

RECEIVED

2015 APR -2 PM 4:02

IDAHO PUBLIC  
UTILITIES COMMISSION

**LISA D. NORDSTROM**  
Lead Counsel  
[lnordstrom@idahopower.com](mailto:lnordstrom@idahopower.com)

April 2, 2015

Ms. Jean D. Jewell  
Commission Secretary  
Idaho Public Utilities Commission  
PO Box 83720  
Boise, ID 83720-0074

RE: Annual Compliance Filing of Asset Retirement Obligations ("ARO") (ASC 410)  
Case No. IPC-E-03-11

Dear Ms. Jewell:

In Order No. 29414, the Commission directed Idaho Power Company ("Company") to record regulatory assets or liabilities associated with implementation of Statement of Financial Accounting Standards 143 (now codified as Accounting Standards Codification ("ASC") 410). As a result of the Order, the Company is required to file annually, and as part of any rate case filing, all journal entries made under the requirements of ASC 410. Three copies of the journal entries are enclosed.

On February 15, 2012, the Company filed an application requesting authorization to increase its rates for the early closure of the Boardman power plant. On May 17, 2012, Order No. 32549 was issued authorizing the Company to begin recovery of incremental costs related to the early closure of Boardman and established the Boardman balancing account which tracks the difference between cost and revenues, including Boardman-related ARO balances. In addition, Order No. 32549 exempted Boardman-related ARO balances from the deferral treatment required under Order No. 29414.

If you have any questions regarding this filing, please contact Courtney Waites at (208) 388-5612 or [cwaites@idahopower.com](mailto:cwaites@idahopower.com).

Sincerely,



Lisa D. Nordstrom

LDN/kkt

Enclosures  
cc: Terri Carlock

**Idaho Power Company**  
Accounting Standards Codification 410 (previously FAS 143) Accounting  
Year Ended December 31, 2014

Recorded journal entries

|  | FERC Account  | Dr.         | Cr.         |
|--|---|-------------|-------------|
| <i>December 31, 2013 balances</i>  |   |             |             |
| ARO Assets   | 101   | 10,579,518  | -           |
| Accumulated depreciation - ARO assets  | 108   | -           | 4,250,084   |
| Accumulated depreciation - removal costs   | 108   | 173,973,867 | -           |
| Regulatory assets  | 182.3   | 18,026,351  | -           |
| ARO Liabilities  | 230   | -           | 25,765,364  |
| Regulatory liabilities   | 254   | -           | 173,973,867 |
| Accretion expense (Boardman only), cumulative  | 411   | 505,492     | -           |
| Depreciation expense (Boardman only), cumulative   | 403   | 904,087     | -           |
| <br><i>Calendar year 2014 Accretion, Depreciation, Regulatory Asset Amortization, and Removal Cost Entries</i> |   |             |             |
| 1  | Regulatory asset (accretion expense)  | 182.3       | 842,406     |
|  | Accretion expense (Boardman only)   | 411         | 218,099     |
|  | ARO liabilities   | 230         | 1,060,505   |
|  | <i>To record accretion expense on the asset retirement obligations</i>  |             |             |
| <hr/>  |   |             |             |
| 2  | Regulatory asset (depreciation expense)   | 182.3       | 181,265     |
|  | Depreciation expense (Boardman only)  | 403         | 406,569     |
|  | Accumulated depreciation - ARO assets   | 108         | 587,834     |
|  | <i>To record depreciation on the ARO assets</i>   |             |             |
| <hr/>  |   |             |             |
| 3  | Accretion expense (Boardman only)   | 411         | 91,617      |
|  | Depreciation expense (Boardman only)  | 403         | 88,460      |
|  | Regulatory asset (Boardman amortization)  | 182.3       | 180,077     |
|  | <i>To record amortization of the Boardman regulatory asset</i>  |             |             |
| <hr/>  |   |             |             |
| 4  | Accumulated depreciation - removal costs  | 108         | 6,088,832   |
|  | Regulatory liabilities  | 254         | 6,088,832   |
|  | <i>To record adjustments to the ARO regulatory liability for the difference between regulatory-approved removal costs and the ASC 410 accruals.</i> |             |             |
| <hr/>  |   |             |             |
| <i>Calendar year 2014 changes in estimates</i>   |   |             |             |
| 5  | ARO Assets  | 101         | 3,673,688   |
|  | Accumulated depreciation - ARO assets   | 108         | 338,965     |
|  | Regulatory asset  | 182.3       | 805,245     |
|  | ARO Liabilities   | 230         | 4,139,969   |
|  | <i>To record revision of estimated AROs at Valmy, Bridger, Boardman, and IPC.</i>   |             |             |
| <hr/>  |   |             |             |
| <i>Calendar year 2014 retirements</i>  |   |             |             |
| 6  | Regulatory asset  | 182.3       | 755,851     |
|  | ARO Liabilities   | 230         | 755,851     |
|  | <i>To primarily record retirements related to a FGD pond at Bridger.</i>  |             |             |
| <hr/>  |   |             |             |
| <i>December 31, 2014 balances</i>  |   |             |             |
| ARO Assets   | 101   | 6,905,830   | -           |
| Accumulated depreciation - ARO assets  | 108   | -           | 4,498,953   |
| Accumulated depreciation - removal costs   | 108   | 180,062,699 | -           |
| Regulatory assets  | 182.3   | 17,308,849  | -           |
| ARO Liabilities  | 230   | -           | 21,930,049  |
| Regulatory liabilities   | 254   | -           | 180,062,699 |