

DECISION MEMORANDUM

**TO: COMMISSIONER KJELLANDER
COMMISSIONER SMITH
COMMISSIONER REDFORD
COMMISSION SECRETARY
COMMISSION STAFF
LEGAL**

FROM: SCOTT WOODBURY

DATE: AUGUST 16, 2007

**SUBJECT: CASE NO. PAC-E-07-07 (PacifiCorp)
PETITION REGARDING PURPA WIND QFS: TO REVISE PUBLISHED
AVOIDED COST RATES; TO ELIMINATE 90%/110% PERFORMANCE
BAND ...**

**CASE NO. AVU-E-07-02 (Avista)
PETITION REGARDING PURPA WIND QFS: TO REVISE PUBLISHED
AVOIDED COST RATES; TO ELIMINATE 90%/110% PERFORMANCE
BAND ...**

**CASE NO. IPC-E-07-03 (Idaho Power)
PETITION TO RAISE PUBLISHED RATE ELIGIBILITY CAP FOR
WIND QFS; PETITION TO ELIMINATE 90/110 PERFORMANCE BAND
REQUIREMENT FOR WIND QFS**

A common issue in each of the above cases is a utility proposed Wind Integration Adjustment with related proposed published rate methodology modifications.

Staff with Commission acquiescence sponsored a joint settlement workshop (two meetings – July 31 and August 10) to explore whether parties could agree to a common generic wind integration adjustment to published rates. The Commission is advised that the participants were unable to reach a compromise generic settlement.

While Staff recognizes that some believe that hearings are required, Staff has informed the parties and now recommends that the companies' respective proposals be processed pursuant to Modified Procedure, i.e., by written submission rather than hearing. Reference Commission Rules of Procedure, IDAPA 31.01.01.201-204. Staff recommends an initial comment deadline of September 21, 2007 and a reply deadline of October 5, 2007.

COMMISSION DECISION

Staff recommends that the wind integration adjustment proposals of Idaho Power, Avista and PacifiCorp (together with related proposed published rate methodology modifications) be processed pursuant to Modified Procedure. Does the Commission agree with the recommended procedure?

Scott Woodbury

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