



Idaho Public Utilities Commission

P.O. Box 83720, Boise, ID 83720-0074

C.L. Butch Otter, Governor

Paul Kjellander, Commissioner
Kristine Raper, Commissioner
Eric Anderson, Commissioner

Case No. PAC-E-17-11
Contact: Matt Evans
(208) 334-0339 office
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www.puc.idaho.gov



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RMP seeks to lower wind integration rate, implement solar integration rate; comment deadline set

BOISE (Oct. 17, 2017) – Rocky Mountain Power has requested approval from state regulators to significantly lower the rate it charges to integrate wind energy into its system.

The company's proposal calls for lowering the integration rate from \$3.06 per megawatt-hour (MWh) to 57 cents per MWh, and setting the rate for the purchase of solar energy at 60 cents per MWh.

The rates would apply to facilities that qualify for 20-year contracts under the Public Utility Regulatory Policies Act (PURPA).

Enacted in 1978, PURPA was intended to promote the development of domestic energy, including renewables such as wind and solar.

The law requires regulated utilities to purchase energy from qualifying independent power producers at rates established by state commissions.

In Idaho, facilities smaller than 100 kilowatts that are powered by intermittent sources such as wind and solar are eligible for 20-year contracts at the published rate set by the Idaho Public Utilities Commission.

The rate is referred to as the avoided-cost rate because it is intended that it not be higher than the rate at which the utility could generate the power on its own, or the rate at which the utility could purchase the energy elsewhere.

The integration rate for solar and wind facilities that qualify for power purchase agreements under PURPA is deducted from the avoided-cost rate paid by the utility.

In its proposal to the Commission, Rocky Mountain Power said its analysis had found that the costs of wind energy and its integration had fallen significantly since the current integration rate was set in 2008.

Rocky Mountain's Flexible Reserve Study estimated the amount of reserve energy required to maintain reliability of the utility's transmission and distribution system.

The methodology used in the study differs in several ways from that employed in previous analyses, most notably through the use of updated data based on actual operational experience. That includes data and benefits realized from the utility's participation in the Energy Imbalance Market operated by the California Independent System Operator Corporation, a real-time energy supply market designed to help utilities buy and sell energy more efficiently.

The company said solar generation on its system has been "insignificant" in the past but is expected to exceed 1,000 megawatts by the end of 2017.

The company's application states that the new rates would not apply to developers of such facilities if the purchase agreements stipulate the energy is not intermittent but rather can be delivered to the utility on a "firm hourly schedule."

The Commission is accepting comments on the case through Nov. 9. Comments are accepted via e-mail [here](#). Please include the case number, PAC-E-17-11. You can also access the comment form through the Commission's web site, www.puc.idaho.gov. To do so, click on "Case Comment Form" under the "Electric" heading. Fill in the case number (PAC-E-17-11) and enter your comments.

Comments can also be mailed to P.O. Box 83720, Boise, ID 83720-0074 or faxed to (208) 334-3762.

Documents related to this case are available on the Commission's website, puc.idaho.gov. Click on "File Room," scroll down to "Electric Cases" and click on PAC-E-17-11. Or go [here](#).