



RECEIVED

2021 MAY 13 AM 9:46

IDAHO PUBLIC
UTILITIES COMMISSION

DONOVAN E. WALKER
Lead Counsel
dwalker@idahopower.com

May 13, 2021

VIA ELECTRONIC MAIL

Jan Noriyuki, Secretary
Idaho Public Utilities Commission
11331 West Chinden Blvd., Building 8
Suite 201-A
Boise, Idaho 83714

Re: Case No. GNR-E-21-01
Commission Staff's Application to Update Inputs to the "Surrogate Avoided
Resource" Method Avoided Cost Rates

Dear Ms. Noriyuki:

Attached for electronic filing are Comments of Idaho Power Company in the above entitled matter. If you have any questions about the attached documents, please do not hesitate to contact me.

Very truly yours,

Donovan E. Walker

DEW:cld
Enclosures

DONOVAN E. WALKER (ISB No. 5921)
Idaho Power Company
1221 West Idaho Street (83702)
P.O. Box 70
Boise, Idaho 83707
Telephone: (208) 388-5317
Facsimile: (208) 388-6936
dwalker@idahopower.com

Attorney for Idaho Power Company

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF COMMISSION)	
STAFF'S APPLICATION TO UPDATE)	CASE NO. GNR-E-21-01
INPUTS TO THE "SURROGATE AVOIDED)	
RESOURCE" METHOD AVOIDED COST)	COMMENTS OF IDAHO POWER
RATES)	COMPANY
)	
)	
)	
)	
)	
)	

Idaho Power Company ("Idaho Power" or "Company"), in accordance with RP 201, *et seq.*, and the applicable provisions of the Public Utility Regulatory Policies Act of 1978 ("PURPA"), as well as the Idaho Public Utilities Commission's ("IPUC" or "Commission") Notice of Modified Procedure in this matter, Order No. 35020, hereby respectfully submits the following Comments.

On April 16, 2020, the Commission issued Order No. 34628 wherein it approved Staff's recommendation to formalize the annual update to the Surrogate Avoided Resource ("SAR") avoided cost methodology going forward, and clarified that, "...this update is still intended to be a simple arithmetic calculation to an established

methodology”.

In accordance with Commission Order No. 34628, on April 16, 2021, Commission Staff applied to the Commission to update natural gas price forecasts in the SAR avoided cost methodology with a proposed effective date of June 1, 2021. The Commission utilizes the SAR methodology as the source of published avoided cost prices available to PURPA qualifying facilities (“QF”) under the Commission’s jurisdiction and subject to the State of Idaho’s implementation of PURPA. In addition to the inclusion of the updated natural gas price forecast, Staff’s application proposed making changes to the SAR model that contain a log to document Commission ordered changes to the SAR methodology and to deactivate the wind integration charges in the SAR model applicable to QFs seeking to enter PURPA energy sales agreements with Idaho Power.

The Company has reviewed the information in the application and the SAR model provided by Staff in the case file including Staff’s updates to the methodology in accordance with Commission Order No. 32697 and 32802, specifically the update to include the Energy Information Administration’s (“EIA”) natural gas forecast published on February 3, 2021. Idaho Power believes the natural gas forecast utilized by Staff has been correctly updated in the model and agrees that the calculations for the Company are consistent with the SAR methodology approved by the Commission.

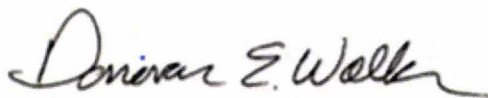
Idaho Power appreciates Staff’s addition to the SAR model of a log that documents Commission orders that update the SAR methodology. Idaho Power believes the log will make it easier to track and reference past modifications to the methodology and agrees it should be included in the model.

Idaho Power also agrees with Staff to deactivate wind integration charges in the

SAR model. As Staff explains, integration charges applicable to wind QFs seeking PURPA energy sales agreements with the Company are identified in Idaho Power's tariff Schedule 87 and are to be included in energy sales agreements separately from the avoided cost price.

Idaho Power recommends the Commission approve the updated published avoided cost rates as attached to Staff's application and approve the modifications to the SAR model as proposed in this case.

Respectfully submitted this 13th day of May, 2021.



DONOVAN E. WALKER
Attorney for Idaho Power Company

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 13th day of May, 2021, I served a true and correct copy of the within and foregoing COMMENTS OF IDAHO POWER COMPANY upon the following named parties by the method indicated below, and addressed to the following:

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

Hand Delivered
 U.S. Mail
 Overnight Mail
 FAX
 Email - dayn.hardie@puc.idaho.gov



Christy Davenport, Legal Assistant