

**BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION**

**IN THE MATTER OF THE APPLICATION ) CASE NO. IPC-E-19-25**  
**OF IDAHO POWER COMPANY FOR )**  
**APPROVAL OF THE FIRST AMENDMENT ) NOTICE OF APPLICATION**  
**TO THE ENERGY SALES AGREEMENT )**  
**FOR THE BOX CANYON HYDRO ) NOTICE OF**  
**PROJECT ) MODIFIED PROCEDURE**  
)  
)  
) **ORDER NO. 34412**  
)

---

On July 25, 2019, Idaho Power Company filed an Application seeking approval of the First Amendment to its Energy Sales Agreement (ESA) with Scott and Rick Kaster (the Sellers). 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 Box Canyon Hydro project, a PURPA qualifying facility (QF). The Amendment addresses when the Sellers must notify Idaho Power in order to revise future monthly Estimated Net Energy Amounts. 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).

Section 6.2.3 of the ESA addresses when the Sellers must notify the Company if the Sellers wish to revise any future monthly Estimated Net Energy Amounts after the Operation Date. The Sellers must notify Idaho Power in writing no later than 5 p.m. on the last business day of the month two months before the month to be revised.<sup>1</sup> See Case No. IPC-E-18-14, Attachment 1 of Application at 15. After the ESA was executed and approved, the Sellers and Idaho Power agreed to adjust the notification requirements for revising future monthly Estimated Net Energy Amounts.

### **NOTICE OF APPLICATION**

YOU ARE HEREBY NOTIFIED that on July 25, 2019, Idaho Power and the Sellers entered into an agreed Amendment to their ESA, subject to this Commission's approval.

YOU ARE FURTHER NOTIFIED that in the Amendment, Idaho Power and the Sellers agree to delete Section 6.2.3 of the ESA—titled “Seller’s Adjustment of Estimated Net Energy Amounts after the Operation Date”—and replace it with a new Section 6.2.3 that changes when the Sellers must notify Idaho Power in order to revise future monthly Estimated Net Energy Amounts. The Amendment states that “[a]fter the Operation Date, the Seller[s] must revise any future monthly Estimated Net Energy Amounts by providing written notice no later than 5 p.m. Mountain Standard time on the 25<sup>th</sup> day of the month that is prior to the month to be revised.” If the 25<sup>th</sup> day falls on a weekend or holiday, written notice must be received by the Company by the last business day before the 25<sup>th</sup> day of the month.

YOU ARE FURTHER NOTIFIED that the Amendment provides the following example: “...if the Seller[s] would like to revise the Estimated Net Energy Amount for October, they would need to submit a revised schedule no later than September 25 or the last business day prior the September 25.”

YOU ARE FURTHER NOTIFIED that the Application and any 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. These documents 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.

---

<sup>1</sup> Example: under the current ESA, the Sellers must notify Idaho Power by the last day of August, 2019 if they want to revise the Estimated Net Energy Amounts for October, 2019 or any future months.

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 September 4, 2019**. 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 shall file reply comments, if necessary, by **no later than September 11, 2019.**

**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 written comments must do so by no later than September 4, 2019. The Company may file reply comments, if necessary, by no later than September 11, 2019.

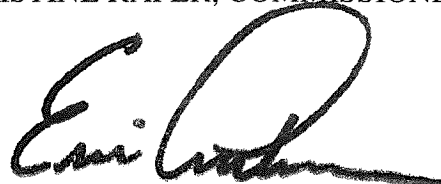
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this *14th* day of August 2019.



PAUL KJELLANDER, PRESIDENT

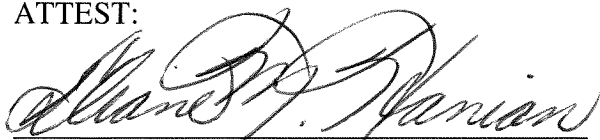


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian  
Commission Secretary

I:\Legal\ELECTRIC\PC-E-19-25\Orders\PC-E-1925\_ntc\_app\_mod\_MH.docx