

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT PETITION)	CASE NO. AVU-E-19-16
OF AVISTA CORPORATION AND STIMSON)	
LUMBER COMPANY FOR APPROVAL OF)	NOTICE OF PETITION
POWER PURCHASE AND SALE)	
AGREEMENT)	NOTICE OF
)	MODIFIED PROCEDURE
)	
)	ORDER NO. 34538
)	

On December 31, 2019, Avista Corporation (“Avista” or “Company”) filed a Joint Petition (“Petition”) seeking approval of a proposed Power Purchase Agreement (“Agreement”) with Stimson Lumber Company (“Stimson” or “Seller”) for the energy generated by a thermal wood waste small power electric generation plant operated by Stimson in Plummer, Idaho (“Facility”). The Facility is a qualifying facility (“QF”) under the Public Utility Regulatory Policies Act of 1978 (“PURPA”).

The Commission now issues this Notice of Petition, Notice of Modified Procedure and Order setting comment and reply deadlines.

NOTICE OF PETITION

YOU ARE HEREBY NOTIFIED that under the proposed Agreement, Stimson would sell the electric energy generated by the Facility to the Company at the rates based in the On-Peak or Off-Peak Avoided Cost Rates for Non-Fueled Projects Smaller than Ten Average Megawatts per month-Non-Levelized for a one year term. *Petition* at 3.

YOU ARE FURTHER NOTIFIED that the Facility operated by Stimson “is capable of generating up to approximately 6.5 megawatts of energy.” *Id.* at 2.

YOU ARE FURTHER NOTIFIED that the proposed Agreement replaces a prior power purchase agreement which was approved by the Commission in Order No. 30224 on January 19, 2007. *Id.* at 3, footnote 1. The original term of the previous agreement was five years, expiring on September 30, 2011. *Id.* The previous agreement was amended to extend its term through December 31, 2019. *Id.*

YOU ARE FURTHER NOTIFIED that the Company states that if the proposed Agreement is approved by the Commission prior to February 21, 2020, Avista requests that the

term commence on January 1, 2020, and extend for a term of one year following this requested effective date. *Id.*

YOU ARE FURTHER NOTIFIED that to provide for the continuous operation of the Facility, the Agreement allows Stimson to deliver energy from the Facility to Avista and for Avista to pay Stimson for such energy deliveries, requested by the Company to be effective January 1, 2020.¹ *Id.* at 4. The Company asserts that to allow for the continuous operation of the Facility, the Agreement allows Stimson to deliver energy from the Facility to Avista and for Avista to pay Stimson for such energy deliveries effective January 1, 2020. *Id.*

YOU ARE FURTHER NOTIFIED Avista represents that in the event the Commission does not approve the Agreement by February 21, 2020, or approves it subject to conditions unacceptable to the parties, the Agreement will terminate. In such event, Stimson shall refund certain amounts to Avista pursuant to Section 5.4 of the proposed Agreement. *Id.*

YOU ARE FURTHER NOTIFIED that the Agreement is conditioned upon the approval and determination by the Commission that the prices to be paid for electric power are just and reasonable, in the public interest, and that the costs incurred by Avista for purchases of electric power from Stimson are legitimate expenses. *Agreement* at p. 8, § 5.2.

YOU ARE FURTHER NOTIFIED that the Petition is available for public inspection during regular business hours at the Commission's office. These documents are also available on the Commission's web site at www.puc.idaho.gov. Click on the "File Room" tab at the top of the page, then select "Electric Cases" and 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 and specifically *Idaho Code* §§ 61-501, 61-502 and 61-503.

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 that it will proceed under Modified

¹ Section 5.1 of the proposed Agreement provides the Agreement shall be effective on January 1, 2020, or such other date as ordered by the Commission. *Agreement* at p. 8, § 5.1.

Procedure pursuant to Rules 201 through 204 of the Commission's Rules of Procedure, 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 because this is a renewal contract, the parties to the case are well-versed in the subject matter of the proposed Agreement and previous agreement. The Company requests a Commission decision approving, rejecting or modifying the proposed Agreement by February 21, 2020. Therefore, the Commission finds good cause to allow for shortened written comment periods.

YOU ARE FURTHER NOTIFIED that any person desiring to state a position on this Petition may file a written comment in support or opposition with the Commission by no later than February 7, 2020. The written comment must contain a statement of reasons supporting it. Persons desiring a hearing must specifically request a hearing in their written comments. Written comments concerning this Petition shall be mailed to the Commission and the Company at the addresses reflected below:

**For the Idaho Public Utilities
Commission:**

Commission Secretary
Idaho Public Utilities Commission
P.O. Box 83720
Boise, ID 83720-0074

Street Address for Express Mail:

11331 W. Chinden Blvd.,
Building 8, Suite 201-A
Boise, ID 83714

For Avista Corporation:

Kevin Holland
Wholesale Marketing Manager
Avista Corporation
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Michael G. Andrea
Senior Counsel
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For Stimson Lumber Company:

Lisa Zentner
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Portland, Oregon 97204
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Daniel McFall
COO/CFO
Stimson Lumber Company
520 S.W. Yamhill, Suite 700
Portland, Oregon 97204

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. Click the "Consumers" tab then click the "Case Comment or Question Form" 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 February 14, 2020.


YOU ARE FURTHER NOTIFIED that if no written comments or protests are received within the time limit set, the Commission will consider this matter on its merits and enter its Order without a formal hearing. If written comments are received within the time limit set, the Commission will consider them and, in its discretion, may set the same for a formal hearing.

ORDER

IT IS HEREBY ORDERED that the Petition of the Company be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so by February 7, 2020. The Company may file reply comments by no later than February 14, 2020.

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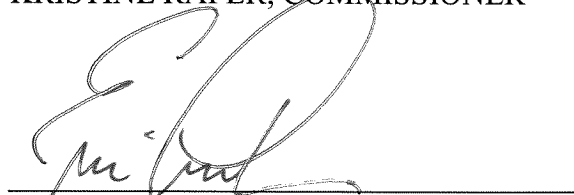
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this day of *31st*
January 2020.



PAUL KJELLANDER, PRESIDENT




KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Diane M. Hanian
Commission Secretary

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