIFIED that all proceedings in this case will be held pursuant to the Commission's jurisdiction under Title 61 of the Idaho Code and specifically *Idaho Code* §§ 61-502 and 61-503. The Commission may enter any final order consistent with its authority under Title 61.

YOU ARE FURTHER NOTIFIED that all proceedings in this matter will be conducted pursuant to the Commission's Rules of Procedure, IDAPA 31.01.01.000 *et seq.*

NOTICE OF MODIFIED PROCEDURE

YOU ARE FURTHER NOTIFIED that the Commission has determined that the public interest may not require a formal hearing in this matter, and that it will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Commission's Rules of Procedure, IDAPA 31.01.01.201 through .204. The Commission notes that Modified Procedure and written comments have proven to be an effective means for obtaining public input and participation.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Application may file a written comment in support or opposition with the Commission no later than **May 16, 2018**. The comment must contain a statement of reasons supporting the comment. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Application shall be mailed to the Commission and the Company at the addresses reflected below:

Commission Secretary
Idaho Public Utilities Commission
PO Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

472 W. Washington Street
Boise, ID 83702-5918

Ted Weston, Suite 330
Idaho Regulatory Affairs Manager
and

Yvonne Hogle, Suite 320
Assistant General Counsel

Rocky Mountain Power
1407 West North Temple
Salt Lake City, UT 84116

E-mail: ted.weston@pacificorp.com
yvonne.hogle@pacificorp.com

These comments should contain the case caption and case number shown on the first page of this document. Persons desiring to submit comments via e-mail may do so by accessing the Commission's home page located at www.puc.idaho.gov. Click the "Case Comment or Question Form" under the "Consumers" tab, and complete the comment form using the case number as it appears on the front of this document.

YOU ARE FURTHER NOTIFIED that the Company shall file reply comments, if necessary, no later than **May 23, 2018**.

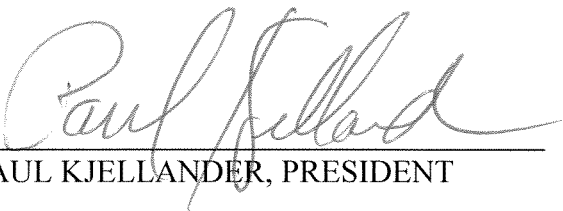
YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its order

without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for formal hearing.

ORDER

IT IS HEREBY ORDERED that the Application of Rocky Mountain Power be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so no later May 16, 2018. The Company may file a reply no later than May 23, 2018.

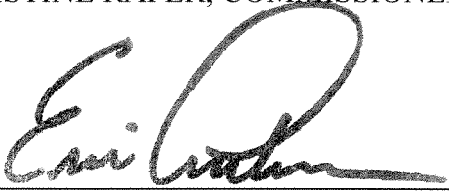
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this *19th* day of April 2018.



PAUL KJELLANDER, PRESIDENT




KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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