

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF COMMISSION) **CASE NO. GNR-E-21-01**
STAFF’S APPLICATION TO UPDATE)
INPUTS TO THE “SURROGATE AVOIDED) **NOTICE OF APPLICATION**
RESOURCE” METHOD AVOIDED COST)
RATES) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **ORDER NO. 35020**

On April 16, 2021, Commission Staff applied to update the natural gas forecast used as an input to calculate published avoided cost rates for eligible qualifying facilities (“QFs”) and to make administrative changes to the model used to calculate published avoided cost rates. Under the Public Utility Regulatory Policies Act of 1978, the Commission calculates published avoided cost rates for eligible QFs using the surrogate avoided resource method (“SAR Method”) for all three major public electric utilities in Idaho; Avista, Idaho Power, and Rocky Mountain Power (collectively, “the Utilities”).

The Commission now sets deadlines for interested persons to comment on the Application, and for Commission Staff to reply.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that the SAR Method calculates avoided cost rates by determining the costs to build, operate, and maintain a hypothetical natural gas fired combined cycle combustion turbine. Each year, the Commission updates the natural gas forecast used in the model and the updated rates are available to eligible QFs beginning June 1. *See* Order Nos. 32697, 32802.

YOU ARE FURTHER NOTIFIED that Commission Staff’s Application proposes to update the natural gas forecast in the SAR Method model using the “reference case” natural gas price forecast for the Mountain Region’s Electric Power sector included in the U.S. Energy Information Administration’s Annual Energy Outlook 2021 released on February 3, 2021. The Commission has previously ordered use of this natural gas forecast in the SAR Method model. *E.g.*, Order No. 33773, Case No. IPC-E-17-07.

YOU ARE FURTHER NOTIFIED that besides the annual natural gas forecast update, Commission Staff proposes to make administrative changes to the SAR Method model, including the creation of a log to document Commission ordered changes to the SAR Method model.

YOU ARE FURTHER NOTIFIED that Commission Staff's Application also proposes to change how wind integration charges for Idaho Power are represented in the SAR Method model.

YOU ARE FURTHER NOTIFIED that Commission Staff's Application proposes to update Avista's wind integration charges in the SAR Method model to reflect Avista's current wind penetration, as approved in Order No. 30500.

YOU ARE FURTHER NOTIFIED that the Application 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 "ELECTRIC" icon, select "Open 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 to 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 will proceed under Modified Procedure pursuant to Rules 201 through 204 of the Idaho Public Utilities 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 persons desiring to state a position on this Application may file a written comment explaining why the person supports or opposes the Application. Persons who would like a hearing must specifically request a hearing in their written comments. **Persons shall have until May 13, 2021 to file written comments.** Comments must be filed through the Commission website or by e-mail unless computer access is unavailable. To comment electronically, please access the Commission's home page at www.puc.idaho.gov. Click the "Case Comment Form" and complete the form using the case number as it appears on the front

of this document. To file by e-mail, the customer must e-mail the comment to the Commission Secretary and the Utilities at the e-mail addresses listed below. If computer access is unavailable, then comments may be mailed to the Commission and the Utilities at these addresses:

**For the Idaho Public Utilities
Commission:**

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

secretary@puc.idaho.gov

Street Address for Express Mail:

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

For Idaho Power:

Donovan E. Walker
Michael Darrington
Idaho Power Company
1121 W. Idaho Street 83702
P.O. Box 70
Boise, ID 83707-0070

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For Avista:

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Michael Andrea
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micheal.andrea@avistacorp.com

For Rocky Mountain Power:

Ted Weston
Emily Wegener
Rocky Mountain Power
1407 West North Temple, Ste. 330
Salt Lake City, UT 84116

ted.weston@pacificorp.com
emily.wegener@pacificorp.com

YOU ARE FURTHER NOTIFIED that Commission Staff must file any reply comments **by May 20, 2021**.

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 formal hearing.

ORDER

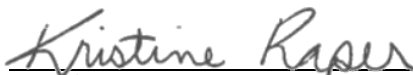
IT IS HEREBY ORDERED that Commission Staff's Application be processed by Modified Procedure, Rule 201-204 (IDAPA 31.01.01.201-.204). Persons interested in submitting written comments must do so by May 13, 2021. Commission Staff must file any reply comments by May 20, 2021.

IT IS FURTHER ORDERED that parties should continue to comply with Order No. 34781, issued September 17, 2020. All pleadings should be filed with the Commission electronically and shall be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should also be accomplished electronically. Voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 26th day of April 2021.



PAUL KJELLANDER, PRESIDENT

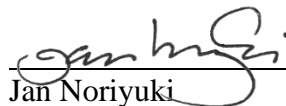


KRISTINE RAPER, COMMISSIONER



ERIC ANDERSON, COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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