



Idaho Public Utilities Commission

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Case No. PAC-E-15-06, Order No. 33317

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www.puc.idaho.gov

PUC accepts PacifiCorp agreement to buy generation from BYU-I cogeneration plant

BOISE (June 16, 2015) – The Idaho Public Utilities Commission has approved a two-year power purchase agreement between PacifiCorp and Brigham Young University-Idaho.

Under the agreement, BYU-I will sell the output of its gas- and oil-fueled generating facility on its Rexburg campus to PacifiCorp, which does business as Rocky Mountain Power in eastern Idaho. The plant provides space and water heating to the campus, but also has a companion heat-recovery generating system that can generate up to 5.6 megawatts of electricity.

The power purchase agreement falls under the provisions of the Public Utility Regulatory Policies Act of 1978. PURPA requires regulated utilities to buy energy from qualifying renewable generation projects at rates established by state commissions. The rate to be paid qualifying projects is called an “avoided-cost rate,” because it is based on the cost the utility avoids by not having to generate the energy itself or buy it from another source. The commission must ensure the avoided-cost rate is reasonable because the price utilities pay to independent electric generators is passed on to customers. While PURPA requires utilities to buy from independent projects, the law leaves it up to states to determine avoided-cost rates and other contract terms and conditions.

The average annual rate PacifiCorp will pay BYU-I is \$52.28 per megawatt-hour for sales during 2015, \$51.84 per MWh in 2016 and \$55.01 per MWh in 2017. The rate can be adjusted slightly for electricity delivery during on-peak and off-peak hours.

The commission’s final order, along with the company’s application and other documents, are available on the commission’s Website at www.puc.idaho.gov. Click on “Open Cases” under the “Electric” heading and scroll down to Case No. PAC-E-15-06.