

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. IPC-E-19-21**  
**OF IDAHO POWER COMPANY FOR )**  
**APPROVAL OF THE FIRST AMENDMENT ) NOTICE OF APPLICATION**  
**TO THE ENERGY SALES AGREEMENT )**  
**FOR THE MC6 HYDRO LLC PROJECT ) NOTICE OF**  
**) MODIFIED PROCEDURE**  
**)**  
**) ORDER NO. 34382**  
**)**

---

On July 3, 2019, Idaho Power Company filed an Application seeking approval of the First Amendment to its Energy Sales Agreement (ESA) with MC6 Hydro LLC. The ESA falls under the Public Utility Regulatory Policies Act of 1978 (PURPA), and is a contract for the sale and purchase of electric energy generated by the MC6 Hydro Project, a PURPA qualifying facility (QF). The Amendment changes the Scheduled Operation Date from July 30, 2019, to August 31, 2020. Idaho Power asked that the Commission process its Application by Modified Procedure, and Staff recommended the same. The Commission now issues this notice of Idaho Power’s Application, and Notice of Modified Procedure.

**BACKGROUND**

Under PURPA, electric utilities must purchase electric energy from “qualifying facilities” (QFs) at purchase or “avoided cost” rates approved by this Commission. 16 U.S.C. § 824a-3; *Idaho Power Co. v. Idaho PUC*, 155 Idaho 780, 789, 316 P.3d 1278, 1287 (2013). The Commission has established two methods for calculating avoided costs, depending on the size of the QF project: (1) the surrogate avoided resource (SAR) methodology, used to establish “published” avoided cost rates; and (2) the integrated resource plan (IRP) methodology, to calculate avoided cost rates for projects exceeding published rate limits. *See* Order No. 32697 at 7-8. Published rates are available for wind and solar QFs with a design capacity of up to 100 kilowatts (kW), and for QFs of all other resource types with a design capacity of up to 10 average megawatts (aMW). *Id.*; *see also* 18 C.F.R. § 292.304(c).

The Commission approved Idaho Power’s ESA with MC6 Hydro LLC in 2018. Order No. 34106. The ESA contains a Scheduled Operation Date of July 30, 2019. Application at 2. After

NOTICE OF APPLICATION  
NOTICE OF MODIFIED PROCEDURE  
ORDER NO. 34382

the ESA was executed and approved, a principle developer of the QF died unexpectedly, delaying construction of the QF. *Id.*

### NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that on June 21, 2019, Idaho Power and MC6 Hydro LLC entered into an agreed Amendment to their ESA, subject to this Commission’s approval. Application at 1.

YOU ARE FURTHER NOTIFIED that in the Amendment, Idaho Power and MC6 Hydro LLC agree to delete Appendix B-3 of the ESA—titled “Scheduled First Energy and Operation Date”—and replace it with a new Appendix B-3 that changes the Scheduled Operation Date from July 30, 2019, to August 31, 2020. *Id.* at 2; *see* Attachment 1 of Application in Case No. IPC-E-18-09. Idaho Power states this change is necessary because “a principle developer of the MC6 Facility became unexpectedly ill and subsequently passed away, delaying construction of the facility.” Application at 2.

YOU ARE FURTHER NOTIFIED that the Amendment provides that “[t]he July 30, 2019, Scheduled Operation Date will remain in effect only as the start date for calculating any Delay Damages.” *Id.* If the Amendment is approved, MC6 Hydro LLC’s Delay Damages will be calculated from the original Scheduled Operation Date in the ESA. *Id.*; *see* Attachment 1 of Application in Case No. IPC-E-18-09.

YOU ARE FURTHER NOTIFIED that the Application and supporting workpapers, testimonies, and exhibits have been filed with the Commission and are available for public inspection during regular business hours at the Commission offices. The Application and testimonies are also available on the Commission’s web site at [www.puc.idaho.gov](http://www.puc.idaho.gov). Click on the “File Room” tab at the top of the page, scroll down to “Open Electric Cases,” and then 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. 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 will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Commission’s Rules of Procedure. *See* 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 by **no later than 21 days from the service date of this Order**. The comment must contain a statement of reasons supporting the comment. Written comments concerning this Application shall be mailed to the Commission and the Idaho Power at the addresses reflected below:

**For the Commission:**  
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

**For Idaho Power Company:**  
Donovan E. Walker  
Michael Darrington  
P.O. Box 70  
Boise, ID 83707  
E-Mail: [dwalker@idahopower.com](mailto:dwalker@idahopower.com)  
[dockets@idahopower.com](mailto:dockets@idahopower.com)  
[mdarrington@idahopower.com](mailto:mdarrington@idahopower.com)  
[energycontracts@idahopower.com](mailto:energycontracts@idahopower.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](http://www.puc.idaho.gov). Click the “Utility 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 may file reply comments, if necessary, by **no later than 28 days from the service date of this Order**.

**ORDER**

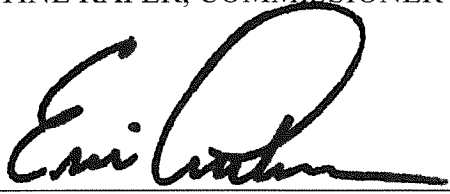
IT IS HEREBY ORDERED that the Company’s Application be processed by Modified Procedure, Rule 201-204. *See* IDAPA 31.01.01.201 through .204. Persons interested in submitting  
NOTICE OF APPLICATION  
NOTICE OF MODIFIED PROCEDURE  
ORDER NO. 34382

written comments must do so by no later than 21 days from the service date of this Order. The Company may file reply comments, if necessary, by no later than 28 days from the service date of this Order.

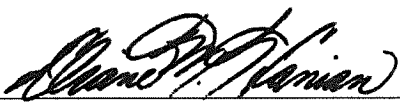
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 19<sup>th</sup> day of July 2019.

  
\_\_\_\_\_  
PAUL KWELLANDER, PRESIDENT

  
\_\_\_\_\_  
KRISTINE RAPER, COMMISSIONER

  
\_\_\_\_\_  
ERIC ANDERSON, COMMISSIONER

ATTEST:

  
\_\_\_\_\_  
Diane M. Hanian  
Commission Secretary

I:\Legal\ELECTRIC\IPC-E-19-21\orders\IPCE1921\_ntc\_app\_mod\_MH.docx