

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF COMMISSION) **CASE NO. GNR-E-22-01**
STAFF’S APPLICATION TO UPDATE)
INPUTS TO THE “SURROGATE AVOIDED) **NOTICE OF APPLICATION**
RESOURCE” METHOD AVOIDED COST)
RATES) **NOTICE OF**
) **MODIFIED PROCEDURE**
)
) **ORDER NO. 35398**

On April 21, 2022, Commission Staff applied to update the natural gas forecast used as an input to calculate published avoided cost rates for eligible qualifying facilities (“QFs”). 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.

BACKGROUND

The SAR Method calculates avoided cost rates for QFs that are under the applicable resource type project eligibility cap, using a Combined Cycle Combustion Turbine plant as a surrogate. 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 and 32802.

NOTICE OF APPLICATION

YOU ARE HEREBY NOTIFIED that Staff updated 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 Energy Information Administration (“EIA”) Annual Energy Outlook 2022 released on March 3, 2022.

YOU ARE FURTHER NOTIFIED that a copy of the relevant natural gas price forecast is included on the AEO2022-EnergyPricesMountain tab in the SAR Method model which is attached to the Application.

YOU ARE FURTHER NOTIFIED that Staff has also improved how avoided costs of capacity data is presented for Idaho Power's Energy Storage QFs, with rates presented for online years 2022 through 2027.

YOU ARE FURTHER NOTIFIED that Staff compared the 2022 natural gas forecast and the 2021 natural gas forecast published by the EIA. *See* Table No. 1, below. Although the two forecast trends are similar overall, new avoided cost of energy based on the 2022 natural gas forecast will be higher than current avoided cost of energy until around 2049, because the new forecast is slightly higher until 2049.

YOU ARE FURTHER NOTIFIED that the Application and Attachments are available for public inspection during regular business hours at the Commission's office. These documents are also available on the Commission's website 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.

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 23, 2022 to file written comments.** Comments must be filed through the Commission's website or by e-mail unless computer access is unavailable. To comment electronically, please access the Commission's website 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:

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Building 8, Suite 201-A
Boise, ID 83714

For Idaho Power:

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Idaho Power Company
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For Rocky Mountain Power:

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Emily Wegener
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emily.wegener@pacificorp.com

YOU ARE FURTHER NOTIFIED that Commission Staff must file any reply comments **by May 26, 2022**.

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 23, 2022. Commission Staff must file any reply comments by May 26, 2022.

IT IS FURTHER ORDERED that parties comply with Order No. 35375, issued April 21, 2022. Generally, all pleadings should be filed with the Commission electronically and will be deemed timely filed when received by the Commission Secretary. *See* Rule 14.02. Service between parties should continue to be accomplished electronically when possible. However, voluminous discovery-related documents may be filed and served on CD-ROM or a USB flash drive.

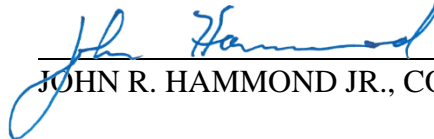
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 5th day of May 2022.



ERIC ANDERSON, PRESIDENT

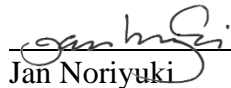


JOHN CHATBURN, COMMISSIONER



JOHN R. HAMMOND JR., COMMISSIONER

ATTEST:



Jan Noriyuki
Commission Secretary

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