

IN THE MATTER OF COMMISSION STAFF’S APPLICATION TO UPDATE INPUTS TO THE SURROGATE AVOIDED RESOURCE (“SAR”) MODEL AND SAR-BASED AVOIDED COST RATES) **CASE NO. AVU-E-25-05**
)
)
)
) **ORDER NO. 36615**
)
)
)

established methodology that is accomplished administratively as a matter of course.” Order No. 34350 at 1 citing Order Nos. 33305, 33538, and 33773.

In 2020, the Commission approved a more formal process to update inputs to the SAR Model. Order No. 34628. The Commission stated, “[s]ubsequent annual SAR updates will be initiated with an Application to the Commission. Despite the change in procedure to allow for better tracking and transparency, this update is still intended to be a simple arithmetic calculation to an established methodology.” *Id.* at 1.

THE APPLICATION

Staff represented that it updated the SAR Model and its avoided cost rates based on the proposed natural gas price forecast and the updated capacity deficiency information. Application at 2. Specifically, Staff stated that the updates to the natural gas price forecast used the same method approved in Case No. GNR-E-24-01, which calculates the average of AECO Hub prices, Stanfield Hub prices, Sumas Hub prices, and Opal Hub prices from the 2025 natural gas price forecast published by Northwest Power and Conservation Council. *Id.* at 3.

COMMISSION FINDINGS AND DISCUSSION

The Commission has jurisdiction over this matter under *Idaho Code* §§ 61-501, 61-502, and 61-503. The Commission has the power to “supervise and regulate every public utility in the state and to do all things necessary to carry out the spirit and intent of the [Public Utilities Law].” *Idaho Code* § 61-501. The Commission also has authority under the Public Utility Regulatory Policies Act and the implementing of regulations of the Federal Energy Regulatory Commission (“FERC”) to set avoided costs, to order electric utilities to enter fixed-term obligations for the purchase of energy from qualifying facilities, and to implement FERC rules.

Having reviewed the record, we find that Staff correctly calculated the annual updates using the Commission-approved method, and we find that the updated published avoided cost rates are fair, just, and reasonable.

ORDER

IT IS HEREBY ORDERED that the updated SAR Model and SAR-Based avoided cost rates contained in the Application for the Company are approved, effective June 1, 2025.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date upon this Order regarding any matter decided in this Order. Within seven (7) days after any person has petitioned for

reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

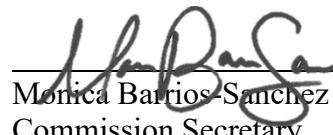
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 27th day of May 2025.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary

I:\Legal\ELECTRIC\AVU-E-25-05_SAR\orders\AVUE2505_final_em.docx